

# Dr. Babasaheb Ambedkar Open University (Established by Government of Gujarat)



# **SOCIAL SCIENCE: UNDERSTANDING INDIA**

MASTER OF ARTS - JOURNALISM AND MASS COMMUNICATION

#### Message for the Students

Dr. Babasaheb Ambedkar Open University is the only state Open University, established by the Government of Gujarat by the Act No. 14 of 1994 passed by the Gujarat State Legislature; in the memory of the creator of Indian Constitution and Bharat Ratna Dr. Babasaheb Ambedkar. We stand at the seventh position in terms of establishment of the Open Universities in the country. The University provides as many as 81 courses including various Certificate, Diploma, UG, PG as well as Doctoral to strengthen Higher Education across the state.



On the occasion of the birth anniversary of Babasaheb Ambedkar, the Gujarat government secured a quiet place with the latest convenience for University, and created a building with all the modern amenities named 'Jyotirmay' Parisar. The Board of Management of the University has greatly contributed to the making of the University and will continue to this by all the means.

Education is the perceived capital investment. Education can contribute more to improving the quality of the people. Here I remember the educational philosophy laid down by Shri Swami Vivekananda:

"We want the education by which the character is formed, strength of mind is Increased, the intellect is expands and by which one can stand on one's own feet."

In order to provide students with qualitative, skill and life oriented education at their threshold. Dr. Babasaheb Ambedkar Open University is dedicated to this very manifestation of education. The university is incessantly working to provide higher education to the wider mass across the state of Gujarat and prepare them to face day to day challenges and lead their lives with all the capacity for the upliftment of the society in general and the nation in particular.

The university following the core motto 'स्वाध्याय: परमम् तपः' does believe in offering enriched curriculum to the student. The university has come up with lucid material for the better understanding of the students in their concerned subject. With this, the university has widened scope for those students who are not able to continue with their education in regular/conventional mode. In every subject a dedicated term for Self Learning Material comprising of Programme advisory committee members, content writers and content and language reviewers has been formed to cater the needs of the students. Matching with the pace of the digital world, the university has its own digital platform Omkar-e to provide education through ICT.

The University is offering MA in Journalism and Mass Communication course under the School of Humanities of Social Sciences, it aims to emerge its learners as excellent communicators in the global arena by developing skills in thinking, reading, writing, and editing, audio-video production and more.

With all these efforts, Dr. Babasaheb Ambedkar Open University is in the process of being core centre of Knowledge and Education and we invite you to join hands to this pious *Yajna* and bring the dreams of Dr. Babasaheb Ambedkar of Harmonious Society come true.

V

Prof. Ami Upadhyay Vice Chancellor, Dr. Babasaheb Ambedkar Open University, Ahmedabad

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# Dr. Babasaheb Ambedkar Open University (Established by Government of Gujarat)

# MJMC-04 Social Science: Understanding India

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UNIT: 1

#### DEVELOPING A SOCIAL SENSE FOR A JOURNALIST

#### :: STRUCTURE::

- 1.0 Introduction
- 1.1 Learning Objectives
- 1.2 Section 1: What is a Society in a Contemporary Global Sense?
- 1.3 Section 2: What is India The Idea of India and its Origins?
- 1.4 Section 3: Indian Society, Social Systems
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#### 1.0 INTRODUCTION

As the twentieth century draws to a close, we are becoming aware of historic transformations of human society. The changes seem truly millennial in their implications. For the first time since human beings inhabited this earth, it is possible to describe comprehensive networks of

social relationships which include all human beings. We don't have just some global connections - these have been developing for centuries - but the clear outlines of a global society. We have a global economic system, with production and markets coordinated on a world-wide scale; elements of a global culture and world-wide networks of communication; globally vibrant political ideas and the possibility of coordinated political action. With the end of the Cold War, moreover, the international institutions which were seemingly still-bornin 1945 are beginning to develop - albeit inadequately - as instruments of global order.

#### 1.2 LEARNING OBJECTIVES

- Understand how global society works and what leads to a ripple effect on society.
- Introduce students to the concept of social structure.
- Basic introduction of class and caste.
- Identify issues related to social structure.

#### On completion of this Unit, you will be able to:

- Understand the basics of global society in context to journalism. Learn why social structure is important.
- Identify common social issues in India and how to find solutions to them.

#### > SECTION 1

## 1.3 WHAT IS A SOCIETY IN A ONTEMPORARY GLOBAL SENSE?

The emergence of global society is beset by contradictions. One of the principal ways in which we can identify a global society is by the development of global crises. It is our com- mon experience of fundamental disturbances, and the need to shape common responses, which is helping to bring a global society into being. These crises are experienced at every level of social relations. They are socio-economicas in the re-emergence of cyclical crises of the capitalist economy, which produce recessions now increasingly experienced in every corner of the globe. They are environmental - as in the production by global industry of harmful climatic effects which are felt everywhere, and even seen as planetary phenomena. A case in point is the El Nino effect. They are especially political - manifested in a unique turbulence of inter-state relations and instability of state structures, leading to new forms ofwar at civil as well as inter-state levels.

Global crises matter not merely because of their widespread harmful effects to human beings - poverty and unemployment, pollution and drought, dispossession and genocide. They are important too because it is through such crises that we can increasingly identify the formation of a global society and the development of its institutions. Through an understanding of crises we can begin to grasp the forms which global society is taking and the processes which is transforming it in the present historical period.

Many global crises, and most obviously political crises, are often understood as international crises, i.e. as crises of the inter-state system. Certainly, global crises of all kinds manifest themselves as international crises, but it is the argument of this unit that such an understanding is limited, and in a certain sense superficial. Socio-economic, environmental and even political crises arise from a complex network of causes in worldwide social relations. They are commonly expressed within inter-state relationships because these are foremost among the institutional forms of world society. To consider them primarily as international phenom-ena is however to miss their complex causality and ramifications.

However, the aim is to develop a sociological perspective on globalisation and to suggest how inter-state relations might be conceptualised within this. In this unit, we shall discuss some of the main approaches that are available within sociology, suggesting both their strengths and weaknesses for an understanding of global processes, especially at the inter-state level.



# 1.3 WHAT IS INDIA - THE IDEA OF INDIAAND ITS ORIGINS?

Broadly speaking, there have been two descriptions of Indian history. One sees India as the victim of recurring invasions, its history and a series of rude interruptions that violate the purity of a 'sacred land'. The other views India as an arena of civilizational encounters between unequal protagonists, and celebrates the hybrid character of India's peoples and histories. Instead of hankering for purity, it sees the moments of mixture as the most creative and imaginative ones. It insists that what was distinctive about India's past was its ability totransform invasion into accommodation, rupture into continuity, and division into diversity.

The founding idea of India was never simply a commitment to abstract ideas of plurality and democracy; rather it was rooted in a practical understanding of the compulsions and con- straints of Indian politics. Indians are a self-interested lot, whose self-interest allows them to make compromises and accommodations, and democracy is well-suited

for the same. Largerepublics with diverse and conflicting interests can be a better home for liberty, a safer haven for tyranny, than homogenous and exclusive ones. Within them, factions and differences can check one another, moderating ideological fervour and softening power.



#### > SECTION 3

#### 1.4 INDIAN SOCIETY, SOCIAL SYSTEMS

Social inequality exists throughout the world, but perhaps nowhere has inequality been as elab-orately constructed as in the Indian institution of caste. Caste has existed for many centuries, but in the modern period it has been severely criticized and is undergoing significant changes.

Castes are ranked, named, endogamous (in-marrying) groups, membership in which is achieved by birth. There are thousands of castes and sub-castes in India, involving hundreds of millions of people. These large kinship-based groups are fundamental to South Asian social structure. Caste membership provides a sense of belonging to a recognized group from whom support canbe expected in a variety of situations.

The word caste derives from the Portuguese casta, meaning species, race, or kind. Among Indi-an terms sometimes translated as caste are varna, jati, jat, biradri, and samaj. Varna, or colour, actually refers to four large categories that include numerous castes. The other terms refer to castes and subdivisions of castes often called sub-castes.

Many castes are associated with traditional occupations, such as priests, potters, barbers, car- penters, leather workers, butchers, and launderers. Members of high-ranking castes tend to be more prosperous than members of lower-ranking castes, who often endure poverty and social disadvantages. The so-called "Untouchables" were traditionally relegated to polluting tasks. Since 1935, "untouchables" have become to

be known as "Scheduled Castes," and Mahatma Gandhi called them Harijans, or "Children of God." Today, the politically correct term for these groups, who make up some 16% of the population, is Dalit, or "Oppressed." Other groups, usually called tribes (often referred to as "Scheduled Tribes") are also integrated into the caste system to varying degrees.

In past decades, Dalits in certain areas had to display extreme deference to high-status people and were barred from most temples and wells. Such degrading discrimination was outlawed under legislation passed during British rule and was repudiated by pre-independence reform movements led by Mahatma Gandhi and Bhimrao Ramji (B.R.) Ambedkar, a Dalit leader. Af-ter independence in 1947, Dr. Ambedkar almost single-handedly wrote India's constitution, including provisions barring caste-based discrimination. However, Dalits as a group still suffer significant disadvantages, especially in rural areas.

Within castes, explicit standards are maintained. Rules of marriage, diet, dress, occupation, andother behaviours are enforced, often by a caste council (panchayat). Infringements can be pun-ished by fines and temporary or permanent out casting. Individuals and caste groups can hope to rise slowly on the hierarchy through economic success and adoption of high-caste behaviours. However, it is virtually impossible for an individual to raise his own status by falsely claiming to belong to a higher caste; a deception of this kind is easily discovered.

In recent years, key changes have occurred in caste observances. It is now legally and socially unacceptable to openly advocate any caste's superiority or inferiority, and lower caste groups are flexing their political muscle. Even as traditional hierarchies weaken, caste identities are being reinforced, especially among disadvantaged groups with rights to special educational benefits and substantial quotas reserved for them of electoral offices and government jobs. In protest against Hinduism's rigid rankings, thousands of Dalits have embraced Buddhism, fol-lowing the example of their revered leader B.R. Ambedkar.

#### > SECTION 4

#### 1.5 THE FAMILY SYSTEM

**Family Ideals:** The essential themes of Indi- an cultural life are learned within the bosom of a family. The joint family is highly valued, ideally consisting of several generations resid- ing, working, eating, and worshiping together. Such families include men related through the male lineage, along with their wives, children, and unmarried daughters. A wife usually liveswith her husband's relatives, although she re-tains important

bonds with her natal family. Even in rapidly modernizing India, the traditional joint household remains for most Indi- ans the primary social force, in both ideal and practice.



Large families tend to be flexible and well-suited to modern Indian life, especially for the more than two-thirds of Indians who are involved in agriculture. As in most primar-ily agricultural societies, cooperating kin help provide mutual economic security. The joint family is also common in cities, where kinship ties are often crucial to obtaining employment or financial assistance. Many prominent fam-ilies, such as the Tatas, Birlas, and Sarabhais, retain joint family arrangements as they coop- erate in controlling major financial empires.

The ancient ideal of the joint family retains its power, but today actual living arrangements vary widely. Many Indians live in nuclear families—a couple with their unmarried chil-dren—but belong to strong networks of ben eficial kinship ties. Often, clusters of relatives live as neighbours, responding readily to their kinship obligations.

As they expand, joint families typically divide into smaller units, which gradually grow into new joint families, continuing a perpetual cy-cle. Today, some family members may move out to take advantage of job opportunities, typically sending money home to the larger family.

**Family Authority and Harmony:** In the Indi- an household, lines of hierarchy and authority are clearly drawn, and ideals of conduct help maintain family harmony. All family mem- bers are socialized to accept the authority of those above them in the hierarchy. The eldest male acts as family head, and his wife super- vises her daughters-in-law, among whom the youngest has the least authority. Reciprocal- ly, those in authority accept responsibility for meeting the needs of other family members.

Family loyalty is a deeply held ideal, and family unity is emphasized, especially in dis-tinction to those outside the kinship circle. In-side the household, ties between spouses and between parents and their own children are de-emphasized to enhance a wider sense of family harmony. For example, open displays of affection between husbands and wives are considered highly improper.

Women: The history of women in India is the story of progressive decline. During the Vedic period even under patriarchy women participated in all affairs of the Tribe barring wars. They were composers of hymns; they could marry the men of their choice at a mature age. In the post-Vedic phase with the break-up of tribal institutions their position deteriorated. The ear-ly law books reduced women to the status of a 'Shudra'. Except for some personal property ('stridhana') they were not entitled to any property. Even Vedic knowledge was closed to women. During that period in time heterodox sects gave them some place of respect. The Tantric sects of the early medieval period gave woman an important place in their cult and instituted orders of female ascetics. In general, throughout the early historical and early medieval peri- ods women were not encouraged to take up any intellectual activity. Their true function was marriage and taking care of their families. Women belonging to upper castes received some education and a few of them are mentioned as poets and dramatists. The chief female characters in Sanskrit dramas are often described as reading, writing and composing songs.

In the medieval period and till very recent times music and dancing were looked on as unfit forhigh caste women and were practised only by low-caste women and prostitutes. But this was not the case in early periods. Barring the Rig-Vedic period women seem to occupy very low sta- tus in society. Marriage at an early age became sanctified. 'Sati System' became quite common. However, Ibn Battuta, a foreign traveller, mentions that in the medieval period, permission from the Sultan had to be taken for the performance of 'sati'. Widow Remarriage was not permissible but right to property of the widows in certain cases was recognised.



#### 1.6 CASTES AND DIVISIONS OF CLASSES

Most Indians reside in villages, where caste and class affiliations overlap. Large landholders are overwhelmingly upper caste, and small-scale farmer's middle caste, while landless labour-ers typically belong to the lowest-ranking castes. These groups tend to form a three-level class system of stratification in rural areas, and members of the groups are drawing together within regions across caste lines in order to enhance

their economic and political power. For example, since the late 1960s, some middle-ranking cultivating castes of northern India, spurred by competition with higher-caste landed elites, have cooperated politically in order to advance their common economic interests. In cities, class lines adhere less obviously to caste affiliations, as vested interests strongly cross-cut caste boundaries.

When looking at India as a whole, defining classes is a difficult task, rife with vague standards. According to various estimates, the upper classes include about one percent of the population, or some ten million people, encompassing wealthy property owners, industrialists, former roy- alty, top executives, and prosperous entrepreneurs. Slightly below them are the many millions of the upper middle class. At the other end of the scale is approximately half of India's popula-tion, including low-level workers of many kinds, as well as hundreds of millions of extremely poor people, who endure grossly inadequate housing and education and many other economic hardships. But the big development in India is the rapid expansion of a prosperous middle class increasingly dictating the country's political and economic direction. Estimated at perhaps 300 million people—more than the entire population of the United States this new vanguard, straddling town and countryside and all religious communities, is mobile, driven, consum- er-oriented, and, to some extent, forward-looking. This group includes prosperous farmers, white-collar workers, business and professional people, military personnel, and a multitude of others, all enjoying decent homes, reasonable incomes, and educated and healthy children. Most own televisions and telephones, and many possess cars and computers. Large numbers have close ties with prosperous relatives living abroad.



#### 1.7 SOCIAL ISSUES THAT PLAGUE INDIAN SOCIETY

Caste system: Caste system is a system of defining class or assigning status to individuals from the time of birth. The main reason behind the growth of caste system in India is the assign-ment of caste based on job specialization. Caste system encourages untouchability, Promotes Inequality, fake differentiation in superiority and inferiority. Caste system is a major cause formany inhuman and immoral social practices such as untouchability, child marriage, sati system (sati pratha), prostitution, etc. Poverty: Poverty refers to a situation when people's basic needs are not fulfilled. When people doesn't have the necessary food to eat or clothes to wear or shel-ter to stay then it's called poverty. Those belonging to this strata of society have been bracketed as Below Poverty Line (BPL) families.

**Child labour:** Child labour is a system of involving children in any

economic activity. Chil- dren at the age of playing, engage themselves into economic activity for their family. Child labour can be seen throughout the country in various ways. Child labour means getting children who are minors in age to do work. Even if children are paid for the labour that they perform, child labour is banned by law, even though implementation leaves much to be desired.

**Illiteracy:** Illiteracy refers to the inability to read and or write. The problem of illiteracy is a major social issue in India. It is one of the most dangerous obstacles in the country's economy's growth. Even though education is a state subject, the Central government in 2009, enacted the Right To Education Law, so that every child is given free education.

**Religious conflicts:** Religious conflicts are among the most harmful social issues of today. Sometimes violence, war, conflict, etc. arise because of religious fanaticism. People belonging to different religions have differences in their belief systems. This difference often leads to conflict. Illiterate people can be easily misguided by people who want to spread violence in thename of religion.

**Dowry system:** Dowry is one of the most evil practices that are prevalent in the Indian society. Dowry system is actually the transfer of money, property and other valuable assets of bride's family to the groom's family on the eve of marriage. The tradition of asking for dowry at the time of marriage has still not gone down despite the enactment of the Dowry Prohibition Act of 1961. The greed for making quick money by the family of groom is still a prevalent practice. People also ask for dowry for raising the economic status of sons who enter wedlock.

Violence against Women: Women in India live under a constant fear all the time. A fear of going out alone disturbs every female mind living in India. The rising cases of sexual abuse and rape across the country have left a black mark on the reputation of India. Foreign tourists have been known to have been given special warnings while travelling to India, in fact some countries even labelled our nation as an unsafe country for women, after the deadly Delhi Rape case. Before the government does anything about the security, the people themselves need to take a stand for crime against women. The Protection of Women from Domestic Violence Act was put in place in 2005, to deter men from perpetrating violence on women. The youth need to be sensitized about the safety of women, and the respect they deserve.

**Hygiene and Sanitation:** It is estimated that 88% of the households in India have a mobile phone but 732 million people in India do not have access to toilets and clean sanitation. Sanita-tion is a basic right of every citizen of the country. Unfortunately, this is one issue the countryhas not been able to successfully handle it in the last 70 years. However, the Swachh Bharat Abhiyan launched by the government for making India Open Defecation Free has given good results. Even in the cities, there is a

dearth of proper drainage and disposal of waste. People still do not segregate dry and wet waste, which causes huge issues in decomposing and recycling. Continued usage of plastic also leads to serious environmental and health hazards in the near future.

**Female feticide:** Another social issue, rather a social evil, prevalent in our country is femalefoeticide - the practice of killing female foetus in the womb itself. Preferences for son over daughter, illiteracy, patriarchal social structure where men are superior to women, are some ofthe reasons for female foeticide. The result is that in India, the number of girls per 100 boys is going down with every passing decade. Leaving aside few states in South India and North EastIndia and the two Union Territories of Lakshadweep and Pondicherry, in almost all the states of India, the sex ratio is going down.



#### 1.8 STRENGTHS OF INDIAN SOCIAL SYSTEM

In India, the family is the most important institution that has survived through the ages. India, like most other less industrialised, traditional, eastern societies is a collectivist society that em-phasizes family integrity, family loyalty, and family unity. C. Hui and H. Triandis defined col-lectivism, which is the opposite of individualism as, "a sense of harmony, interdependence and concern for others". More specifically, collectivism is reflected in greater readiness to cooperate with family members and extended kin on decisions affecting most aspects of life, including career choice, mate selection, marriage and its continuity.

The Indian family has been a dominant institution in the life of the individual and in the life of the community. For the Hindu family, extended family and kinship ties are of utmost importance. In India, families adhere to a patriarchal ideology, follow the patrilineal rule of descent, are patrilocal, have familialistic value orientations, and endorse traditional gender role preferences. The Indian family is considered strong, stable, close, resilient, and enduring.

The reason why Indians are proving to emerge as a prosperous lot globally, many researches claim, is because of the significance they attach to the joint family system. All working cohe- sively to solve a problem faced by any one or more members of the joint family, is what workslike magic in keeping one tension-free, happy and contended even in today's highly competitive environment. An Indian may be a top corporate honcho or a great sportsperson or a movie actor but all these accomplishments relegate to the backseat when at home. With the advent of urban-isation and modernisation, younger generations are turning away from the joint family form.

This new family form encourages frequent visits; financial assistance; aid and support in child- care and household chores; and involvement and participation in life-cycle events such as births, marriages, deaths, and festival celebrations. The familial and kinship bonds are thus maintained and sustained. Even in the more modern and nuclear families in contemporary India, many functional extensions of the traditional joint family have been retained, and the nuclear family is strongly embedded in the extended kinship matrix. In spite of the numerous changes and adaptations to a pseudo-Western culture and a move toward the nuclear family among the middle and upper classes, the modified extended family is preferred and continues to prevail in modernIndia..

Child rearing practices in India tend to be permissive, and children are not encouraged to be independent and self-sufficient. The family is expected to provide an environment to maximise the development of a child's personality and, within the context of the Hindu beliefs and phi- losophy, positively influence the child's attitudes and behaviours.



#### 1.9 RIGHT TO EDUCATION

Education is a fundamental human right and essential for the exercise of all other human rights. It promotes individual freedom and empowerment and yields important development benefits. Yet millions of children and adults remain deprived of educational opportunities, many as a result of poverty.

Normative instruments of the United Nations and UNESCO lay down international legal obligations for the right to education. These instruments promote and develop the right of every person to enjoy access to education of good quality, without discrimination or exclusion. These instruments bear witness to the great importance that Member States and the international community attach to normative action for realizing the right to education. It is for governments to fulfil their obligations both legal and political in regard to providing education for all of good quality and to implement and monitor more effectively education strategies.



#### 1.10 PROFESSIONAL WORK FORCE

The India professional workforce report is a half-yearly report on key trends among the professional workforce in the Indian economy, as represented by members on the Linke- dIn platform. It is divided into two sections: a national section that provides insights into national level trends in jobs hired for, skills in-demand and preferred destinations for talentmigration, and city level reports that provide insights into localised trends in the top 10 In- dian cities attracting talent: New Delhi, Bengaluru, Hyderabad, Mumbai, Chennai, Kolkata, Ahmedabad, Chandigarh, Vadodara, Jaipur.

Census classifies workers into two categories i.e. main and marginal workers. The main workers are those who worked for more than six months in a year and the marginal work- ers are those who worked for less than six months. The analysis of Census data shows that during the last two decades (1991-2011).



#### 1.11 AGRICULTURE

India's agriculture is composed of many crops, with the foremost food staples being rice and wheat. Indian farmers also grow pulses, potatoes, sugarcane, oilseeds, and such non-food items as cotton, tea, coffee, rubber, and jute (a glossy fibre used to make burlap and twine). India is a fisheries giant as well. A total catch of about 3 million metric tons annually ranks India among the world's top 10 fishing nations. Despite the overwhelming size of the agri- cultural sector, however, yields per hectare of crops in India are generally low compared to international standards. Improper water management is another problem affecting India's agriculture. At a time of increasing water shortages and environmental crises, for example, the rice crop in India is allocated disproportionately high amounts of water. One result of theinefficient use of water is that water tables in regions of rice cultivation, such as Punjab, areon the rise, while soil fertility is on the decline.

Despite the fact that agriculture accounts for as much as a quarter of the Indian economy and employs an estimated 60 percent of the labour force, it is considered highly inefficient, wasteful, and incapable of solving the hunger and malnutrition problems. Despite progress in this area, these problems have continued to frustrate India for decades. It is

estimated that as much as one-fifth of the total agricultural output is lost due to inefficiencies in harvesting, transport, and storage of governmentsubsidized crops.

V SECTION 11	
) SECTION II	

#### 1.12 GOVERNMENT SCHEMES AND PROGRAMS

- 1. Soil Health Card Scheme: Launched in 2015, the scheme has been introduced to assist State Governments to issue Soil Health Cards to all farmers in the country. The Soil HealthCards provide information to farmers on nutrient status of their soil along with recommendation on appropriate dosage of nutrients to be applied for improving soil health and its fertility.
- 2. Pradhan Mantri Fasal Bima Yojana (PMFBY): PMFBY is an actuarial premium based scheme under which farmer has to pay maximum premium of 2% for Kharif, 1.5% for Rabifood & oilseed crops and 5% for annual commercial/horticultural crops and remaining part of the actuarial/bidded premium is shared equally by the Centre and State Government. Oneof the objectives of the scheme is to facilitate prompt claims settlement. The claims must be settled within two months of harvest subject to timely provision of both yield data and shareof premium subsidy by the State Government.
- 3. Neem Coated Urea (NCU): This scheme is initiated to regulate use of urea, enhance avail-ability of nitrogen to the crop and reduce cost of fertilizer application. NCU slows down the release of fertilizer and makes it available to the crop in an effective manner. The entire quantity of domestically manufactured and imported urea is now neem coated. It reduces the cost of cultivation and improves soil health management.
- 4. Pradhan Mantri Krishi Sinchai Yojana (PMKSY): It was launched on 1st July, 2015 with the motto of 'Har Khet Ko Paani' for providing end-to end solutions in irrigation sup-ply chain, viz. water sources, distribution network and farm level applications.

PMKSY not only focuses on creating sources for assured irrigation, but also creating protective irrigation by harnessing rain water at micro level through 'Jal Sanchay' and 'Jal Sinchan'.

Micro irrigation is to be popularised to ensure 'Per drop-More crop'. PMKSY adopts State level planning and projectised execution that allows States to draw up their own irrigation development based on District Irrigation Plans and State Irrigation Plans.

**5.** Paramparagat Krishi Vikas Yojana (PKVY): It is implemented with a view to promote organic farming in the country. To improve

- soil health and organic matter content and in- crease net income of the farmer so as to realise premium prices. Under this scheme, an area of 5 lakh acre is targeted to be covered though 10,000 clusters of 50 acre each, from the year 2015-16 to 2017-18.
- **6. National Agriculture Market (e-NAM):** It provides e-marketing platform at national level and support creation of infrastructure to enable e-marketing. This innovative market process is revolutionizing agriculture markets by ensuring better price discovery. It brings in trans- parency and competition to enable farmers to get improved remuneration for their produce moving towards 'One Nation One Market'.
- 7. Micro Irrigation Fund (MIF): A dedicated MIF created with NABARD has been ap- proved with an initial corpus of Rs. 5000 crore (Rs. 2000 crore for 2018-19 & Rs. 3000 crore for 2019-20) for encouraging public and private investments in Micro irrigation. The main objective of the fund is to facilitate the States in mobilizing the resources for expand-ing coverage of Micro Irrigation. MIF would not only facilitate States in incentivizing and mobilizing resources for achieving the target envisaged under PMKSY-PDMC but also in bringing additional coverage through special and innovative initiatives by State Govern- ments. An Advisory Committee has been set up to provide policy direction and ensure ef- fective planning, coordination and monitoring of the Micro Irrigation Fund.
- **8.** Agriculture Contingency Plan: Central Research Institute for Dryland Agriculture (CRI-DA), ICAR has prepared district level Agriculture Contingency Plans in collaboration with state agricultural universities using a standard template to tackle aberrant monsoon situations leading to drought and floods, extreme events (heat waves, cold waves, frost, hail-storms, cyclone) adversely affecting crops, livestock and fisheries (including horticulture).
- **9. Rainfed Area Development Programme (RADP):** Rainfed Area Development Programme (RADP) was implemented as a sub-scheme under Rashtriya Krishi Vikas Yojana (RKVY).
- **10.** National Watershed Development Project for Rainfed Areas (NWDPRA): The scheme of National Watershed Development Project for Rainfed Areas (NWDPRA) was launched in 1990-91 based on twin concepts of integrated watershed management and sustainable farming systems.
- **11.** National Mission for Sustainable Agriculture (NMSA): NMSA is one of the eight Missions under National Action Plan on Climate Change (NAPCC). It aims at promoting Sustainable Agriculture

through climate change adaptation measures, enhancing agriculture productivity especially in rainfed areas focusing on integrated farming, soil health manage- ment, and synergizing resource conservation.

NMSA as a programmatic intervention caters to Mission Deliverables that focuses mainly on conservation agriculture to make farm sector more productive, sustainable, remunerative and climate resilient by promoting location specific integrated/composite farming systems.

**12. Livestock insurance Scheme:** It aims to provide protection mechanism to the farmers and cattle rearers against any eventual loss of animals due to death. The scheme also demon- strates the benefit of the insurance of livestock to the people and popularizes it with the ultimate goal of attaining qualitative improvement in livestock and their products.

#### 1.13 CHECK YOUR PROGRESS

#### Fill in the blanks:

- 1. Family values are the foundation of Indian Society.
- 2. Agriculture contributes to the economy of India.
- 3. India has the largest <u>professional</u> workforce.
- 4. Joint families hold more <u>authoritative</u> figures.
- 5. <u>Social issues</u> are dragging India behind as compared to rest of the world.

#### True or False:

- 1. Caste and Religion are dividing the society.
- 2. Every single individual has the right to education.
- 3. Women weren't allowed to hold property. True
- 4. India's workforce doesn't hold value as compared to the world. False

True

5. Family systems weaken the society. False

#### 1.14 KEYWORDS

Social systems	In sociology, the social system is the patterned network of relationships constituting a coherent whole that exists between individuals, groups, and institutions.
Family Ideals	Family values, sometimes referred to as familial values, are traditional or cultural values that pertain to the family's structure, function, roles, beliefs, attitudes, and ideals.
<b>Professional</b>	can be defined as including all workers in the
workforce	"management, profes- sional, and related

#### occupations" group.

#### 1.15 TO SUM IT UP

- Understanding the global concept of society.
- What are strengths and weaknesses of Indian social structure?
- What makes India different from other countries?
- Government Initiatives and programs of rural India.
- Indian Workforce structure.

#### 1.16 REFERENCES

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# UNIT:2 RELIGION

#### :: STRUCTURE::

- 2.0 Introduction
- 2.1 Learning Objectives
- 2.2 Section 1: Religions Which Grew in India and its

Neighborhood and How it Spread to The Rest of Asia

2.3 Section 2: How They are Different from The Religions That

**Came from Outside - Major Characteristics & Differences** 

2.4 Section 3: How Semitic Religions Like Islam, Christianity

and Judaism Travelled to India

2.5 Section 4: How Religions Impact Society as a Social

Phenomenon

2.6 Section 5: The Church, The Temple and The Mosque -

**Major Influences** 

- 2.7 Section 6: Minority and Majority Religious Institutions
- 2.8 Section 7: Religious Laws and Amendments and

**Controversies about Them** 

- 2.9 Section 8: History of Religious Strife in Indian Subcontinent
- 2.10 Section 9: Uniform Civil Code, Article 370 and Other News

**Based Journalistic Issues** 

- 2.11 Check Your Progress
- 2.12 Keywords
- 2.13 To Sum It Up
- 2.14 References

#### 2.0 INTRODUCTION

• Hinduism and Buddhism exerted an enormous influence on the civilizations of Southeast Asia and contributed greatly to the development of a written tradition in that area. About thebeginning of the Common Era, Indian merchants may have settled there, bringing Brahmansand Buddhist monks with them. These religious men were patronized by rulers who convert-ed to Hinduism or Buddhism. The earliest material evidence of Hinduism in Southeast Asia comes from Borneo, where late 4th-century Sanskrit inscriptions testify to the performance of Vedic sacrifices by Brahmans at the behest of local chiefs. Chinese chronicles attest to an Indianized kingdom in Vietnam two centuries earlier. The dominant form of Hinduism exported to Southeast Asia was Shaivism, though some Vaishnavism was also known there. Later, from the 9th century onward, Tantrism, both Hindu and Buddhist, spread throughoutthe region.

#### 2.1 LEARNING OBJECTIVES

- Understand how religion works in India.
- Introduce students to the concept of religious societies and sects.
- Basic introduction of religion, caste, and conflicts.
- Identify how religious conflicts affect social structure.

#### On completion of this Unit, you will be able to:

- Get a fair idea of the spirit of Semitic religions-Judaism, Christianity and Islam
- History of each of the Semitic religions, and the circumstances in which they were born.
- How religious laws have worked and what changes they need to bring
- Knowledge about minority and majority religious institutions.



#### 2.2 RELIGIONS WHICH GREW IN INDIA AND ITS NEIGHBORHOOD AND HOW ITSPREAD TO THE REST OF ASIA

Beginning in the first half of the 1st millennium CE, many of the early kingdoms in South- east Asia adopted and adapted specific Hindu texts, theologies, rituals, architectural styles, and forms of social organization that suited their historical and social conditions. It is not clear whether this presence came about primarily through slow immigration and settlement by key personnel from India or through visits to India by Southeast Asians who took elements of Indian culture back home. Hindu and Buddhist traders, priests, and, occasionally, princes traveled to Southeast Asia from India in the first few centuries of the Common Era and eventually settled there. Enormous temples to Shiva

and Vishnu were built in the ancient Khmer empire, attest- ing to the power and prestige of Hindu traditions in the region. Angkor Wat, built in the 12th century in what is now Cambodia, was originally consecrated to Vishnu, although it was soon converted to (and is still in use as) a Buddhist temple. One of the largest Hindu temples ever built, it contains the largest bas-relief in the world, depicting the churning of the ocean of milk, a minor theme of Indian architecture but one of the dominant narratives in Khmer temples.



**AngkorWat** 

#### > SECTION 2

# 2.3 HOW THEY ARE DIFFERENT FROM THE RELIGIONS THAT CAME FROM OUTSIDE - MAJOR CHARACTERISTICS & DIFFERENCES

- Hinduism is unique compared to other religions for a varied number of reasons. Hinduism is noted as the world's oldest existing religion, dated as far back as the 2nd millennium BCE. Hinduism does not have one founder or core doctrine that can be referenced. The religion is an assembly of religious, philosophical and cultural ideas and practices that originated in the country of India.
- The name Hinduism is new, compared to the age of the religion, British writers created the name in the beginning of the 19th century.
- According to some, an individual is born into Hinduism. However, in today's culture, one does not need to be of Indian descent to practice Hinduism. It is not exclusive to one nation-ality or race.
- Hinduism is the world's third largest religion. It has one billion adherents, which makes up 15 percent of the world's population.

Christianity is the world's largest religion with 2 bil- lion followers, and second largest with 1.3 billion followers is Islam. According to the Pew Research Center 0.7 percent of the United States population are Hindus.

• It is important to be culturally competent when it comes to an individual's faith and beliefs. If you are a colleague of, provide treatment to, or just interact with someone of the Hindu faith, it is imperative to have an understanding and respect for their religion.



#### 2.4 HOW SEMITIC RELIGIONS LIKE ISLAM, CHRISTIANITY AND JUDAISM TRAVELLEDTO INDIA

The Semitic religions are based on monotheism, with an ethical stand. They interpret human life in terms of concepts like God, creation, revelation, law, sin, believer and nonbeliever, and Judgement. The main features of Semitic religions can be summarized as follows, on broad terms:

There is a single divine being, personal in nature, connected to humankind through a prophet or a messenger. God has created the world as a reality distinct from Himself. Religion began with a revelation from God, who gave the laws of relationship with God and between human beings, in which the justice occupies a prominent place, and any injustice is bound to incur the wrath of God. All men will be judged on the basis of obedience to this Law.

Except Judaism, the other two religions have the concept of believer and the non-believer, and it is the duty of the believer to bring the non-believer to the order of believers. All the three religions had origin in the desert, and their founders came from among the people who later became followers of the religion.

**Judaism:** Judaism has been a religion of the individual and the family, and of everyday life. But the religion has suffered all through history, and contributed concepts like the Diaspora, exodus, holocaust, and ghettoes. All these concepts evoke a response of sadness and suffering. In spite of that, the outlook of the religion is cheerful, and life accepting.

**Christianity:** Of all the Semitic religions, Christianity is associated with economic develop- ment, much more than other two, Judaism and Islam. It has shown a long association with the development of temporal institutions, which aided secular development. Even in India, when secular institutions started developing, the social leaders like Raja Ram Mohan Roy,

Swami Vivekananda, and the educated elite started showing interest in

Christianity, with the belief that there is a direct relation between traditional values and backwardness, as opposed to adopting modern values, which they thought are embodied in Christianity. Even though thistrend was short lived, it shows the capacity of this religion, as a factor in institution-building in a secular atmosphere.

Islam: The spread of Islam in the West Asian countries was more due to socio-economic caus- es prevailing at that time. It gave a relief from quarrels and strife, and various practices like polytheism, and animistic worship. The end product was a new faith and a new state, which suited the local population. In areas outside West Asia, various factors like discriminatory taxes against non-Muslims, desire of the leaders of society to become part of the body politic, the de-sire of the bureaucracy to preserve its privileges, the desire of the land—owning class not to paythe tax, and the desire to become a part of the upcoming empire, and various kinds of threats and privileges led to the spread of Islam. In the centuries following its birth, Islam spread by conquest and occupation, religious activism and peaceful missionary work. Gradually, it spread to North Africa, Europe, Arabian Peninsula, Central Asia, and up to Indus River in the east. In South East Asia, in countries like Malaya, and Sumatra, it was due to traders, who established themselves in these countries.

India, well known as the land of spirituality and philosophy, was the birthplace of Hinduism, Buddhism, Jainism and Sikhism among other religions. Along with the religions that developed in India, there are also followers of religions of non- Indian origins. Among these religions are Islam, Christianity, Zoroastrianism, Bahaism and Judaism. The followers of these different re-ligions arrived in India at different times.

The largest religion of non-Indian origin is Islam. They are about 12% of India's population. Muslims who arrived in India converted Indians to Islam. Islam was spread in India through two means, peaceful and sword. The first spreaders of Islam in India were individuals who saw in spreading Islam a holy precept. They used peaceful means to convert to Islam. But most of Indians are believed to have converted to Islam through the sword, which means the Muslim invaders gave the Indians an option to choose between death and Islam. The different Muslim rulers of India also brought into their kingdoms Muslim mercenaries, businessmen and slaves from different parts of the world like Russia, Afghanistan, Turkey, Arab countries and Africa. These people remained in India, married local Indians and converted them to Islam.

Christianity originated in Israel. One of the Apostles (the 12 chief disciples of Jesus), St. Ju- das Thomas, was a carpenter. He was brought to India by a merchant to build a temple. St. Thomas arrived in Kerala, in south India in 52 AD. He succeeded in converting local Indians to Christianity. His converts were called Syrian Christians. One assumption says that some of the Syrian Christians were actually local Jews converted

by St. Judas Thomas to Christianity. The disciples of Jesus at first intended to convince the Jews to adopt the philosophy of Jesus as new Judaism. Therefore they arrived in regions where Jews had settled in the world. Among these regions where Jews had settled was India. Two Apostles are believed to have arrived in India for this purpose. St. Judas Thomas arrived in Kerala in south India and St. Bartholomew in western Maharashtra in west India.

Judaism is probably the oldest religion of non-Indian origin to arrive in India. Today there are also a few thousand Jews in India. Judaism and Christianity might have arrived in India beforethey reached Europe.



# 2.5 HOW RELIGIONS IMPACT SOCIETY AS A SOCIAL PHENOMENON

- Social influence of the religious phenomenon, is a complex phenomenon, especially in con-temporary society, which takes account of certain indicators such as: context of religious freedom, religious language or religious speech, religious affiliation, religious practice; at-titudes of religious groups or religious institutions on society and on social security; the impact of specific religious groups, secret societies, mysteries on the population firms. In order to be objective and to have the right attitude towards certain aspects that define con-temporary society issues on globalization, integration, secularism, atheism indifference, plu-ralism, it is first necessary that these issues be carefully studied, known and understood in the context of contemporary society. The phenomenon of secularization, globalization, and religious indifference, not social issues but social phenomena, specific ways of expression of contemporary society.
- Human rights and social values, religious pluralism and identity, contemporary justice and its effectiveness, individual's autonomy and local tradition, integration and tolerance, cannot always be put into balance without loss, risk and sacrifice. Developing new and interesting forms of recomposition of the religious manifests concomitantly with social power of religion which is in confrontation with the characteristic elements of the decrease of namely modernity functional differentiation, globalization, individualization, rationalization, secu-larization and pluralism.

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# 2.6 THE CHURCH, THE TEMPLE AND THE MOSQUE - MAJOR INFLUENCES

- The history of architecture is concerned more with religious buildings than with any other type, because in most past cultures the universal and exalted appeal of religion made the church or temple the most expressive, the most permanent, and the most influential building in any community.
- The most impressive monuments are the great stūpas, some of gigantic size and considerable antiquity but often reconstructed in the...
- The typology of religious architecture is complex, because no basic requirements such as those that characterize domestic architecture are common to all religions and because the functions of any one religion involve many different kinds of activity, all of which change with the evolution of cultural patterns.

#### Places of worship

- Temples, churches, mosques, and synagogues serve as places of worship and as shelters forthe images, relics, and holy areas of the cult. In the older religions, the temple was not always designed for communal use. In ancient Egypt and India it was considered the residence of the deity, and entrance into the sanctum was prohibited or reserved for priests; in ancient Greece it contained an accessible cult image, but services were held outside the main facade; and in the ancient Near East and in the Mayan and Aztec architecture of ancient Mexico, where the temple was erected at the summit of pyramidal mounds, only privileged members of the community were allowed to approach.
- Few existing religions are so exclusive. Beliefs as dissimilar as Christianity, Buddhism, Judaism, and Islam are based on communal participation in rites held inside each religion's place of worship. The buildings have even evolved into similar plans, because of a common requirement that the maximum number of worshippers be able to face the focal point of the service (the mosque's "point" is the wall facing the direction of Mecca, the city of Muham-mad's birth and therefore the most sacred of all Islamic religious sites). Consequently, the Muslims were able to adopt the Byzantine church tradition, modern synagogues are often scarcely distinguishable from churches, and early Protestantism absorbed Catholic architec-ture with only minor revision (elimination of subsidiary chapels and altars, repositories of relics, and some symbolic decoration).

# 2.7 MINORITY AND MAJORITY RELIGIOUS INSTITUTIONS

India is a country where people of diverse religions stay together. Religious diversity and reli-gious tolerance are both established in the country by law and custom. A vast majority of Indianassociate themselves with a religion. According to 2001 census Hinduism accounted for 80.5% of the population of India. Islam 13.4%, Christianity 2.3% and Sikhism 1.9% are the other ma-jor religions followed by the people in India.

The Constitution of India prohibits any form of discriminatory practice on ground of religion, race, caste, sex or place of birth only. Though India was not conceived as land of communities, it identified communitarian categories for special treatment to help them come at par with others. It provided space for the minority religious communities to establish their own educational institu-tions as also instituted some other rights that would enable them to protect their distinct identity.

During the colonial period the 'depressed classes' were referred to as a minority but they are no longer described so after independence. Partition in 1947 did play a crucial role in shaping the discourse on the minority- majority question. Thus the Majority-Minority distinction has over the years has come to be identified with religion. As per the National Minority Commission: Muslims, Christians, Buddhist, Sikhs and Parsis have been notified as religious minority com-munities under section 2(c) of National Minority Act, 1992. Minorities in the country are about 18.4% of the total population of the country.

**The Pope:** The pope is the bishop of Rome. The name derives from a Greek word pappas, meaning father, and Rome's bishop is seen as the father figure of the early church because of the link with St Peter. Jesus is believed to have appointed Peter as the rock on which the church will be built; and Peter is believed to have been martyred in Rome. As the capital of the empire, Rome is also a natural center for the growing church.

Unlike any other Christian see, Rome can put at least a name to every bishop in an unbroken line back to the 1st century of the Christian era and to St Peter himself as the first pope. The papacy, though not recognized as such until later centuries, has impressive credentials.

Many popes in the first three centuries of the Christian era are obscure figures. Several suffer martyrdom along with members of their flock in periods of persecution. Most of them are much involved in theological argument with other bishops, as the young church flexes its doctrinal muscles.

**Parishes:** While officially secular, India is one of the most publicly religious countries on the planet. Nearly 80% of the population is Hindu, and Hinduism has made the most evident and profound impact on the culture there. But India is extremely pluralistic, and its religious vibran-cy – in all forms – is put on public view in vivid color.

Catholicism continues to be influenced by the many other religions that thrive there. Catholic life in India is especially oriented to devotional practice, in ways that draw from Hindu, Syrian, colonial Portuguese and contemporary Catholic practices. India is also home to two Eastern rite churches in full communion with the pope, the Syro-Malabar and Syro-Malankara, who trace their origins to the Apostle Thomas.

**Sadhgurus:** Pythagoras is mainly known for his geometry today. But that was just a small part of his life. The major part of his life was spiritual work. He travelled to India about 2500 years ago and was heavily influenced by Indian yogis. It is said that Pythagoras practiced mantras, promoted vegetarianism, believed in reincarnation and put people on years of silence. For the first time in that part of the world, someone was talking about the benefit of not opening your mouth!

**Sadhus:** Sadhu is a Hindu ascetic, who have left behind all material, family, social position, money and sexual attachments and lives in caves, forests, mountains and temples. Sadhus oc- cupy a unique and important place in Hindu society, particularly in Indian villages and small towns. A Sadhu in India is also referred as Baba by common peoples and most sadhus rely on the donations of lay peoples. There are female sadhus as well — known as sadhvis. Lifestyle of a sadhu is very difficult, early morning baths, after the bath, sadhus gather around the dhuni or holy fireplace, and begin with their prayers and meditation for the day. Sadhus typically survive on bhiksha provided by families, peoples or depend on natural resources; they spend most of their time in meditation. His guru sent them to the city for Bhiksha. Sadhus use "Charas" to concentrate on meditation.

## > SECTION 7

# 2.8 RELIGIOUS LAWS AND AMENDMENTS AND CONTROVERSIES ABOUT THEM

Constitutionally, India is a secular country and has no State religion.
However, it has de- veloped over the years its own unique concept of
secularism that is fundamentally different from the parallel American
concept of secularism requiring complete separation of church and
state, as also from the French ideal of la cite - described as 'an
essential compromise whereby religion is relegated entirely to the

private sphere and has no place in public life whatsoever'.

• Despite the clear incorporation of all the basic principles of secularism into various provisions of the Constitution when originally enacted, its preamble did not then include the word 'secular' in the short description of the country which it called a 'Sovereign Democratic Republic'. This was not an inadvertent omission but a well-calculated decision meant to avoid any misgiving that India was to adopt any of the western notions of a secular state. Twenty-five years later - by which time India's own concept of secularism had been fully established through judicial decisions and state practice - the preamble to the Constitution was amended by the Constitution (Forty-second Amendment) Act 1976 to include the word 'secular' along with 'socialist', to declare India to be a 'Sovereign Socialist Secular Demo-cratic Republic'.

#### **Religious Controversies**

India is characterized by more ethnic and religious groups than most other countries of the world. Aside from the much noted 2000-odd castes, there are eight "major" religions, 15-odd languages spoken in various dialects in 22 states and nine union territories, and a substantial number of tribes and sects.

Three ethnic or religious conflicts have stood out of late: two occurred in the states of "As- sam and Punjab; another, the more widely known Hindu-Muslim conflict continues to per- sist. The Assam problem is primarily ethnic; the Punjab problem is based on both religious and regional conflicts, while the Hindu-Muslim problem is predominantly religious.

#### **Ethnic Conflict in Assam**

Of the three conflicts mentioned, Assam has attracted the largest attention of late. Not since the 1947 partition of India have so many people been killed and uprooted as a result of ethnic or communal violence. By most available reports now, mob violence has claimed four thousand lives, rendered about 200,000 homeless, and forced a large number to leave the state for pro- tection elsewhere. The immediate occasion of this bloodshed was the election held in February, though conflict and tension have been present for the last three years. In Assam, three culturally disparate groups have been in collision: the Assamese, the Bengalis (both of which have seg- ments of Hindus and Muslims) and the tribal, which are localized communities.

#### **Post-Independence Developments**

After the partition of 1947 and the transfer of a very large Bengali Muslim district of Sylhet to East Pakistan, the Assamese middle class

came to power for the first time in about a century. Through expanded educational programs and the use of Assamese as a language in the universi-ty, this newly acquired power, electorally buttressed, was used to consolidate the position of the Assamese middle class against Bengali dominance in administrative services and professions.

#### Sikh-Hindu conflict in Punjab

Starting in August 1980, mounting communal tension between Hindus and Sikhs in the state of Punjab led to violent clashes, in the last year in particular. Unlike Assam, Punjab is a state with the highest per capita income. It is the seat of the Green Revolution in India, whose biggest beneficiaries have been the rich Sikh peasants. In Punjab, Sikhs are a majority, Hindus, a minority.

#### Classes, Religion and Green Revolution in Punjab

According to the 1971 census, Sikhs constituted 60.2% of Punjab's population and Hindus 37.5%. In the villages, the Sikh majority was even greater, constituting 69.4 % of the total rural population as opposed to 28.6% Hindus. In the urban areas, however, Hindus formed the majority, 66.4 % against 30.8 % Sikhs. Trade and services, rather than manufacturing, are the main sectors of urban economy in Punjab, and Hindu traders are dominant in both. The agricultural sector is dominated by the Sikh cultivating castes, known as jats.

#### The Hindu-Muslim problem

Of all the religious and ethnic issues in contemporary India, history has cast its deepest shadow on Hindu-Muslim relations. The most critical contemporary phase of this history was the parti-tion of 1947. A Muslim sovereign state of Pakistan was born amidst ghastly communal violencebut almost as many Muslims as there were in the new constituted Pakistan, for various reasons, stayed in India. The partition did not solve the Hindu-Muslim problems; it caused the situation of the Muslims in India to deteriorate. They were blamed for the division of the country, their leadership had left and their power was further weakened by the removal of all Muslim-ma- jority areas except Kashmir. Most of all, the conflict between India and Pakistan kept the roots of the communal tension perpetually alive and pushed Muslims into the unfortunate situation of defending their loyalty to India. Even years after independence, the problem has not been overcome; Hindi-Muslim riots have in fact increased in the last few years.

### > SECTION 8

# 2.9 HISTORY OF RELIGIOUS STRIFE IN INDIAN SUBCONTINENT

Over the last fifty years the nations of India and Pakistan have

clashed on both political and military fronts because of the current occupation of both nations within the states of Jammu and Kashmir. The conflict stems from both the economical welfare of the nations and from the reli-gious differences of the people within the Indian subcontinent. The long-term religious conflicts between the Hindus and Muslim people of the region have forced the countries into countless skirmishes and three brutal wars. Since the formation of the Indian and Pakistani nations in 1947, thousands of Indians and Pakistanis have died fighting in these conflicts. The tension and conflict between the religious groups within the region was prevalent before either state was an independent nation, but most of the hostilities were directed at the British government that controlled the regions until the 1940's. The first political fighting within the region was led by the Indian nationalist movement in the attempt to remove the British Imperialist rule from the Indian subcontinent. By examining the political struggle within the region from the late 19~ century through the beginning of the 20th century, we will be able to better understand the ten-sion within the sub-continent, especially the animosity between the Hindus and Muslims.



## 2.10 UNIFORM CIVIL CODE, ARTICLE 370 AND OTHER NEWS BASED JOURNALISTIC ISSUES

The call for a Uniform Civil Code (UCC) has long featured on the agenda of the Bharatiya Ja- nata Party (BJP) and found mention in its manifesto for the 2019 Lok Sabha election. The issue is not new either for the BJP or for Indian politics: it has been at the centre – and sidelines – of political and legislative debates for well over a century and a half. The BJP was the first party in the country to promise the implementation of UCC if it were to be elected into power. Now that it holds the reins of power, it may be a matter of days before the subject leapfrogs from the cycle of debates to actual law. The urgency seems unavoidable given the ruling party's recent history with regard to the revocation of Article 370, rendering all forms of talaq to be void, in the context of the talaq-i-biddat, and the determination it has shown towards the construction of the Ram temple in Ayodhya.

The **Hindu Marriage Act of 1955**, is included as part of the Hindu Code Bills. The main pur-pose of this enactment was to amend and codify the laws relating to marriage among Hindus andothers; others meaning in this context, the Buddhists, Jains and Sikhs. Besides the amendment and codification of Sastrik Law, it introduced separation and divorce which was earlier non-ex- istent in Sastrik Law. This enactment brought uniformity of law for all sections of Hindus.

The Hindu Succession Act, 1956, is the second of the Acts of the Parliament, under the um- brella of what was envisaged as the Hindu Code, enacted to amend and codify the law relating to intestate or unwilled succession, among Hindus, Buddhists, Jains, and Sikhs. Hailed for its consolidation of Hindu laws on succession into one, this Act lays down a uniform and com- prehensive system of inheritance and applies to persons governed by all schools of religious thought such as the Mitākṣarā and Dāyabhāga schools.

The Hindu Minority and Guardianship Act, 1956, was the third of the statutes introduced as part of the Hindu Code. The Act was meant to enhance the Guardians and Wards Act of 1890, not serve as its replacement. This Act specifically served to define guardianship relationships between adults and minors, as well as between people of all ages and their respective property.

Hindu Adoptions and Maintenance Act: This Act dealt specifically with the legal process of adopting children by a Hindu adult, as well as the legal obligations of a Hindu to provide "main-tenance" to various family members including, but not limited to, his wife or wives, parents, and inlaws. In Hindu Vedas, begetting a son is one of the three debts that a Hindu was required to discharge in this world. Yet, illegitimate sons also have their rights, acknowledged from the Vedic age to this date. Some of the illegitimate sons were also fitted into the system of sonship and those who were left out were never denied maintenance. It was believed that the one who was responsible, either directly or indirectly, for the birth of a child, had to provide for its main-tenance. These ideas are reflected in the provisions of the Act.

The Muslim Women (Protection of Rights in Divorce) Act, 1986: The worst effect of this case can be seen in the succumbing of the Rajiv Gandhi Government, when it passed a law nullifying the Supreme Court judgment through the Muslim Women (Protection of Rights in Divorce) Act, 1986. This made Sec. 125 non-operable for Muslim women. According to this, maintenance was payable to the divorced wife only during the iddat period (the mandatory waiting period when the divorce matters are being settled), and not thereafter. The fate of the divorced woman after the iddat period remained dark and uncertain. This act of the government was viewed by large sections of citizens, including Muslim women, with contempt and fury and may have resulted in the loss of confidence of the people in the party.

**Article 35A** was introduced through a presidential order in 1954 to continue the old provisions of the territory regulations under Article 370 of the Indian constitution. The article permits the local legislature in Indian-administered Kashmir to define permanent residents of the region.

**Article 370** of the Indian constitution permits revocation of the law by

presidential order. How-ever, such an order must be introduced before the state's Constituent Assembly. Since that body was dissolved in 1957, experts have different views on the abrogation of the law, with some believing it needs approval by state lawmakers and others seeing a presidential order as sufficient.

#### 2.11 CHECK YOUR PROGRES

1. India is a country that follows a number of religions

True

2. Is Hinduism a unique religion as compared to other religions?

True

3. Is religious conflict one of the reasons for raising communal tension?

True

4. Has the Hindu Marriage Act of 1955 not brought uniformity of law for all sections of Hin-dus?

**False** 

5. Did the Sikh-Hindu conflict in Punjab took place in 1980?

True

6. Is political interference is one of the reason behind the Hindu-Muslim conflict?

True

7. Has religious conflicts and tensions does not impact the Indian Social structure?

**False** 

8. Did the introduction of Article 35A does not permit the local legislature in Indian-adminis-tered Kashmir to define permanent residents of the region?

**False** 

9. Is in Punjab, Sikhs are a majority, Hindus, a minority?

True

10. Do students not need to know the concept of religious societies and sects?

**False** 

#### 2.12 KEYWORDS

**Minority** In sociology, a minority group refers to a category of people who experience rel- ative disadvantage as compared to

members of a dominant social group.

**Religious** A religious war or holy war is a war primarily caused or Conflict justified by differences in religion. In the modern period,

debates are common over the extent to which religious, economic, or ethnic aspects of a conflict predominate in a

given war.

Semitic religions The term Semitic religions most commonly refers to the Abrahamic reli-gions, including Judaism, Christianity, and

Islam.

# **2.13 TO SUM IT UP**

- Understanding the concept Semitic religions.
- What are strengths and weaknesses of Religions?
- What makes all religions different from each other?
- How religious conflicts impact Indian Social structure?
- Understanding Amendments based on religion.

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# UNIT:3

# **DIGITAL SOCIOLOGY**

#### :: STRUCTURE::

- 3.0 Introduction
- 3.1 Learning Objectives
- 3.2 Section 1: India Before Digital Sunrise Post and Telegraph
- 3.3 Section 2: How Technology has Impacted The Society
- 3.4 Section 3: Evolution of Communities Under The Impact Of

**Technological Development** 

- 3.5 Section 4 : Digital Sociological Practices
- 3.6 Section 5: Indians on Social Media
- 3.7 Section 6 : Major Social Media Campaigns
- 3.8 Section 7: Hashtags
- 3.9 Check Your Progress
- 3.10 Keywords
- 3.11 To Sum It Up
- 3.12 References

#### 3.0 INTRODUCTION

Despite India being one of the most progressive nations in terms of economy and technolo-gy, the country faces numerous challenges upon attempting to supply administrative services to every single citizen.

Development continues to move forward slowly but steadily, with public-private partner- ships playing a major role. Progress achieved in the fields of technology, connectivity, col- laboration tools as well as improvements in management practice perceptively affect ev- eryday's life, pointing out the importance of digitization to every individual. The limited access to electricity in rural areas remains a major obstacle for the further advance of digitaltechnology, though.

# 3.1 LEARNING OBJECTIVES

- Understand the working of digital sociology.
- Introduce students to the concept of digitization in India.
- Basic introduction of communication channels.
- Identify the issues related to social media.

# On completion of this Unit, you will be able to:

- Understand the basics of communication.
- Learn why digitization is a necessary evil.
- Identify common social issues surrounding social media and networking.



# 3.2 INDIA BEFORE DIGITAL SUNRISE POST AND TELEGRAPH

The postal system started way back in 1854 with around 700 post offices and the creation of the Department of Posts. Currently, there are more than 1.5 lakh post offices across the country. Also, India has the largest postal network in the world. In recent years, the Government has em-phasized on the tribal, hilly, and rural areas, further expanding the reach of our postal network.

**Telecommunications:** In 1851, telecommunication services were introduced in India and the first telegraph message was sent between Kolkata (erstwhile Calcutta) and Diamond Harbor. In 1881-82, telephone services were launched too. Over the years, telecommunications services have undergone phenomenal growth and change.

Also, after 1995, post-liberalization of the telecoms operational system in India, the telecom- munications sector experienced exponential growth. The National Telecommunications Policy of 1994, divided the country into 20 circles for basic telephones and 18 circles for mobile-re- lated services. Further, it allowed two private service providers per circle for a 15-year license period. Additionally, the Government set up Telecom Regulatory Authority of India (TRAI) forbetter control over tariffs and to help in policy-making and regulation of the sector.

**Radio and Television:** Radio services in India are less than a century old. In fact, radio broad-casting started in 1927 and commercial broadcasting started in 1967. Television, on the other hand, started regularly from 1965. In 1976, it was delinked from the All India Radio (AIR) and Doordarshan was formed.

Currently, the television industry is a huge industry offering employment to thousands of Indi- ans. It has also given rise to the Media and Entertainment Industry which is estimated at INR 1436 billion in the financial year 2017-18.

**Fax:** It is an electronic method of sending recorded messages in the form of letters, handbills, statements and files etc. It can be used throughout the day and night from any comer of the globe.

**E-mail:** E-mail is the recent electronic media to send messages. It is a way to communicate with people all over the world throughout the day and night without waiting for the receiver to wake up and make himself present. It can send messages to hundreds of people in a few min- utes. It can also send files, photos or even video clips.

**Internet:** It is the latest mode of communication. We can get required information directly through computers by opening the site. The required information can be downloaded any time. We have to install an internet connection.

**PCOs:** Rajiv Gandhi is hailed as the 'Father of Information Technology and Telecom Revolution of India'. He is rightfully known as the architect of digital India. It was under his rule that Centre for Development of Telematics (C-DOT) was established in August 1984 to develop state-of-the-art telecommunication technology and meet the needs of the Indian telecommunication network. C-DOT revolutionised the communication network in the towns and even villages of India. Because of Rajiv Gandhi's efforts, the PCO (public call office) revolution took place. PCO booths connect even the rural areas to the world outside.

# 3.3 HOW TECHNOLOGY HAS IMPACTED THE SOCIETY

Technology has made its presence felt in various sectors of India's development in the last twenty years. Communication and information technology, manufacturing industry, trans- portation, defence and space technologies are some of the important sectors which have incorporated modern technology in various aspects of their development and functioning. Also significant and visible changes have taken place in the consumer products available in the Indian market, most of them imported or locally manufactured by multinational corpo- rations based in India. Do these changes qualify India to be considered as a technologically advanced country, and thereby making technological changes an integral part of the social change process of our society? Or are these developments restricted to certain elitist sections of society with

little or negligible trickle-down effect of the knowledge bases of the technol-ogy developments? In this study a deconstructivist approach is adopted to analyse some of the processes involved in development and diffusion of technology in a society. With the ex-ception of mobile phone technology it is argued that even though India has strong scientific and technological capabilities, it is emerging as a bigger consumer of technology products than as a producer and innovator of modern technology.

Science and technology are essential ingredients of modern life. They transcend local boundaries and touch the lives of everyone. Evolution of mankind can be seen in terms of technological evolution as well. Invention of fire and wheel changed the face of mankind. Various historical epochs - hunter-gatherers, agrarian society and industrialist society are distinguished from each other in terms of technological advancement.

The technological factors represent the conditions created by men that have a profound influence on his life. Technology is a product of civilization. According to Karl Marx even the formation of social relations and mental conceptions and attitudes are dependent upon technology.

#### **Technology and Industrialization:**

Technology has contributed to the growth of industries or to the process of industrialization. Industrialization is a term covering in general terms the growth in a society hitherto mainly agrarian of modern industry with all its circumstances and problems, economic and social.

It describes in general terms the growth of a society in which a major role is played by the manufacturing industry. The Industrial Revolution of the 18th century led to the unprecedented growth of industries. Industrialization is associated with the factory system of production. The family has lost its economic importance. The factories have brought down the prices of com- modities, improved their quality and maximized their output. The whole process of production is mechanized. Consequently the traditional skills have declined and a good number of artisans have lost their work. Huge factories could provide employment opportunities to thousands of people. Hence men have become workers in a very large number. The process of industrial- ization has affected nature, character and the growth of the economy. It has contributed to the growth of cities or to the process of urbanization.

# **Technology and Urbanization:**

In many countries the growth of industries has contributed to the growth of cities. Urbanization denotes a diffusion of the influence of urban centers to a rural hinterland. Urbanization can be described as a process

of becoming urban moving to cities changing from agriculture to other pursuits common to cities and corresponding change of behavior patterns. Hence only when a large proportion of inhabitants in an area come to cities urbanization is said to occur. Urbaniza-tion has become a world phenomenon today. An unprecedented growth has taken place not only in the number of great cities but also in their size. As a result of industrialization people have started moving towards the industrial areas in search of employment. Due to this the industrial areas developed into towns and cities.

# **Technology and Modernization:**

Modernization is a process that indicates the adoption of the modern ways of life and values. It refers to an attempt on the part of the people particularly those who are custom-bound to adapt themselves to the present-time, conditions, needs, styles and ways in general. It indicates a change in people's food habits, dress habits, speaking styles, tastes, choices, preferences, ideas, values, recreational activities and so on. People in the process of getting modernized give more importance to science and technology. Scientific and technological inventions have modernized societies in various countries. They have brought about remarkable changes in the whole sys- tem of social relationship and installed new ideologies in the place of traditional ones.

#### **Development of the means of transport and communication:**

Development of transport and communication has led to the national and international trade on a large scale. The road transport, the train service, the ships and the airplanes have eased the movement of men and material goods. Post and telegraph, radio and television, newspapers and magazines, telephone and wireless and the like have developed a great deal. The space research and the launching of the satellites for communication purposes have further added to these developments. They have helped the people belonging to different corners of the nation or the world to have regular contacts.

# Transformation in the economy and the evolution of the new social classes:

The introduction of the factory system of production has turned the agricultural economy into an industrial economy. The industrial or the capitalist economy has divided the social organiza- tion into two predominant classes-the capitalist class and the working class. These two classes are always at conflict due to mutually opposite interests. In the course of time an intermediary class called the middle class has evolved.

# **Technology and Unemployment:**

The problem of unemployment is a concomitant feature of the rapid technological advance- ment. Machines not only provide employment opportunities for men but they also take away the jobs of men through labor saving devices. This results in technological unemployment.

# **Technology and war:**

The dangerous effect of technology is evident through the modern mode of warfare. The weap-onry has brought fears and anxieties to mankind. They can easily destroy the entire human race and reveal how technology could be misused. Thus greater technological advancement the more risk for mankind.

# **Changes in social institutions:**

Technology has profoundly altered our modes of life. Technology has not spared the social institutions of its effects. The institutions of family, religion, morality, marriage, state, property have been altered. Modern technology in taking away industry from the household has radically changed the family organization. Many functions of the family have been taken away by otheragencies. Marriage is losing its sanctity. It is treated as a civil contract rather than a sacred bond. Marriages are becoming more and more unstable. Instances of divorce, desertion and separation are increasing. Technology has elevated the status of women but it has also contributed to the stresses and strains in the relations between men and women at home. Religion is losing hold over the members. People are becoming more secular, rational and scientific but less religious in their outlook. Inventions and discoveries in science have shaken the foundations of religion. The function of the state or the field of state activity has been widened. Modern technology has made the states to perform such functions as -the protection of the aged, the weaker section and the minorities making provision for education, health care etc. Transportation and communica-tion inventions are leading to a shift of functions from local government to the central govern-ment of the whole state. Modern inventions have also strengthened nationalism. The modern governments that rule through the bureaucracy have further impersonalized human relations. The most striking change in modern times is the change in economic organization. Industry has been taken away from the household and new types of economic organizations have been set up such as factories, stores, banks, corporations etc.

# > SECTION 3

# 3.4 EVOLUTION OF COMMUNITIES UNDER THE IMPACT OF TECHNOLOGICAL DEVELOPMENT

Constant change is a fact of life, both for organisms and businesses. Just as changes in their environment alters the form of successive generations of organisms over time, changing market conditions cause businesses to adapt their product and service offerings. One of the fastest changing technologies is mobile technology, directly affecting how businesses con-duct their operations and the products and

services they offer in the current business ecosys-tem. Therefore it is helpful for companies to understand the big-picture forces behind this technological change.

The application of digital technology in conservation holds much potential for advancing the understanding of, and facilitating interaction with, the natural world. In other sectors, digital technology has long been used to engage communities and share information. Human development which holds parallels with the nature conservation sector—has seen a proliferation of innovation in technological development. Throughout this Perspective, we consider what nature conservation can learn from the introduction of digital technology in human develop-ment. From this, we derive a charter to be used before and throughout project development, in order to help reduce replication and failure of digital innovation in nature conservation projects. We argue that the proposed charter will promote collaboration with the develop- ment of digital tools and ensure that nature conservation projects progress appropriately withthe development of new digital technologies.

India ranks third among the most attractive investment destinations for technology transac-tions in the world. India has reiterated that technology is a strong priority area for the gov- ernment and it aims to make people science-centric. Modern India has had a strong focus on science and technology, realising that it is a key element of economic growth. India is among the topmost countries in the world in the field of scientific research, positioned as one of thetop five nations in the field of space exploration. The country has regularly undertaken space missions, including missions to the moon and the famed Polar Satellite Launch Vehicle (PSLV). India is likely to take a leading role in launching satellites for the SAARC nations, generating revenue by offering its space facilities for use to other countries.



# 3.5 DIGITAL SOCIOLOGICAL PRACTICES

The rise of digital technology is transforming the world in which we live. Our digitized soci- eties demand new ways of thinking about the social, and this short book introduces readers to an approach that can deliver this: digital sociology. According Neil Selwyn, who examines the concepts, tools and practices that sociologists are developing to analyze the intersections of the social and the digital. Blending theory and empirical examples, the five chapters highlight areas of inquiry where digital approaches are taking hold and shaping the discipline of sociology today. The book explores key topics such as digital race and digital labor, as well as the fast-changing nature of digital research methods and

diversifying forms of digital scholarship. Designed for use in advanced undergraduate and graduate courses, this timely introduction will be an invaluable resource for all sociologists seeking to focus their craft and thinking toward the social complexities of the digital age.

Understanding the role of digital technologies, cultural activities and info-communication In-telligence as part of every-day life and how digital activities and info-communication technol-ogies contribute to the development of digital policy, social relationship, cultural management, economy, democracy and the concept of digital power. 'Digital Socio-Culture' (DSC) is a wider term in its scope, addressing not only the internet of digital culture, social relationship, so- cio-cultural activities and cultural power but also the impact of info-communication ecosystem i.e. digital media, mobile applications, digital currency, online communities, info-communi- cation public sphere, digital humanities etc. and artificial intelligence applications and devic- es that have emerged since the first decade of the twenty-first century. Although the 'Digital Socio-Culture' term has not yet fully entered the cultural lexicon, sociologists have engaged in research related to the digital socio-cultural activities, digital sociology, digital culture and info-communication power by addressing many socio-cultural issues relating to the sociology of the internet, online communities, online universities, cyberspace, digital-identities, digital democracy, digital power and social media. 'Digital Socio-Culture' and 'Info-Communication Intelligence' encapsulate the concern of the use of the term 'digital', such as digital sociology, digital anthropology, digital culture and digital policy.

	> SECTION 5	
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#### 3.6 INDIANS ON SOCIAL MEDIA

- With the ease of internet access, the number of active social media users in India stood at 310 million in January 2019 and by 2023 it is expected to reach 448 million.
- Facebook and YouTube are the most popular social media networks in India, Amazon and Flipkart are the most popular online shopping platforms and TikTok is the mostdownloaded app of 2019.
- The entry of WhatsApp into India's digitalmarket boosted app usage, with a doubling in rural areas in recent years. Data shows that the reach of the messaging service extends wider than just urban areas. Oth-er popular apps include TikTok and Insta- gram.
- Social video app TikTok has been a huge hit in India, it has reached 1.5 billion down-loads worldwide on the App Store as well as Google Play and India leads the chart with 466.8 million or about 31% of all unique installs.
- Recent studies have indicated that the role of social media has

changed the way we perceive success. When asked our respondents about the same, 67% of them said thatthey do not set their life goals by looking at what others are doing on social media, the rest think otherwise.



There is an equal divide among people who were tempted to get away from socialmedia. Fifty per cent respondents, at some point, wanted to delete their social media accounts, while the other 50% never had such plans.

- Another common behaviour that we see among people is their emotional outpour online, for instance writing an emotional status against someone, blocking someone, change the Display Picture to convey a message to the person who has hurt you the most. Half of the respondents say that they trigger their emotion on social media and the other halfsay otherwise.
- Internet addiction is for real and 79% of the respondents agree that they are addicted to social media and 21% of them say they maintain a balance.

#### Time Spent By Indians on Social Me-dia

From how many hours they spend online to the platform they prefer, the questions were designed in a way to gauge the patterns and priorities of social media users today.

It won't be wrong to say that Facebook has had our backs by reminding us birthdays and anniversaries of people who are important to us. Remembering all the dates can be difficult, so is personally greeting everyone on the contact list. When asked about how they wish people on special occasions, 66% respondents wish people on social media itself, 33% prefergiving calls and only 1% go the old-fashionedway of sending greeting cards.



# 3.7 MAJOR SOCIAL MEDIA CAMPAIGNS

Cause marketing campaigns often pose unique challenges for brands. On the one hand, the brand needs to be authentic to the core, straying away from mere lip service, and on the other, it needs to create a meaningful and significant impact on the ground, powered with people and the connected web. While cause marketing campaigns leveraging social media usually tend to convert users' views, likes and shares into monetary contributions, over the last few years, more and more brands are looking to get involved with the cause in more direct ways.

#### Lenovo '#GirlsWithGoals'

This year, the YUWA girls were representing India at the Donosti Cup in Spain. For the un-initiated, YUWA is a non-profit organization that teaches girls to play football to overcome the challenges in their life. Lenovo India, in association with YUWA invested in a massive cause marketing campaign, 'Girls with Goals.' The idea was to showcase their journey in real time, as the girls made their way from the hinterland of Jharkhand to Spain.

#### Nanhi Kali & Nestlé India #EducateTheGirlChild

Project Nanhi Kali is an initiative aimed to provide primary education to underprivileged girl children in India that works through sponsorship. This Teachers' Day, Nestlé India joined hands with Project Nanhi Kali for the launch of their campaign – #EducateTheGirlChild. The objective was to educate a million girls. Digital initiatives included a touching digital film about alittle girl who by cutting her hair and wearing a shirt, hoped to look like a boy and be allowed to go to school.

### Make Love Not Scars "#SkillsNotScars"

Make Love Not Scars (MLNS) is an NGO that supports victims of acid attacks. Last year, itfiled a petition to end acid sale in India in association with Ogilvy & Mather through a pow- erful, award-winning campaign, '#EndAcidSale'. Playing on the worldwide awareness built around rehabilitating acid attack victims, it recently rolled out #SkillsNotScars, a powerful new campaign to help find jobs for acid-attack survivors. In the video-driven campaign, acid-attack survivors present their skills to potential employers through a CV with a twist – a Video CV.

#### **#MeToo Movement**

Inspired by the global campaign that erupted in the US almost a year back, 2018 saw the rise of the #MeToo movement in India which turned out to be one of the biggest movements of the kind in social media in India.

It all started when Indian actress Tanushree Dutta opened up about

sexually harassed on a film set, and it turned out to catalyze the launch of the #MeToo movement in India. Women across the country opened up and shared stories of sexual harassment and abuse by men.

There was a series of posts on social media channels including Facebook, Instagram and Twitter accusing prominent men from different areas including actors, film directors, writers, politicians, etc. Many of them are still struggling in the industry with the allegations, some of them managed to get a clean chit from authorities.

#### #Chowkidar

Since its 2014 election campaign, Narendra Modi and the BJP have been using social me- dia as a strong communication tool. They clearly made Modi their brand's logo, and Modi turned out to be one of India's most political brands ever.

The Modi brand had also successfully leveraged social media to its benefit for the 2019 election campaign. The' Chowkidar 'campaign is one major campaign that has gained a lot of attention on social media. Chowkidar's word means' Watchman.' The campaign was launched in response to the slogan Chowkidar Chor hai' (The watchman is a thief) that their opponent Rahul Gandhi continuously raised during his rallies and the congress party, ac- cusing the Modi government of corruption. Modi and his party not only the Congress Party, claiming bribery to the Modi government. Modi and his party not only denied the claims of corruption but also converted the accusation of the opposition into a "Main Bhi Chowkidar" political campaign (I too am a watchman).

# **Avon Indias #PayAttention campaign**

Avon India is a beauty company in India. The #PayAttention campaign was launched by the company to raise awareness among women in India about breast cancer and empower them with the knowledge and understanding to perform self-examinations.

To help them identify the symptoms of breast cancer, Avon created and posted a demonstrative breast self-examination (BSE) video for women. This helped them to hold discussions on social media platforms like Facebook, Twitter, and Instagram which encouraged online audience participation and helped the company spread the word further. Avon performed 10,000 free breast exams throughout the cities in conjunction with DIVA—Institute for Breast Care.

# Himalaya Lip Care 'Project Muskaan'

Smile Train India is an NGO dedicated to spreading awareness and treatment of cleft defor-mities and bringing back smiles to children born

with clefts. This year, Himalaya Lip Care collaborated with Smile Train for the launch of 'Project Muskaan'. The idea was to debunk myths associated with clefts that they are not a curse, and can be repaired with a simple 45-minute corrective surgery. A contribution of rupees two from the purchase of every Hi- malaya Lip Care product has been driven towards enabling cleft surgeries for impoverished children.

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#### 3.8 HASHTAGS

For decades the hashtag symbol was more commonly referred to as the pound sign (while others see it as the all-too-familiar crisscrossing lines used to play tic-tac-toe). In recent years, this seemingly ordinary symbol evolved into greater significance in a modern world slowly but surely being dominated by social media – as a cyber-appendage social media users attach to word strings of certain relevance.

The proliferation and use of hashtags have grown to tremendous popularity that the use of this symbol have become associated or even synonymous to trends and discussions in socialmedia. Tagging keywords, phrases and other strings of texts and letters are what social me-dia users do to track topics and conversations – and provide the ability to other users as well. This provides a wonderful tool and opportunity for business owners and digital marketers to boost the strength and effectiveness of their social media marketing campaign.

Hashtag popularity spread like wildfire then, particularly with their association with major events like the literal wildfires that occurred in California back in October 2007. People worldwide got updated with what's going on in San Diego that time when Nate Ridder started appending his tweets with the #san diego fire hashtag. Instead of posting the basic, "300,000 people evacuated in San Diego county now", Nate was able to provide real-time updates about the wildfires to people from across the globe when he used, "#San Diego fire: 300,000 people evacuated in San Diego county now" instead.

#### **Twitter**



Twitter of course is where hashtags became first used and where it is still very prevalent. They provide a remarkable tool for delivering highly targeted brand messages for brands and businesses using Twitter for social media marketing. You or your targeted au-diences can join in on trending conversations which you can view on your Twitter page sidebars. Or you can check them out at Hashtags.org and see which ones would be interesting or relevant to your targeted audiences.

#### **Facebook**



It took a while for Facebook to catch on the hashtag craze, even after they incorporated its use back in June 2013. Just like with Twitter, Facebook provides a unique URL for each hashtagyou and your targeted audiences can click on and get connected with. You can also search for particular tags by typing in facebook.com/hashtag/uniquehashtag in your browser bar or #unique hashtag directly on Facebook's search bar (just re- place your targeted tag onto "unique hashtag"). These will directly send you to your targeted tag's feed.

#### **Pinterest**



Pinterest is a fast growing social network that has already joined the hashtag bandwagon. Whatit can do is make your content tagged with a #unique hashtag visible to Pinterest users searching for a particular topic when they click on the hashtag on your pro- file or from another user. When they click on this hashtag, they are redirected to pinterest.com/search/?q= unique hashtag where targeted audiences can find your content.

# **Instagram**



Instagram is another social network a steadily growing number of users are going gaga about and is one that is making use of hashtags to provide businesses with an for effective tool influencing and creating brand followers. Hashtags make your Instagram pho- tos discoverable by targeted audiences, otherwise your photos will just remain private. One tip on how you can maximize the use of hashtags is to use a unique set per photo.

#### Google+



Even Google is jumping into the hashtag bandwagon, providing a way for your Google+ poststo get better results in search engine results pages. When users click on a Google+ hashtag, the results will return not only the original hashtag post but other posts tagged with the same hashtag as well. The Google+ article "What's a Google+ #Hashtag – And Why Should I Care? "from Ronnie Bincer provides a good summary on the use of hashtags for Google+.

#### **Hashtags Can Help Increase Your Brand Awareness**

The power of social media marketing relies on how well you can create engagement and con- versations between your business and your targeted audiences through your content. This in turn will create greater brand awareness that will eventually boost your sales and profitability. Hashtags can help facilitate this greater engagement as what the following campaigns have experienced.

# **Hashtags Help Build Relationships**

Hashtags can provide your business with insights on what your targeted customers are interest-ed in as well as what they are talking about. You can do so by simply clicking on a hashtag thatyou think is related to your business and your brand can get connected and be able to interact with targeted audiences.

# **Hashtags Increases Brand Loyalty**

Hashtags can also provide your targeted audiences with greater insights about your brand or businesses; let them know more about your history, which in turn increases brand loyalty. As your business grows more competitive through digital marketing, boost the effectiveness of your efforts by making use of new and more effective ways of generating interaction and engagement with targeted audiences.

# 3.9 CHECK YOUR PROGRESS

- 1. The limited access to <u>electricity</u> in rural areas remains a major obstacle for the further ad-vance of digital technology.
- 2. At present, there are more than 1.5 lakh **post offices** across the country.
- 3. <u>Technology</u> has contributed to the growth of industries or to the process of industrialization.
- 4. Telecommunication services were introduced in India in **1851**.
- 5. **Science** and **technology** are essential ingredients of modern life.
- 6. The introduction of the <u>factory system</u> of production has turned the agricultural economyinto an industrial economy.
- 7. The issue of <u>unemployment</u> is a concomitant feature of the rapid technological advance-ment.
- 8. The growth of <u>industries</u> has contributed to the growth of cities in various countries.
- 9. The weaponry has brought **fears** and **anxieties** to mankind.
- 10. **Religion** is losing hold over the members of the family.

# 3.10 KEYWORDS

**Digital Sociology** Digital sociology is a sub-discipline of sociology

that focuses on under-standing the use of digital media as part of everyday life, and how these various technologies contribute to patterns of human behavior, social relationships, and

concepts of the self.

**Technology** Technology is the sum of techniques, skills,

methods, and processes used in the production of goods or services or in the accomplishment of

objectives, such as scientificinvestigation.

**Modernization** Modernization theory is used to explain the

process of modernization with- in societies. Modernization refers to a model of a progressive transition from a 'pre-modern'or 'traditional' to a

'modern' society.

Hashtags a word or phrase preceded by a hash sign (#),

used on social media websites and applications, especially Twitter, to identify messages on a

specific topic.

# 3.11 TO SUM IT UP

• Understanding the concept of digital sociology.

What are the advantages and disadvantages of social media?

• What makes digitization important?

How does social media impact Indian society?

• Understanding the importance of social media movements.

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UNIT:4

# INDIAN POLITICAL SYSTEMS

# :: STRUCTURE::

- 4.0 Introduction
- 4.1 Learning Objectives
- 4.2 Section 1 : Parliamentary Democracy System
- 4.3 Section 2 : Elections in India
- 4.4 Section 3: Constitutional Bodies
- 4.5 Section 4 : Gram Panchayats, Nagar Panchayats & Zilla

#### **Parishads**

- 4.6 Section 5: Indian Political Parties
- 4.7 Section 6 : Media as The Fourth Estate of Democracy
- 4.8 Check Your Progress
- 4.9 Keywords
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#### 4.0 INTRODUCTION

- India is a Sovereign, Secular, Democratic Republic with a Parliamentary form of Govern- ment. The Constitution was adopted by the Constituent Assembly on 26th November 1949 and came into force on 26th November 1950. The Constitution advocated the trinity of jus-tice, liberty and equality for all the citizens. The Constitution was framed keeping in mind the socioeconomic progress of the country. India follows a parliamentary form of democracy and the government is federal in structure.
- In Indian political system, the President is the constitutional head of the executive of the Union of India. The real executive power is with the Prime Minister and the Council of Ministers. According to Article 74(1) of the constitution, the Council of Ministers under the leadership of the Prime Minister is responsible to aid and assist the President in exercising

the President's function. The Council of ministers is responsible to the Lok Sabha, the House of People. In states the Governor is the representative of the President, though the real exec-utive power is with the Chief Minister along with his Council of Ministers.

#### 4.1 LEARNING OBJECTIVE

- Meaning of Political System, Characteristics of Political Systems
- President, Prime Minister and the Council of Ministers
- Party System in India: National Parties Ideology and Social Bases
- Changes in the Rural Power Structure and Empowerment of the Marginalized Groups

#### On completion of this Unit, you will be able to:

- Understand the basics of global society in context to journalism.
- Learn why social structure is important.
- Identify common social issues in Indian and how to remedy them.

# > SECTION 1 =

#### PARLIAMENTARY DEMOCRACY SYSTEM 4.2



# President of India

The President of India is the constitutional head of India and is the supreme commander of the nation's armed forces. The President is elected by members of an Electoral College consisting of elected members of both the Houses of Parliament and Legislative Assemblies of the states, with suitable weightage given to each vote. His term of office is for five years. Among other powers, the President can proclaim an emergency in the country if he is satisfied that the secu-rity of the country or of any part of its territory is threatened by the following situations. A war or external aggression, an armed rebellion within the country and collapse of state machinery in terms of economic and political crisis. Hence when there is a failure of the constitutional machinery in a state, the President can assume all or any of the functions of the government ofthat state.



# **Vice-President**

The Vice-President of India is elected by the members of an electoral college consisting of members of both Houses of Parliament. The method of electing the Vice President is the system of proportional representation by means of a single transferable vote. He like the President whohas held office for five years. The Vice-President also happens to be the Ex-officio Chairman of the Rajya Sabha and presides over its proceedings.



# **Council of Ministers**

The Council Of Ministers is the supreme governing body in the country

and is selected from the elected members of the Union Government. The Council of Ministers comprises Cabinet Ministers, Minister of States and Deputy Ministers. The Prime Minister heads the Council of Ministers and communicates all decisions of the Council of Ministers relating to administration of affairs of the Union and proposals for legislation to the President. Generally, each depart- ment has an officer designated as secretary to the Government of India to advise the Ministers on policy matters and general administration. The Cabinet Secretariat has an important harmo-nizing role in decision making at the highest level and operates under the bearing of the PrimeMinister.



# Parliament

The Parliament is the legislative arm of the Union. It consists of the President, Rajya Sabha orthe Upper House and Lok Sabha or the Lower House. All bills to be made into law require the consent of both the houses of parliament. However, in case of money bills, the Lok Sabha is the supreme authority.



# Rajya Sabha

The Rajya Sabha consists of not more than 250 members. Of these, 233 represent states and union territories and 12 members are nominated by the President. Elections to the Rajya Sabhaare indirect. Members to the Rajya Sabha are elected by the elected members of Legislative Assemblies of the concerned states. The members of the Upper House put forth the interests of their respective state in the Parliament. The Rajya Sabha is not subject to dissolution in contrastto the Lok Sabha and one third of its members retire every second year.



#### Lok Sabha

The Lok Sabha is composed of representatives of the people chosen by direct election on the basis of universal adult franchise. As of today, the Lok Sabha consists of 545 members with two members nominated by the President to stand for the Anglo-Indian Community. Unless dissolved under circumstances like failure of the leading party to prove clear majority or a no-confidence motion, the term of the Lok Sabha is for five years.



# **State Governments**

The system of government in states closely resembles that of the Union. In the states as well there are two major governing bodies - the legislative assembly and the legislative council. For the Legislative assembly direct elections are held and the political party receiving the majorityvotes forms the Government in the state. There are 28 states and seven Union territories in thecountry. Union Territories are administered by the President through a Governor or adminis- trator appointed by him. Till 1 February 1992, the Union Territory of Delhi was governed by the Central government through an Administrator appointed by the President of India. Through a Constitutional amendment in Parliament,

the Union Territory of Delhi is called the National Capital Territory of Delhi from 1 February 1992 onwards. General elections to the Legislative assembly of the National Capital Territory were held in November 1993. Since then after every five years the state underwent general elections maintaining the democratic process in Delhi.

` \	SECTION	1	
	SECTION		

# 4.3 ELECTIONS IN INDIA

#### **Election Commission of India Structure of Government**

The architects of the Indian Constitution attached special significance to an independent electroral machinery for the conduct of elections. The Constitution of India provides for an Election Commission of India which is responsible for superintendence direction and control of allelections. It is responsible for conducting elections to both the Houses of Parliament and StateLegislatures and for the offices of President and Vice-President. Besides, it is also responsible for the preparation revision, update and maintenance of lists of voters. It delimits constituencies for election to the Parliament and the State Legislatures, fixes the election programme and set-tles election disputes. It performs many other functions related to elections.

# Composition

The Election Commission consists of the Chief Election Commissioner and such other Election Commissioners as may be decided by the President from time to time. Ever since the first Chief Election Commissioner was appointed in 1950, there was no other Election Commissionertill 1989. The Chief Election Commissioner was assisted by a larger number of officials. The Election Commission became a multi-member body on 16 October 1989 when the President appointed two more Election Commissioners. The senior of the two Election Commissioners isappointed as the Chief Election Commissioner.

#### **Tenure and Removal**

Chief Election Commissioner and other Election Commissioners are appointed for a term of six years, or till the age of 65 whichever is earlier. It is important that the Chief Election Commis-sioner and other Election Commissioners should be free from all political interference. There- fore, even if they are appointed by the President, they cannot be removed by him. And no changes can be brought in the conditions of service and the tenure of office after their appoint- ment. The Chief Election Commissioner cannot be removed from office, except on the grounds and in the manner in which the Supreme Court judges can be removed. However, since the other Election Commissioners and the Regional Election Commissioners work under the Chief Commissioner, they may be removed by the President on his recommendations.

# 4.4 CONSTITUTIONAL BODIES

Constitutional bodies in India are the bodies or institutes that have its name mentioned in Indian constitution. It derives power directly from the constitution. Any type of change in mechanism of these bodies needs constitutional amendment.

Attorney-General for India: The President shall appoint a person who is qualified to be ap- pointed a Judge of the Supreme Court to be Attorney-General for India. It shall be the dutyof the Attorney-General to give advice to the Government of India upon such legal matters, and to perform such other duties of a legal character, as may from time to time be referred or assigned to him by the President, and to discharge the functions conferred on him by or under this Constitution or any other law for the time being in force. In the performance of his duties the Attorney-General shall have the right of audience in all courts in the territory of India. The Attorney-General shall hold office during the pleasure of the President, and shall receive such remuneration as the President may determine.

Comptroller and Auditor General of India: The Comptroller and Auditor General (CAG) of India or the CAG is an authority, established by Article 148 of the Constitution of India, whichaudits all receipts and expenditure of the Government of India and the state governments, including those of bodies and authorities substantially financed by the government.

The office of the Comptroller and Auditor General (CAG) has been established by the Constitu- tion of India (Constitution). All the Union and State government departments are subject to the audit of the CAG, including commercial and non-commercial government institutions, autono- mous bodies financed from Union or State revenues and companies where equity participation by the government is in excess of 51%. These audits are reviewed by the Public Accounts Committees of the Parliament of India and State legislative bodies. The CAG also controls the Indian Audit and Accounts Service.

**Special Officer for linguistic Minorities:** Article 350B of the Constitution provides for the ap- pointment by the President of a Special Officer for Linguistic Minorities. This Office is known as the National Commissioner Linguistic Minorities. It is his duty to investigate all matters relating to safeguards provided for the linguistic minorities and report to the President at such intervals as may be xed. Annual reports are presented to the President by him through the Min-ister of Minority Affairs. They are laid on the table of both Houses of Parliament.

Advocate General of the State: The Advocate General is the highest law Officer in the state. He is responsible to assist the state government in all its legal matters. He defends and protects the interest of the state government. The Office of the Advocate General in state corresponds to the Office of Attorney General of India. The Governor of each State shall appoint a person who is qualified to be appointed as a Judge of a High Court to be Advocate General for the State. That means, he should be a citizen of India and should have held a judicial office for ten years orbeen an advocate of a high court for ten years. He can be removed by the governor at any time. There is no procedure or ground mentioned in the constitution for his removal.

**National Commission for STs:** On the 89th Amendment of the Constitution coming into force on 19 February 2004, the National Commission for Scheduled Tribes has been set up under Ar-ticle 338A on bifurcation of erstwhile National Commission for Scheduled Castes and Sched- uled Tribes to oversee the implementation of various safeguards provided to Scheduled Tribesunder the Constitution.

**National Commission for SCs:** The National Commission for Scheduled Castes is an Indian constitutional body established with a view to provide safeguards against the exploitation of Scheduled Castes to promote and protect their social, educational, economic and cultural interests, special provisions were made in the Con-stitution. Article 338 of the Indian constitution deals with the National Commission for Scheduled Castes, Article 338 A deals with the National

Commission for Scheduled tribes. The rest of the National Commission for Scheduled Castes was constituted in 2004 with Suraj Bhan as the chairman. The second was constituted on May 2007 (chairperson: Buta Singh); the third from October 2010 (P. L. Punia); and the fourth from 2013, also with Punia as chairperson. The fifth National Commission for Scheduled Castes began work in 2017 under chairmanship of Ram Shankar Katheria.









Suraj Bhan

**Buta Singh** 

P. L. Punia Ram Shankar Katheria



N. K. Singh

Finance Commission: The First Finance Commission (IAST: Vitta Āyoga) was established by the President of India in 1951 under Article 280 of the Indian Constitution. It was formed to deny the financial relations between the central government of India and the individual state governments. The Finance Commission (Miscellaneous Provisions) Act, 1951 additionally denes the terms of qualification, appointment and disqualification, the term, eligibility and powers of the Finance Commission. As per the Constitution

the Commission is appointed every five years and consists of a chairman and four other members. There have been fifteen commissions to date. The most recent was constituted in 2017 and is chaired by N. K.Singh, a former member of the Planning Commission.

State Public Service Commission: The Government of India Act, 1935 provided for the es- tablishment of the Public Service Commission at the Provincial level known as the State Public Service Commission and the constitution of India gave it a constitutional status as autonomous bodies. The State Public Service Commissions were constituted under the provisions of the Constitution of India. A State Public Service Commission (SPSC) comprises a chairman and other members appointed by the governor of the state. One half of the appointed members of the commission should have held office for at least ten years either under the government of Indiaor under the government of a state. The constitution has not specialized in the strength of the commission. The governor is empowered to determine the number of members as well as stateof the commission and their conditions of service.



**ArvindSaxena** 

Union Public Service Commission: The Union Public Service Commission commonly abbre-viated as UPSC, is India's premier central recruiting agency. It is responsible for appointments to and examinations for All India services and group A & group B of Central

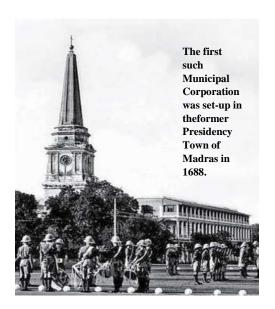
services. While the Department of Personnel and Training is the central personnel agency in India. The commission is headquartered at Dholpur House, in New Delhi and functions through its own secretariat. Arvind Saxena has been the Chairman of UPSC since June 2018. Established on 1 October 1926 as Public Service Commission, it was later reconstituted as Federal Public Service Commission by the Government of India Act, 1935; only to be renamed as today's Union Public Service Commission after the independence. As per Article 320, it shall be the duty of the Union Public Service Commissions to conduct exam-inations for appointments to the services of the Union. It shall also assist two or more States, if requested so, in framing and operating schemes of joint recruitment for any services.

Election Commission: The Election Commission of India is an autonomous constitutional au-thority responsible for administering election processes in India. The body administers elections to the Lok Sabha, Rajya Sabha, state Legislative Assemblies, state legislative Councils, and the offices of the President and Vice President of the country. The Election Commission operates under the authority of Constitution per Article 324, and subsequently enacted Representation of the People Act. The commission has the powers under the Constitution, to act in an appropriate manner when the enacted laws make insufficient provisions to deal with a given situation in the conduct of an election. Being a constitutional authority, the Election Commission is amongst the few institutions which function with both autonomy and freedom, along with the coun- try's higher judiciary, the Union Public Service Commission and the Comptroller and Auditor General of India. The Election Commission is regarded as India's guardian of elections. The commission has the power to designate political party insignia and is prohibited from allowing the same insignia by two different parties regardless of locations. It set limits on poll expens-

es. The commission is re- sponsible for maintenance of the electoral rolls and es- tablishing the schedules of elections. The commission is empowered with prohibiting dissemination or publication of voting trends that seek to influence voters by opinionpolls or exit polls. To curb the growing influence of money during elections, the Election Commission has made many suggestions and changes inthis regard.



# 4.5 GRAM PANCHAYATS, NAGAR PANCHAYATS & ZILLA PARISHADS



Municipalities except the implicitly in Entry 5 of the State List, which places the subject of local self-governments as a responsibility of the states. In order to provide for a common framework for urban local bodies and help to strengthen the functioning of the bodies as effective democratic units of self-government, Parliament enacted the Constitution (74th Amendment) Act, 1992 relating to municipalities in 1992.

The Act received the assent of the President on 20 April 1993. The Government of India notified 1 June 1993 as the date from which the said Act came into force.

### **Panchayats**

Article 40 of the Constitution, which enshrines one of the Directive Principles of State Poli- cy, lays down that the State shall take steps to organise village panchayats and endow them with such powers and, authority as may be necessary to enable them to function as units of self-government. In the light of the above, a new Part IX relating to the Panchayats has been inserted in the Constitution to provide for among other things, Gram Sabha in a village or group of villages; constitution of Pancha-

# Municipalities

Municipal bodies have a long history in India. The first such Municipal Corporation was set-up in the former Presidency Town of Madras in 1688; and was followed by similar corpora-tions in the then Bombay and Calcutta in 1726. The Constitution of India has made detailed provisions for ensuring protection of democ- racy in Parliament and in the state legislatures. However, the Constitution did not make the local self-government in urban areas a clear- cut constitutional obligation. While the Direc-tive Principles of State Policy refer to village Panchayats, there is no specific reference tos at village and other level or levels; direct

elections to all seats in Panchayats at the vil- lage and intermediate level, if any, and to the offices of Chairpersons of Panchayats at such levels; reservation of seats for the Scheduled Castes and Scheduled Tribes in proportion to their population for membership of Pancha- yats and office of Chairpersons in Panchayats at each level; reservation of not less than one-third of the seats for women; fixing tenure of five years for Panchayats and holding elections within a period of six months in the event of super session of any Panchayat.

# > SECTION 5

#### 4.6 INDIAN POLITICAL PARTIES

The Indian political parties are categorized into two main types. National level parties and statelevel parties. National parties are political parties which participate in different elections all overIndia. For example, Indian National Congress, Bharatiya Janata Party, Bahujan Samaj Party, Sa-majwadi Party, Communist Party of India, Communist Party of India (Marxist) and some other parties. State parties or regional parties are political parties which participate in different elections but only within one state. For example Shiv Sena participates only in Maharashtra, Telugu Desam in Andhra Pradesh, Akali Dal in Punjab, Dravida Munnetra Kazhagam (DMK) in Tamil Nadu and there are other such state parties. There are some small communist parties who participate only within one state. Some states have more than one state party. For example in Tamil Nadu another important state party's All India Anna Dravida Munnetra Kazagham (AIADMK). Because of these long party names many party names are abbreviated to their initials.

National parties are political parties which participate in different elections held all over India. Some of the national parties have their origin even before India's independence. The oldest national party in India is the Indian National Congress (INC). It was established in 1885 as a pro-British Indian organization. Later on it became the main voice of India's freedom struggle. After India's independence, the British passed the administration of India to the leaders of the Indian National Congress.

Until 1966 the Congress was a stable party. In 1966 Indira Gandhi became the leader of the Congress and Prime Minister of India. From this period the Congress lost its stability. Some of the veteran members of the Congress did not accept her leadership and they tried to dispose ofher. In 1969 the Congress split and her opponents established a new Congress party. But still INC was the largest and ruling party of India.

Indira Gandhi's Congress lost the 1977 elections to the Janata Party. A few months after the defeat, another split happened in the Congress party. The party of Indira Gandhi was called Congress (I), the initial

denoting of her name. During this period many more splits and coalitions occurred within the different Congress parties. Some of these new party members including its foundersreturned later on to the Congress (I) party and the party was renamed Indian National Congress.

But there are others who left the INC at different periods and established parties outside the fold of Congress and have a name Congress in their party name. Before the 1999 elections some se-nior members of the INC were forced to resign because they questioned the leadership of Sonia Gandhi. These people have created the National Congress Party to participate in 1999 elections.

The INC is in the Indian political arena prior to India's independence. There were other parties, which were established after independence, and, for some period, were challenging the contin-uous rule of the Congress, some of them were almost vanished from the political arena.

The first political party which was seen as challenging the Congress continuous rule was the Swatantra Party. It was established in 1959 and was supported by some big businessmen. It opposed the socialism policy of the Congress. It had members in the Lok Sabha until 1977. An-other party, which challenged the Congress party but later on almost vanished from the political arena, was the Janata Party. The Janata Party was the first political party in India to establish a non-Congress government when it won the 1977 elections.

The Janata Party was established before the 1977 elections. The person responsible for the formation of the Janata Party was Jayaprakash Narayan, called in short JP. JP was a freedom fighter and a social activist. Many in India respected him and saw in him a moral figure. In the early 1970s the reign of Indira Gandhi began to show signs of corruption and dictatorship and there was a general feeling that liberal democracy is coming to an end. JP openly attacked Indira Gandhi's policy and asked other leaders to express their views about the dangers. Between 1975-77 emergency rule was declared. During this period many of Gandhi's political rivals were arrested and put behind bars. Censorship was enforced on Indian press. The justice system was restricted and turned into a 'puppet show' of the government. The people also suffered a lot from this emergency rule. Under the birth control policy many people were forced to have sterilization. Even so Indira Gandhi was sure that the Indian people would support her because her general intention was to make India a better place and so she declared elections in 1977.

In 1980 new national elections took place in which Indira Gandhi's Congress again won the elections. Later on after these elections, different factions of the Janata Party broke up from the Janata Party and established their own parties. Among these parties were Jan Sangh whichlater on was renamed Bharatiya Janata Party (BJP). The

Janata Party continues to survive, but is very small. In the 1996 elections it did not win any seat in the national elections and in the 1998 elections it won only one seat.

Another political party which was actually a political bloc of different factions and managed to form a government was the Janata Dal. This party was established because of the claim that there was corruption in the Congress government. In 1984 Rajiv Gandhi formed the Congress government. The finance minister of his government was VP Singh. VP Singh found out that a Swedish company, Bofors, was bribing some senior members of the Congress. Singh tried to investigate this affair. Gandhi moved him from the office and made him Defence Minister, but Singh resigned from the government and started a new party called Janata Dal.

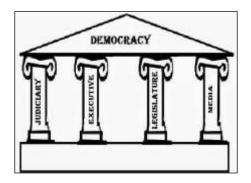
Between 1996 and 2004 the largest party was the Bharatiya Janata Party. The BJP began its political career after India's independence with only three members in the first elections held in 1952. The BJP is a Hindu nationalist party, which draws its inspiration from Hinduism. This party sees in India a Hindu state and it emphasizes Hindu pride and Hindu past of India.

This party was established after India's independence, but its origin is also pre-independence. In the 19th century a Hindu nationalist organization, Arya Samaj, was established. The ideas of this organization influenced another Hindu organization established later in British India, the Hindu Mahasabha. Hindu Mahasabha opposed the secular Congress philosophy and wanted to establish a Hindu state in British India. Another Hindu organization in British India was Rash-triya Swayamsevak Sangh (RSS), meaning national volunteers organization. One person who belonged in different stages of his life to these two organizations assassinated Mahatma Gandhi in 1948. In 1977 this party was an important function of the Janata Party. In the 1980s it broke from the Janata Party and changed its name to Bhartiya Jana Sangh. Later on it renamed itself as the Bharatiya Janata Party.

There are also other national parties, which were established in India. The Bahujan Samaj Party was established in the 1980s. The Samajwadi Party was established in 1992. Two communist parties, Communist Party of India (CPI) and Communist party of India- Marxist (CPM) are also national parties. There are some parties who have national agendas but participate only in certain regions of India and not all over India. For example Forward Bloc (see also Subhas Chandra Bose) which participates in elections only in West Bengal and neighboring Bihar.

# 4.7 MEDIA AS THE FOURTH ESTATE OF DEMOCRACY

• The Fourth Estate mostly referred to as the 'the press' is the guardian of veritas and has a special obligation as such when compared to 'bloggers'. Let's discuss why it matters and why it has this in fact an extremely important role to fulfil.



- The Fourth Estate is a societal power, forceor institution whose influence is not con- sistently or officially recognized as such. 'Fourth Estate' most commonly refers to the news media, journalism or the' press'. The term 'Fourth Estate' makes implicit reference to the earlier historical division of the Three Estates of the Realm: the cler-gy, the nobility, and the commoners.
- The equivalent term 'fourth power', used in many European languages as it histor- ically belongs to European constitutional lore dating back to the time of the Roman Empire, refers to the separation of pow-ers into legislative, executive and judicia- ry branches. This separation of power has become the construct upon which nations have been built throughout the world. Of which the press is the fourth element.
- The purpose, 'raison d'être', of this fourth element is to act as an counterbalance, a systemically opposite force that is to report, verify and question matters of governance, public matters as well as commercial ones, conducted by the powers, we the people, have entrusted it with and bestowed upon.
- The fact that we call it the fourth power or estate may prelude to the importance and significance we attribute to it.
- The legislature, parliament and executive branch, the president, prime minister and cabinet members are naturally divided along political, ideological lines, and so is the press. There is nothing wrong with that per se.
- We all are biased, prejudiced to some ex- tent. There is nothing wrong

with that per se as long as we are aware of it and are mindful of our purpose, our obligation as consumers, reporters and makers of news. Neutral, objective and critical gathering of news applies to us all. In the case of the press, it has a professional obligation to doso.

#### 4.8 CHECK YOUR PROGRESS

- 1. India is a **democratic** country.
- 2. The Indian Constitution was adopted by the Constituent Assembly on <u>26th</u> <u>November</u>, <u>1949</u>.
- 3. The **President** is the constitutional head of the executive of the Union of India.
- 4. The **Council Of Ministers** is the supreme governing body in India.
- 5. The **Parliament** is the legislative arm of the Indian Union.
- 6. Members to the **Rajya Sabha** are elected by the elected members of Legislative Assemblies of the concerned states.
- 7. The Indian political parties are categorized into two parties including **National level parties** and **state level parties**.
- 8. **Municipal bodies** have a long history in India.
- 9. <u>Election Commission</u> of India which is responsible for superintendence direction and con-trol of all elections.
- 10. The <u>Union Public Service Commission</u> commonly abbreviated as UPSC, is India's pre-mier central recruiting agency.

# 4.9 KEYWORDS

- Political System: In political science, a political system defines the
  process for making official government decisions. It is usually
  compared to the legal system, economic system, cultural system, and
  other social systems.
- Constitutional Bodies: Constitutional Bodies are those bodies which are mentioned in the Indian Constitution to run the government properly.
- Panchayat: In India, the Panchayati Raj now functions as a system of governance in which gram panchayats are the basic units of local administration. The system has three levels: Gram Panchayat (village level), Mandal Parishad or Block Samiti of Panchayat Samiti (block level), and Zila Parishad (district level).
- **Democracy:** is a form of government in which the people exercise the authority of government. Who people are and how authority is shared among them are core issues for democratic development and constitution.
- **Fourth Estate:** The term Fourth Estate or fourth power refers to the press and news media both in explicit capacity of advocacy and implicit ability to frame political issues. Though it is not formally recognized as a

part of a political system, it wields significant indirect socialinfluence.

#### 4.10 TO SUM IT UP

- Understanding the concept of Fourth Estate.
- Structure of Constitutional bodies.
- How Indian Political System work and major political parties?
- India and its bordering countries.
- Understanding the importance of government bodies.

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UNIT: 5

# INDIAN POLITICAL SYSTEMS -2

# :: STRUCTURE ::

- 5.0 Introduction
- **5.1 Learning Objectives**
- 5.2 Section 1: The Origin of Indian Bureaucracy
- **5.3 Section 2: The Administration**
- 5.4 Section 3: The Parliament Rajya Sabha and Lok Sabha
- 5.5 Section 4: Judiciary System of India
- 5.6 Section 5: Indian Military
- 5.7 Section 6: Paramilitary Forces of India
- 5.8 Section 7: Indian Intelligence Agency
- **5.9 Section 8: Indian Foreign Policy**
- 5.10 Section 9: Border Disputes in India
- 5.11 Section 10: Political Ideologies in India
- **5.12 Check Your Progress**
- 5.13 Keywords
- 5.14 To Sum It Up
- **5.15 References**

# 5.0 INTRODUCTION

- Gone are the days when the powers of the government were divided into three main parts or branches—legislature, executive and judiciary. This formula still exists but the executive branch has proliferated considerably. Today we are accustomed to treat the executive as notonly a very important branch but also a branch consisting of long array of persons and nu-merous departments.
- At the top of the executive there are ministers accountable to the

legislature. The ministers are generally called the temporary executives because their tenure is linked with the election. But besides the temporary executive there is a large number of an executive or governmentofficers whose tenure is fixed. These persons are called permanent executives. In fact, these permanent executives constitute the main body of public administration. These officers are generally called (of course in a pejorative sense) bureaucrats.

# 5.1 LEARNING OBJECTIVES

- Explain the meaning of bureaucracy and discuss its salient features;
- Trace the evolution of bureaucracy in India;
- Discuss the composition, nature and functioning of statutory bodies of bureaucratic recruit-ment such as Union Public Service Commission (UPSC);

#### At the End of the Unit student will be able to:

- Describe the nature and functioning of bureaucracy in the post-Independence India up to the commencement of globalization; and,
- Discuss the impact of globalization on bureaucracy.



# 5.2 THE ORIGIN OF INDIAN BUREAUCRACY

The civil service system or bureaucracy in India owes its origin to British system of civil ser- vice. For this reason logic demands that a very brief analysis of British system of civil service is essential.

During the Saxon and Norman monarchs the posts of state administration were distributed among the families of kings and their relatives. Persons were appointed to the posts-both high and low-on the basis of patronage and not on the ground of efficiency. This was sufficient to damage or adversely affect the efficiency and real purpose of administration. Many people thought of a change in the system of appointment of government officers or employees. But the change in the appointment system was strongly opposed by many-and Edmund Burke was one of them. Burke was a great conservative.

To give an example from the Indian context, in a Department of the Central Government inDelhi, the chain of command is as follows:

Secretary → Additional Secretary → Joint Secretary →

Deputy Secretary → Under Secretary → Section Officer →

other lower ranks.



# 5.3 THE ADMINISTRATION

# **Changing Concept of Bureaucracy:**

Bureaucracy continued to be understood in the manner described earlier through the 19th cen- tury. But conceptions began to emerge which recognized that there are differences other than those of power and size between groups of official and modes of organization. One of the most important of these conceptions "transfers attention from officials as a social group to the mode of organization of the institution in which they serve. This use of bureaucracy is important as a forerunner of the widespread 20th century habit of applying the terms "bureaucracies" or 'bureaucratic' to institutions rather than to the official employed in them; these latter are called bureaucrats as much because they work in the institutions as because they are members of a social group".



# 5.4 THE PARLIAMENT – RAJYA SABHA AND LOK SABHA

- All the legislative powers of the federal Government are vested in the Parliament. The lawsframed by the Indian Parliament are enforced in the whole of the country. The Parliament of India is a bi-cameral legislature. It consists of two houses- Rajyasabha, Lok Sabha and President of India. Rajya Sabha is the upper chamber of the Parliament while Lok Sabha is the lower chamber of the Parliament.
- The Parliament of India is a bi-cameral legislature. It consists of two houses- Rajya Sabha & Lok Sabha and President of India. Parliament makes law with the help of both chambers. Laws passed by the parliament and approved by the president are enforced in the whole country.

#### **Functions of Indian Parliament:**

**Legislative Powers:** There are many subjects in our constitution and they are divided among the state, union, and concurrent lists. Thus, in the concurrent list, the parliamentary law over- rules the legislative law of the state.

**Constituent Powers:** This is a simple function of parliament. Within this power, the parliament can pass any law that is required. Also, it can be done to amend the constitution.

# Rajya Sabha: Functions and Position of the Rajya Sabha

The Rajya Sabha, i.e., the Council of States, is the Upper House of the Union Parliament. It gives representation to the States of the Indian.

However, the states do not enjoy equal representation in the Rajya Sabha. These have been given representations on the basis of the size of their populations.

Composition of the Rajya Sabha: The Rajya Sabha can have a maximum strength of 250 members; out of these 238 are to be the representatives of the States and remaining 12 members are to be nominated by the President from amongst persons who have achieved distinctions in the fields of art, literature, science or social services. At present, the Rajya Sabha has 245 members 233 elected and 12 nominated. Members of each State Legislative Assembly, together elect their allotted number of MPs for Rajya Sabha. The President nominates 12 MPs of the Rajya Sabha. Odisha has 10 seats in the Rajya House.

Method of Election: The members of the Rajya Sabha are elected indirectly by the people. The people of each state elect the members of their state legislative assembly who then elect the members of Rajya Sabha by a method of proportional representation—single transferable vote system. Each State Legislative Assembly elects as many representatives as have been allocated to it by the Constitution. The Odisha Legislative Assembly has 147 MLAs who together elect 12 members of Rajya Sabha.

Chairman and Deputy Chairman of the Rajya Sabha: The Vice-President of India is the ex-officio Chairman of the Rajya Sabha. He is not a member of the House. However, he pre- sides over its meetings and conducts its proceedings. During the absence of the Vice-President, the Deputy Chairman of the Rajya Sabha presides over the meetings. The Deputy Chairman is elected by the Rajya Sabha MPs from amongst themselves.

# Powers and Functions of the Rajya Sabha:

- 1. Legislative Powers: In the sphere of ordinary law-making the Rajya Sabha enjoys equal powers with the Lok Sabha. An ordinary bill can be introduced in the Rajya Sabha and it cannot become a law unless passed by it. In case of a deadlock between the two Houses of Parliament over an ordinary bill and if it remains unresolved for six months, the President can convene a joint sitting of the two Houses for resolving the deadlock. This joint sitting is presided over by the Speaker of the Lok Sabha. If the bill is passed in the joint sitting, it is sent to the President for his signatures. But if the deadlock is not resolved, the bill is deemedto have been killed.
- **2. Financial Powers:** In the financial sphere, the Rajya Sabha is a weak House. A money bill cannot be introduced in the Rajya Sabha. It can be initiated only in the Lok Sabha. A money bill passed by the Lok Sabha comes before the Rajya Sabha for its consideration. However, if within a period of 14 days, the Rajya Sabha fails to pass the bill, the bill is taken

to have been passed by the Parliament irrespective of the fact whether the Rajya Sabha has passedit or not. If the Rajya Sabha proposes some amendments and the bill is returned to the Lok Sabha, it depends upon the Lok Sabha to accept or reject the proposed amendments.

3. Executive Powers: "The Union Council of Ministers is collectively responsible before the Lok Sabha and not the Rajya Sabha." Lok Sabha alone can cause the fall of the Council of Ministers by passing a vote of no-confidence. Although the Rajya Sabha cannot remove the Ministry from its office yet the members of the Rajya Sabha can exercise some control over the ministers by criticising their policies, by asking questions and supplementary questions, and by moving adjournment motions. Some of the ministers are also taken from the Rajya Sabha. Now the Prime Minister can also be from Rajya Sabha if the majority party in the LokSabha may elect/adopt him as its leader.

#### Lok Sabha:

# Functions of Lok Sabha: The powers and functions of the Lok Sabha can be broadly clas-

sified under the following heads:

- 1. Legislative: The Lok Sabha can pass bills concerning all those subjects which have been included in the Union List and the Concurrent List. It can pass bills regarding state subjects also in emergencies or if Rajya Sabha by a resolution passed by majority of its total members and 2/3 of its members present and voting declared a particular -state subject of national importance. However, such a bill can be valid for a year only. A non-money Bill can be initiated in any of the two Houses. In case, the Houses cannot come to an agreement, the President may summon a joint session of both the Houses of Parliament. If the Bill is passed by the majority of the total members of the Houses concerned in a jointsession, it is deemed to have been passed by both the Houses of Parliament.
- **2. Financial:** The Lok Sabha's control over purse is an undisputed fact. A money bill must be initiated in the Lok Sabha. When passed by the Lok Sabha, it is to be transmitted to the Ra- jya Sabha for its recommendations. The Constitution, however, requires the Rajya Sabha to return it to the Lok Sabha with its recommendations within 14 days from the date of receiptof the bill.
- 3. Control over the Executive: In a Parliamentary form of government, the most important function of a lower House is "Control over the Executive". The lower House of our Parlia- ment is not an exception. According to Article 75(3), the Council of Ministers is collectively responsible to the Lok Sabha. This means, the ministry must tender resignation if a vote of non-confidence is passed against it by the Lok Sabha. There are other effective methods also adopted by our lower House, like that of other lower Houses in Parliamentary form of governments, to control the executive. The Ministers in charge of

various departments can be interrogated and censured by the members of the House. The bill introduced by the gov-ernment may be rejected by the House. The adjournment motion may be moved to criticize the government or raise discussions on matters of vital importance for short duration.



#### 5.5 JUDICIARY SYSTEM OF INDIA

The Judicial System or the court system is also the Judiciary System. The court has the power to make decisions and also enforce the law, solve disputes. The Judicial system consists of Judges and other magistrates; they form the bench or the core of the judiciary system.



#### Supreme Court of India

Under the constitution of India, the Supreme Court is the final court of appeal. Hence has the chief justice of India, including 30 judges and other judges for advisory jurisdiction. Unsolved or still in dispute cases are leveled up to the Supreme Court to retain justice. If the Supreme Court declares a law it is binding on all other courts of all States and Union territory. Every court building has 15 courtrooms. The Eligibility to become a Chief justice is:

- The judge in one High court or more, for at least 5 years or advocate in high court for at least 10 years.
- A distinguished judge in the opinion of the President of India.



#### High Court of India

Under the constitution of India, every state should regard one high court. Mumbai high court isthe oldest high court in India. Every High court has 94 judges out of which 71 are permanent and 23 are additional judges. High court deals with economic issues and legal documentation. These courts also have an additional set of legal professionals.



#### District Court of India

Under the constitution of India, district courts or Subordinate Courts are subordinate to the highcourt. District courts are established according to the population distribution of the district and tate. It looks after the Civil and criminal matters of the district. A law declared by the district court is applicable to all subordinate courts. Since District court is at a higher hierarchical level.



#### INDIAN MILITARY 5.6

We will discuss the various Armed Forces of India and the role they play in the security ap-paratus of the country.

The various armed forces of the Union of India have separate mandates and are handled by different ministries. The majority of the external security threats in India are managed by the Ministry of Defence with the help of the Ministry of Home Affairs. Most of the internal se-curity challenges and their management in border areas are also handled by both the Defence Ministry and the Home Ministry. Internal security threats such as insurgencies, separatism and riots etc are the primary responsibility of the Ministry of Home Affairs. The security forces which handle different threats in India are classified into the Indian Armed Forces, Paramilitary Forces of India and the Central Armed Police Forces. India also has dedicated Special Forces within each security force as well as two specialized Anti-Terrorism, Urban Warfare and VIP protection units.

#### **Indian Armed Forces**

The Indian Armed Forces are the military forces of India. The defence services in India consistof three uniformed services:

- The Indian Army
- The Indian Navy
- The Indian Air Force

The Indian Armed Forces are supported by the Indian Coast Guard, paramilitary forces, and various other organizations. The supreme commander of the Indian Armed Forces is the Presi-dent of India. All three services report to the Ministry of Defence.



#### 5.7 PARAMILITARY FORCES OF INDIA

The term "paramilitary forces" in India has not been defined in any act of parliament or by the authorities. Since 2011, the Government of India uses an unofficial definition that the Paramil-itary forces are the ones that assist the military forces and are headed by Military officers, not by IPS officers.



#### Assam Rifles

The Assam Rifles was established in 1835. It is considered as the oldest of all paramilitary forces. This force plays a crucial role in North East India, handling counterinsurgency and bor-der security operations. They are also guarding the 1,643 km long Indo-Myanmar border since 2002. Though it is classified as a Central Armed Police Force, its tactics, training, equipment and operational mandate closely mirror those of the Indian Army. It is headed by an Army officer of the rank of Lieutenant General. It currently reports to the Ministry of Home Affairs.



#### **Special Frontier Force**

It is based in Uttarakhand.SFF was the first special force of independent

India. Special Frontier Force or Establishment 22 (pronounced Two-Two) was an outcome of the 1962 India-China War. The main task of SFF was stirring up guerrilla operations against China in Tibet during wartime. In Peacetime, they operate as a second line of defence in conjunction with the ITBP



#### Indian Coast Guard

The Indian Coast Guard was established on 18 August 1978 as a sovereign armed force of the country. It protects the country's maritime interests and maritime law enforcement with juris- diction over both territorial and international waters.



#### **Central Armed Police Forces**

Central Armed Police Forces were formerly referred to as Paramilitary Forces. From March 2011, the Ministry of Home Affairs adopted a uniform nomenclature of Central Armed Police Forces to avoid confusion. There are seven central armed police forces. Each of these forces perform a separate function. They operate under the Ministry of Home affairs. Each of the forces is led by an IPS officer with the notable exception of the Assam Rifles which has been covered under paramilitary forces.



#### **Border Security Force (BSF)**

The BSF are the border guards of the country and are called the 'First Wall of Defense of Indian Territories'. This Union Government Agency under the administrative control of the Ministry of Home Affairs came into being in the wake of the 1965 Indo-Pakistan war. It ensures the security of the borders of India and is headed by an officer from the Indian Police Service.



#### Central Reserve Police Force (CRPF)

The Central Reserve Police Force was established by the enactment of the CRPF Act in 1949. Initially, it came into existence as Crown Representative's Police in 1939 for internal security. Till 1965, CRPF guarded the India- Pakistan border. The primary mission of the Central Re- serve Police Force is counter insurgency operations. It also assists the State and Union Terri- tories in police operations to maintain law and order. Apart from this, the force participates as a police force in the UN peace-keeping missions. The CRPF maintains a special forces unit known as Commando Battalion for Resolute Action(COBRA) to combat Maoist insurgents.



#### Indo-Tibetan Border Police (ITBP)

The Indo-Tibetan Border Police was established after the 1962 Sino-Indian conflict. It was cre-ated under the CRPF Act. It guards the Indo-Tibetan border and the mountainous regions of the India-China border and monitor the northern borders. It detects and prevents border violations. The force also keeps a check on illegal immigration and transborder smuggling. It has been de-ployed in UN peacekeeping missions in

Kosovo, Sierra Leone, Haiti, Western Sahara, Bosnia, Herzegovina, Afghanistan and Sudan.



### Sashastra Seema Bal (SSB)

The Sashastra Seema Bal was set up in 1963. They guard Indo-Nepal and Indo-Bhutan Borders. They are also deployed during elections as polling booth security. Previously, it was known as the Special Service Bureau and they are deployed to control anti-national activities and incul- cate feelings of national belonging in the border population among others. It also acts against smuggling and other illegal activities.



#### Special Forces of India

Apart from the special forces operating under various agencies in the country, the special forces of India also have the following units reporting directly to the Home Ministry for counter ter- rorism and VIP protection activities:



#### National Security Guards (NSG)

The National Security Guards is a special forces unit under the Ministry of Home affairs. It was established in 1984 to counter the surge of militancy in the country. It has a highly trained force which deals with exceptional situations when local police and special forces need assistance. It was formed right after the assassination of former Prime Minister Indira Gandhi and OperationBlue Star.



#### Special Protection Group (SPG)

The Special Protection Group is the most elite, nodal protection agency in the country. It was formed in 1988 by an act of the Parliament of India. It is an armed force of the Union for provid-ing immediate security to the Prime Minister of India, the former Prime Minister and members of their close family members.



#### **5.8** INDIAN INTELLIGENCE AGENCY

1. Research And Analysis Wing: The most commonly known agency of India, R&AW is the frontline intelligence provider in India. The Agency though very young is known for its work all over the world and is considered one of the best. It was established in 1968 follow-ing the intelligence failures of the Sino-Indian and Indo-Pakistani wars, which persuaded the Government of India to create a specialized, independent agency dedicated to foreign intelligence gathering. R&AW receives little to no attention from the populace, which seems to be unaware of the existence of such an organisation or even India's internal intelligence agency, the Intelligence Bureau (IB).

- **2. Intelligence Bureau:** IB stands for Intelligence Bureau and is an autonomous body that was created through an executive order of the government. IB is not an investigative agency andis primarily concerned with a specialised analysis of information. It is also the oldest intelligence agency in the country, created by the government in 1947 at the time of independence. IB carries out intelligence inside the country and counter insurgency and counter terrorism strategies are made based upon analysis of information due by IB.
- 3. National Technical Research Organisation: The National Technical Research Organisa- tion (NTRO) is a technical intelligence agency under the National Security Adviser in the Prime Minister's Office, India. ] It also includes the National Institute of Cryptology Re- search and Development (NICRD), which is the first of its kind in Asia. NTRO is responsi-ble for providing technical intelligence to other agencies on internal and external security. The agency is under the control of India's external intelligence agency, Research and Analy-sis Wing, although it remains autonomous to some degree.
- **4. Narcotics Control Bureau:** The NCB is the primary organisation in India to cut and mon- itor the drug business. The NCB is the law enforcement and intelligence agency of India responsible for fighting drug trafficking and the abuse of illegal substances. It is under the home ministry of India.



#### 5.9 INDIAN FOREIGN POLICY

- The recent India-Pakistan crisis, while once again raising the specter of war in South Asia, also highlighted that the likes of France, Germany, Australia, and the United States are will-ing to stand behind India in the international arena. In Pakistan, most believe that this is be-cause of India's economic heft and the size of its market. This view lacks depth and ignoresthe fact that the evolution of India's strategic outlook has led the country to go from being aprotest voice on the international stage to a nation-state that is actively shaping the interna-tional order.
- Following independence, India's strategic outlook was shaped by Jawaharlal Nehru, who viewed the West with skepticism and had a rosy view of socialist ideals. This led to foreignpolicy that was built on three key pillars: nonalignment in the international arena; preserva-tion of autonomy in domestic affairs; and solidarity among developing nations, particularly those that had recently gained independence from colonial powers. This policy continued throughout the Cold War, when India leaned toward the Soviet Union while deftly maintain- ing strategic autonomy and charting its own course in a bipolar international order.

• This worldview began to evolve following the collapse of the Soviet Union and an economic crisis at home. India slowly opened its economy through careful economic liberalization that signaled the end of the license raj, and at the same time began to engage with the rest of a world on a different set of norms. A newfound pragmatism began to emerge and by the late 1990s India was willing to place its own national interest – both economic and security – ahead of broader ideas of global justice and equity.

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#### 5.10 BORDER DISPUTES IN INDIA

India's land frontier extending over a distance of approximately 15,200 km has been the sourceof numerous problems with her neighbours, most of them arising as a result of claims on each other's territories, which in turn have arisen on account of ill-defined international borders.

#### 1. The Indo-China Border:

This border has become a major point of contention between the two parties, shattering the cordial relations that existed between the two countries since antiquity.

The Chinese invasion in 1962 can be traced to a series of factors: (1) the establishment of a stable central government in China with an aggressive nationalist outlook, seeking to return to vassalage all those territories which once formed a part of the Chinese empire and which became independent as a result of general political disintegration; (b) the rapid increase in the population of China which had brought about an urgent need for laboni rawmio (living space), to utilise the potentialities of Central Asia, Tibet and other relatively vacant areas for develop-ment purposes; (c) the strategic need to construct a road across Aksai Chin and to acquire the territory of Ladakh to ensure the defence of the road; (d) ideological differences between the two countries, with India swearing by democratic socialism and non-alignment and the Chinese ideology based on sectarian communism, alignment and dictatorship. India's support to Tibetanrebels and the Dalai Lama, and its cooperation with the capitalist industrialists in increasing arms production have been other basic causes of antagonism.

#### 2. The Pakistan Boundary:

The boundary runs along the Rann of Kachchh, Rajasthan, Punjab and Jammu and Kashmir. Under the Radcliffe Award, the boundary was well defined and partly demarcated on the ground. Pakistan asserted that the boundary in the Rann of Kachchh was not clearly delimited, that the Rann of Kachchh was not a marsh, but a landlocked area and thus should be divided equally between India and Pakistan, thereby staking its claim on 9065 sq km of territory. It invaded India in 1965 to fulfill its claim. A Boundary Tribunal was set up with Gunar Lagergren of Swit-

zerland as president, which awarded 9065 sq km of the territory to Pakistan. The international boundary was revised accordingly in 1969.

#### 3. Indo-Bangladesh Border:

Out of the total border of 3,970 km between Bangladesh and India, nearly 2,450 km have beendemarcated on the ground. The establishment of the boundary provoked sharp comments from the non-Muslims who protested against the arbitrary transfer of Khulna, a Hindu majority district to East Bengal.

Other major areas of conflict include Rajasthan in Bangladesh and Murshidabad in India where the channel of Ganga shifts frequently, causing the international border to shift. In addition to this, disputes have also arisen over the Sylhet district of Bangladesh, and Garo, Khasi and Jain- tia hills of India. This being a densely forested area, demarcation was difficult. In both cases, the Radcliffe Award was confirmed and India's claim was sustained.

#### 4. Indo-Myanmar Border:

The border is based on natural features. Nearly 870 km of boundary follows major or minor watershed areas. Around one-third of it coincides with streams and rivers. The remainder of the boundary comprises straight lines between established boundary pillars.

#### 5. Indo-Nepalese Border:

The Indo-Nepal border is 1752-km long. The Indian states of Uttar Pradesh, Uttarakhand, Bi- har, West Bengal and Sikkim touch the border of Nepal. This was demarcated in 1858 and there has been no boundary dispute between the two nations.

#### **6.** Indo-Bhutanese Border:

This was determined under a treaty signed at Sanchula in 1865 between Great Britain and Bhu-tan. At present, India is responsible for protecting Bhutan's border from external threat, through a treaty obligation of 1949.

#### 7. Indo-Sri Lanka Border:

India and Sri Lanka have a maritime boundary. A 30-km wide shallow sea, the Palk Strait, lies between the countries. The point nearest to Sri Lanka in India is Dhanushkodi (Tamil Nadu) and the point in Sri Lanka that is nearest to India is TalaiMannar, Jaffna. Though, by and large, peace has reigned where the Indo-Sri Lanka border issue is concerned, there were tensions overthe question of who owned Kachchativu Island in the Palk Strait. It was given by India to Sri Lanka in 1974.

#### 5.11 POLITICAL IDEOLOGIES IN INDIA

The main factor that clarifies the mushrooming development of political gatherings in India is the distinction in belief system. While some of them are professional advancement, some are against private enterprise. The ideological contrasts additionally exist in the social circlewith some political groups swearing by Hindu patriotism and the rest appear to be very sub-stance with dynamic westernization. It is this assortment of philosophies and their specialists that make Indian governmental issues a troublesome yet an intriguing contextual investigation.

#### **Socialist Parties in India**

- The socialist gatherings are known for their 'hostile to business' philosophy. Lastingly an advocate of sponsorships, minority settlement and protection of human rights, the Left gath-erings are confronting existential emergency after 2014 General Elections.
- Socialist Party of India (CPI) can be known as the forebear that has worked its way through a progression of developments to wind up a political power to figure with. From outfitted battle against nearby rulers in Tripura, Telangana and Kerala to agrarian battle in Manipur, the gathering has dependably been at the front line of social developments. Land change and exchange association developments additionally cover a vast lump of CPI's political philos-ophy.
- The Communist Party of India (Marxist) (CPI-M) calls itself the "progressive vanguard of the common laborers of India." Its political belief system is fixated on communism, social-ism and foundation of "the condition of fascism of the low class." The standards of Marx and Lenin manage the gathering's exercises. The pronounced goal of CPI-M is the liberation of the majority and figuring out how to end "misuse of man by man." The gathering is presently pretty much moved in states like Tripura and Kerala.

#### **BJP and Right Wing Politics**

- BJP, without a doubt, has had a decent kept running in the last three or four decades. After a moderate section into the standard governmental issues, the gathering bit by bit climbed the stepping stool of acknowledgment before turning into India's biggest political gathering regarding portrayal in the Parliament.
- Having its beginning in the Bharatiya Jana Sangh, the BJP keeps up ideological and author-itative connections to the Hindu patriot amass—Rashtriya Swayamsevak Sangh (RSS). From Ram Janmabhoomi development, Uniform Civil Code to Good Governance, the gath-ering has been wisely choosing and taking stand on issues of national significance to in- crease better perceivability.

#### **5.12 CHECK YOUR PROGRESS**

- **1.** The civil service system or bureaucracy in India owes its origin to British system of civilservice. **-True**
- 2. Bureaucracy is not hierarchical. -False
- 3. The National Security Guards is a special forces unit under the Ministry of Home affairs.

#### -True

- **4.** All the legislative powers of the federal Government are vested in the Parliament. -**True**
- 5. The Rajya Sabha can have a maximum strength of 300 members. -False
- **6.** The Indian Navy secures India's maritime borders and interests. **-True**
- 7. The Indian Air Force was officially established on 8 October 1930. -False
- 8. Mumbai high court is the oldest high court in India. -True
- 9. The National Security Guards is a special forces unit under the Ministry of Special affairs.

#### -False

10. The Indian Armed Forces are the military forces of India. -True

#### 5.13 KEYWORDS

- **Globalization:** Globalization or globalisation is the process of interaction and integration among people, companies, and governments worldwide.
- **Bureaucracy:** Bureaucracy refers to both a body of non-elected government officials and an administrative policy-making group. Historically, a bureaucracy was a government adminis-tration managed by departments staffed with non-elected officials.
- **Statutory bodies:** A statutory authority is a body set up by law which is authorised to enactlegislation on behalf of the relevant country or state.

#### 5.14 TO SUM IT UP

- Understanding the concept of globalization.
- What are the advantages and disadvantages of Indian Bureaucracy system?
- What makes Bureaucracy impact Indian Political regime?
- What constitutes Indian Bureaucracy system?

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UNIT:6

# INDIAN DEMOCRATIC INSTITUTIONS

#### :: STRUCTURE::

- 6.0 Introduction
- **6.1 Learning Objectives**
- **6.2 Section 1 : Roles of Autonomous Institutions**
- **6.3 Section 2 : Process of Elections**
- 6.4 Section 3: Comptroller and Auditor General
- 6.5 Section 4: NITI Aayog and Planning Commission
- 6.6 Section 5: Law Commission of India
- 6.7 Section 6: Human Right Commission of India
- 6.8 Section 7: Women's Commission of India
- 6.9 Section 8 : SC-ST Commission of India
- **6.10 Section 9 : Panchayat Raj Institutions**
- 6.11 Section 10: Indian Judiciary
- **6.12 Section 11 : Media Related Institutes**
- **6.13 Check Your Progress**
- **6.14 Keywords**
- 6.15 To Sum It Up
- **6.16 References**

#### 6.0 INTRODUCTION

India has long baffled theorists of democracy. Democratic theory holds
that poverty, wide- spread illiteracy, and a deeply hierarchical social
structure are inhospitable conditions for the functioning of democracy.
Yet except for 18 months in 1975-77, India has maintained its
democratic institutions ever since it became independent of Britain in

1947. Over those seven decades, there have been 17 parliamentary elections and many more state assembly elections. Peaceful transfers of power between rival political parties have occurred seven times at the central level. Most of the time the party that ruled in New Delhi has not ruled in nearly half of the states. Since 1977, moreover, incumbent governments have been repeated-ly defeated in elections. The press has remained vigorous, free, and unafraid to challenge the government, as even a cursory sampling of morning newspapers will show. The judiciary, despite periodic pressure from the federal executive branch, maintains institutional autono- my. Election turnout keeps rising, exceeding the levels typical in several advanced Western democracies. Having started at 45.7 percent in the first general elections (held in 1952), turnout now often rises above 60 percent.

- India became a democratic nation post its independence in the year 1947. Thereafter, the citizens of India were given the right to vote and elect their leaders. In India, it gives its citizens the right to vote irrespective of their caste, colour, creed, religion, and gender. It has five democratic principles sovereign, socialist, secular, democratic and republic.
- One of the tenets of democracy is that all members of the society must be equal. For it to function, this equality must be present in the individual vote. Denying groups the right to vote is contrary to the function of a democracy, a system of government where each individual's vote has equal weight.

#### 6.1 LEARNING OBJECTIVES

- Explain India's democratic system.
- Introduced students to India's democratic institutions.
- Describe India's electoral process.

#### On completion of this unit you will be able to

- Understand the importance of being a democrate nation.
- Appreciate the roles of democratic institutions.
- Understand India's election system.

#### > SECTION 1

#### 6.2 ROLES OF AUTONOMOUS INSTITUTIONS

 Autonomous Bodies are set up whenever it is felt that certain functions need to be dischargedoutside the governmental set up with some amount of independence and flexibility without day-to-day interference of the Governmental machinery. These are set up by the ministries/ departments concerned with the subject matter and are funded through grants-in-aid, either fully or partially, depending on the extent which such institutes generate internal resources of their own.

• The term "autonomous body " denotes a self-governing body, independent, or subject to its own laws. An autonomous body has sole right and power to establish their own laws and code of conduct. These body are free from any external pressure, thus they can act independently. In India autonomous institutions are given freedom to set their own laws but suchlaws must be in accordance with the Constitution and existing laws of the land.

#### **Election Commission of India**

Election Commission of India is one of the most powerful and relevant autonomous institutions of the country. It is central to the idea of a successful democracy. Its prime responsibility is to ensure free and fair elections in India. It issues Model Code of Conduct before every election which is to be strictly followed by political parties and candidates so that strict decorum can be maintained. It limits and monitors the money and expenditure to be spent by parties and candidates and makes on campaign. The commission regulates political parties and registers eligible candidates which in turn fight elections. It mandates political parties to submit their audited financial reports regularly. It limits the power of political parties and the government agencies and officials have to work in according to the commission in order to conduct fair elections.



#### 6.3 PROCESS OF ELECTIONS

The election process begins with the an- nouncement of election which brings the Mod-el Code of Conduct in force. The Model Code of Conduct comes into force immediately on announcement of the election schedule by the Commission to ensure free and fair elections. Its main purpose is to ensure that ruling par- ties, at the Centre and in the States, do not misuse their position of advantage to gain an unfair edge. It is designed to avert practices which are deemed corrupt under model code of conduct. The Commission, in consultation with state government, appoints Returning Of- ficers. From the formation of constituencies, to conducting of election and to counting of votes and settling any disputes if arise, all are stage-wise processes that the Election Commission follows. It can be categorised further:

**Formation of constituencies:** After comple- tion of each census, the allocation of seats in Lok Sabha are adjusted. Similarly, for elections of legislative assembly too the constitutencies are readjusted.

**Nomination process:** For Rajya Sabha or State Legislative Council the minimum age is 30 years while for Lok Sabha or State Legislative Assembly one should be above 25 years of age. A candidate will be disqualified if he/ she holds an office of profit under the state or government of India, has been declared of un-sound mind by court, is an undischarged insol-vent, has ceased to be a citizen of India or has been declared disqualified by the Parliament. Corruption, election offence, cruelty towards women can also lead to disqualification.

**Election campaign:** Political parties prepare manifestoes that contains programmes and promises with a view to attract the largestnumber of voters. The parties and candidates adopt various techniques to reach out to the voters and covey their messages. The process of reaching out includes public meeting, ral- lies and processions, street meetings, door-to-door canvassing. Slogans are coined to attract voters, advertisements are given in TV, radio and newspapers. With the advent of social me-dia, the candidates and party leaders give in- terviews through mass media to convey their message.

**Polling:** 48 hours before the polling day the canvassing is stopped. The presiding officer with the team supervise the whole of the poll-ing process and ensures that all people work- ing under him/her adhere to electorate norms. The voter records his/her vote in the electronic voting machines (EVM)



**Counting and result:** Post polling the EVMs are sealed and kept in safe custody. On the counting day, the votes are counted by the election authorities in presence of the repre-sentatives of the candidates. A list is made and the one who has polled maximum vote is de-clared winner.

**Submission of account:** The candidates are required to file an account of election ex-penses. Expense allowed for state assembly election is Rs 6 lakhs while for Parliamentarycontestant is Rs 15 lakh. Over expense is con-sidered as corrupt practice.

SECTION 3	

#### **6.4** COMPTROLLER AND AUDITOR GENERAL

- Comptroller and Auditor General (CAG) is responsible for auditing the accounts of Union Government, State Government and public sector undertakings (PSU). It also maintains ac-counts of State Governments. CAG reports are considered by Public Account Committees. Chapter V under Para V of the Indian Constitution deals with the CAG.
- Comptroller and Auditor General of India is appointed by the President of India. CAG en-joys the same status as the judge of Supreme Court of India. CAG can be removed from office like in the manner of a judge of a Supreme Court of India.
- The CAG has unearthed and brought of light many major scams in India. Some most mem-orable ones are Commonwealth Games scam, 2G Spectrum allocation (2012), Coal Miningscam (2012), Fodder scam (1995), Krishna-Godavari D-6 Gas block.

## Role of CAG

- The CAG has to perform duties and exercise powers in relation to accounts of Union or of State and any other authority or body as prescribed under or by law laid by Parliament.
- The report related to account of Union is submitted to the President of India which is further laid before each House of Parliament. The report related to account of State is submitted to the Governor which is further laid before State Legislature.
- State Accountants General (SAG) work in the CAG. The accounts of state government are audited by State Accountants General before submission to the CAG of India for certifica- tion and submission to the Governor or head of Union Territory to be tabled before State Legislature.
- The CAG has to ascertain if the amount shown in the accounts as having been disbursed waslegally available for and applicable to the services or the purpose to which they have been applied or charged, and whether the expenditure conforms to the authority which governs it.

) SECTION 4	

#### 6.5 NITI AAYOG AND PLANNING COMMISSION



#### Planning Commission

The Planning Commission of India was formulated on March 15, 1950 with then prime min-ister Pt Jawaharlal Nehru as its chairman. The commission was dissolved and was replaced by NITI (National Institution for Transforming India) Aayog on January 1, 2015 by prime minister Narendra Modi.

• From 1950 to 2014, the Planning Commission has formulated 12 five-year plans. The 1st plan focused mainly on agriculture sector while the 2nd plan aimed at raising public resources for investments in public sector. The 3rd plan focussed on increased emphasis on exports and the 4th plan formulated at a difficult period (drought, price rise and devaluation of currency). The 5th plan provided enhanced allocation on social spending. The 6th and 7th Plans focused on raising plan resources for infrastructure spending. The 8th plan laid emphasis on growing public sector and the 9th plan period witnessed a sharp decline in economic growth to 2.4 percent. The 10th and 11th Plans witnessed economic growth trajectory of above 9 percent.

# NITI Aayog

- It is one of Indian democracy's youngest institution. The Aayog has been entrusted with the mandate of re-imagining the development agenda by dismantling old-style central planning. As the Indian economy rapidly integrated with the global economy, contradictions arose between central planning and increasing private capital flow. The Niti Aayog was mandated to foster cooperative federalism, evolve a national consensus on development goals, redefine the reform agendas, act as a platform for resolution of cross-sectoral issues between Center and State Governments, capacity building and to act as knowledge and innovation hub.
- The Niti Aayog has done enormous amount of work in a short period since in inception. It formulated the Make in India strategy for electronic industry, a Model Land Leasing Law, laid down a National Energy Policy, prepared a roadmap for revitalising agriculture, de-signed the development strategy for North East and hilly area and undertook an appraisal of the 12th Five Year Plan. Further, it recommended closure of sick PSUs, disinvestment of other COSUs and pushed for reforms in Medical Council of India and University Grants Commission. Two important initiatives it undertook were the model law of land leasing and the framework of priorities for disinvestment.

To promote skill development initiatives, the involvement of States in the Pradhan Mantri Kushal Vikas Yojna was ensured. The Atal Innovative Mission was launched to teach young minds new skills. The NITI Aayog has made serious efforts for transforming India's development agenda. It has come up with an action plan aimed at shifting the composition of expenditure by allocating a larger proportion of additional resources to high priority sectors education, health,

agriculture, rural development, defence, railways and road. An agricultural transformation was conceived with the objective of doubling farmer's income by 2022.



#### 6.6 LAW COMMISSION OF INDIA

- The first Law Commission was laid in the British Era in 1834. Postindependence, the LawCommission of India was established in 1955 for a three-year term. Since then 21 more Law Commissions have been established.
- The Commission works in close co-ordination and under the general instruction of the Min-istry of Law and Justice. It generally acts as the initiation point for law reform in the country. Internally, the Law Commission works in a research-oriented manner. Employing a number of research analysts, the Commission works upon the assigned agenda and primarily comes up with research-based reports, often conclusive and with recommendations. The permanent members of the Commission generally are responsible for framing the exact topic and reference to work upon and often take the services of eminent law experts and jurists who are familiar with the matter under review. These experts may either work part-time with the Commission or may have been requested to contribute to specific reports or issues under review.



#### 6.7 HUMAN RIGHT COMMISSION OF INDIA

- The National Human Rights Commission of India is a statutory public body constituted on October 12, 1993 under the Protection of Human Rights Ordinance of September 28, 1993. It is responsible for the protection and promotion of human rights, defined by the Act as "Rights related to life, liberty, equality and dignity of individual guaranteed by the Constitution of embodied in the International covenants."
- The function of commission as stated in the Section 12 of the Act and apart from the enquiry into complaints of violation of human rights or negligence in the prevention of such violation by a public servant.
- The Commission is responsible for spreading of human rights awareness amongst the mass-es and encouraging the efforts of all stakeholders in the field of human rights literacy not only at the national level but at international level too. NHRC is a unique institution because it is one of the few National Human Rights Institutes (NHRIs) in the world whose Chairper-son is the former Chief Justice of the country. The world looks at NHRC of India as a role model in promoting and monitoring effective

implementation of promotion and protection of human rights.

• The NHRC, India plays an active role in coordinating with other NHRIs of the world to en-hance awareness from the perspective of human rights. It has also hosted delegations from UN Bodies and other National Human Rights Commissions as well as members of civil society, lawyers and political and social activists from many countries.

# The Protection of Human Rights Act mandates the NHRC to perform the following:

- To inquire into violations of human rights by Government of India or negligence of suchviolation by a public servant.
- To protect human rights and recommend measures for their effective implementation.
- Review the factors, including acts of terrorism that inhibit the enjoyment of human rightsand recommend appropriate remedial measures.
- To study treaties and other international instruments on human rights and make recommendations for their effective implementation.
- Undertake and promote research in the field of human rights.



#### 6.8 WOMEN'S COMMISSION OF INDIA

The National Commission for Women was set up as statutory body on January 31, 1992 under the National Commission for Women Act, 1990 to review the Constitutional and Legal safe- guards for women, recommend remedial legislative measures, facilitate redressal of grievances and advise the Government on all policy matters affecting women.

The commission has taken up the issue of child marriage, sponsored legal awareness pro- grammes, Parivarik Mahila Lok Adalats and reviewed laws such as Dowry Prohibition Act, 1961, PNDT Act 1994, Indian Penal Code 1860 and the National Commission for Women Act, 1990 to make them more stringent and effective. It organized workshops/consultations, con- stituted expert committees on economic empowerment of women, conducted workshops/sem-inars for gender awareness and took up publicity campaign against female foeticide, violence against women, etc. in order to generate awareness in the society against these social evils.

#### **Key functions**

- To investigate and examine all matters relating to the safeguards provided for women underthe Constitution and other laws.
- Present to the Central Government annually and at such other times as the

Commission may

deem fit, reports upon the working of those safeguards.

- Make recommendations for effective implementation of those safeguards for improving the conditions of women by the Union or any State.
- Review, from time to time, the existing provisions of the Constitution and other laws af- fecting women and recommend amendments thereto so as to suggest remedial legislative measures to meet any lacunae, inadequacies or shortcomings in such legislation
- Look into complaints and take suo-moto notice of matters relating to deprivation of wom- en's rights; non-implementation of laws enacted to provide protection to women and also toachieve the objective of equality and development.

The commission funds litigation involving issues affecting a large body of women and also makes periodical reports to the Government on any matter pertaining to women and in particu-lar various difficulties under which women toil.



#### 6.9 SC-ST COMMISSION OF INDIA

The Commission for Scheduled Castes and Scheduled Tribes was set up in August 1978. It was set up as a national level advisory body to advise the government on broad policy issues and levels of development of Scheduled Castes and Scheduled Tribes. The President of India appoints the chairman of the commission. The fifth schedule of Indian Constitution deals with the administration and control of Scheduled Castes and Scheduled Tribes. Article 341 deals with notification of Scheduled Castes and Article 342 deals with notification of Scheduled Tribes.

#### **Key functions of National Commission for SC:**

- To investigate and monitor all matters relating to the constitutional and other legal safe-guards for the SCs and to evaluate their working.
- To inquire into specific complaints with respect to the deprivation of rights and safeguards of the SC's.
- To participate and advise on the planning process of socio-economic development of the SCs and to evaluate the progress of their development under the Union or a state.

#### **Census Operations**

• The Indian Census is the largest single source of a variety of statistical information on differ-ent characteristics of the people of India. With a history of more than 130 years, this reliable, time tested exercise has been bringing out a veritable wealth of statistics every 10 years, beginning

- from 1872 when the first census was conducted in India non-synchronously in different parts.
- The responsibility of conducting the decennial Census rests with the Office of the Registrar General and Census Commissioner, India under Ministry of Home Affairs. It may be of his- torical interest that though the population census of India is a major administrative function, the Census Organisation was set up on an ad-hoc basis for each Census till the 1951 Census.
- The Government of India decided to initiate steps for developing systematic collection of statistics on the size of population, its growth, etc., and established an organisation in the Ministry of Home Affairs under Registrar General and ex-Officio Census Commissioner. This organisation was made responsible for generating data on population statistics includ- ing Vital Statistics and Census. Later, this office was also entrusted with the responsibility of implementation of Registration of Births and Deaths Act, 1969 in the country.
- Combining the pre and post-Independece Census has taken place 10 times in India. The last Census was held in 2011. According to the reports released on 31 March 2011, the Indian population increased to 1.21 billion with a decadal growth of 17.70%. Adult literacy rate increased to 74.04% with a decadal growth of 9.21%.
- The 2021 Census of India, also the 16th Indian Census, will be taken in 2021.



#### 6.10 PANCHAYAT RAJ INSTITUTIONS

Realising that over 70 per cent of our population lives in villages, Mahatma Gandhi advocated Panchayati Raj as the foundation of Indian political system. In 1957, as per the recommendation of the committee headed by Balwant Rai Mehta, a three-tire Panchayati Raj system came into forces

– Gram Panchayat (village level), Panchayat Samini (block level) and Zila Parishad (district level).

#### **Rural local government**

- To strengthen the local governments, 73rd and 74th constitutional amendments were passed by the Parliament in 1992. The 73rd amendment is about rural local government which are also known as Panchayati Raj Institutions. Thereafter, three tire structure has been adopted Gram Panchayat, Block Panchayat and Zila Panchayat:
- Gram Panchayat is at the base which covers a village or a group of villages. Sarpanch is theelected head. The members of gram sabha elect the

members of gram panchayat for a period of five years. Their source of income is donation, grants from the State Government in proportion of land revenue and money for schemes and works assigned to the respective Parishads.

- The intermediary level is Mandal and is also referred to as block or talukas panchayats. The panchayat samiti (block panchayat) is the local government at this level and works for the development and welfare of the villages of block. It acts as an intermediary between district administration and gram panchayat. It looks after animal husbandry, water supply and informa- tion technology.
- On the district level is Zila Panchayat and it chief administrator is an Indian Administrative Services (IAS) officer. The administrator works in co-ordination with deputy commissioner, MLAs, MP, president of panchayat samitis, head of government departments and other society representatives and members.
- Elections: All the three level of Panchayati Raj Institutions are elected directly by the people for a term of five years. State government is required to appoint a state election commission who would be responsible for conduction election to the Panchayati Raj institutions.
- Reservations: One third of the position in all panchayat institutions are reserved for women. Reservation for Scheduled Castes and Scheduled Tribes are also provided for all the three level in proportion of their population.

#### **Transfer of subjects:**

29 subjects have been identified and listed in the Eleventh Schedule of the Constitution which have been transferred to the Panchayati Raj Institutions. They are mostly related to develop- ment and welfare functions. It depends on State that how many of these 29 subjects they want to transfer to local bodies.

#### Adivasi (Tribes):

Many Adivasi communities have their own traditions and customs to manage common resourc-es such as forests and small water reservoirs etc. For such Adivasi communities a separate act was passed in 1996 in which gram sabhas were given more power so that the local traditions and customs of self-government be protected for which introducing modern elected bodies.



#### 6.11 INDIAN JUDICIARY

The most important organ of the Indian democracy is judiciary and The Supreme Court of Indiais considered as the most powerful court in the world. Since 1950 till today, the judiciary is playing a very important role in interpreting and protection our constitution.

Differences are bound to arise in any society between individuals, groups, institutions or government. All such disputes are supposed to be settled by an independent body as per the principals laid under law. As per Indian Constitution, law is equal for every individual, be it richor poor, belonging to any gender, any class or caste. Judiciary safeguards rights of individuals and settles disputes in accordance with the law.

No one is above law be it individual, group or even government. Time and again, judiciary has taken steps to uphold the rights of the individuals and citizens. And to ensure that, it's necessary that the judiciary is independent of any political pressures.

#### **Independence of judiciary:**

- Executive and legislative must restrain from the functioning of judiciary
- Organs of judiciary should not interfere with decision of the judiciary.
- Judges must perform their duty without fear or favour

#### **Appointment of judges:**

- As per the convention, senior most judge of the Supreme Count is appointed as the Chief Justice of India (CJI). There have been a few exceptions. The other judges of the Supreme Court and High Court are appointed by the President of India in consultation with CJI.
- Currently, the Chief Justice recommends the name of thee person to be appointed in con-sultation with four senior-most judges (principal of collegiality). Thus, in matter of appoint-ment of judiciary, the Supreme Count and the Council of ministers play an important role.

#### Removal of judges:

• A judge of Supreme Court of High Court can only be removed on the ground of proven misbehaviour or incapability. A motion containing the charges against the judges must be approved by special majority from both Houses of Parliament.

#### **Structure of Judiciary:**

• Unlike some federal countries of the world, the structure of judiciary in India is pyramidal with Supreme Court on the top with High Courts below them and districts and subordinate courts under them.

#### **Supreme Court of India:**

- Its decision is binding on all courts
- Can transfer judges of High Courts
- Can move cases from any court to itself
- Can transfer cases from one High Court to another.
- Highest appellant court, can issue writ and
- Settles disputes between Union and States and amongst states.

#### **High Court:**

- Hears appeal from lower court
- Issues writs for restoring Fundament Rights.
- · Can deal with cases within the jurisdiction of state
- Controls court below them

#### **District Court:**

- Deals with cases in the district
- Considers appeals on decision given by lower courts.
- Decides cases involving serious criminal offence

#### **Subordinate Court:**

• Considers cases of criminal or civil nature.

#### Judicial activism:

- Public Interest Litigation (PIL) has become most important tool of judicial activism. In cur-rent days, we often read about PIL being filed in the court and the courts too taking cog- nizance of the newspaper reports which is in the interest of public and can pertain to air, pollution, water problem, living or rights of the society.
- It has impacted the political system and has forced executive accountability as well.



#### 6.12 MEDIA RELATED INSTITUTES

#### Press Council and RNI, PrasarBharti etc

- Press Council of India was set up on July 4, 1966 to protect the freedom of the press and to maintain high standards among journalists of both, newspapers and news agencies. This day is celebrated as National Press Day. Since then, the Press Council Act has been amended several times to give it more teeth. PCI is a statutory body and consists of 28 members head-ed by a chairman who is nominated by a committee made up of the Chairman of the Rajya Sabha, the Speaker of the Lok Sabha and an elected representative of the council members.
- The Press Council of India is empowered to hold enquiries on complaints made to it or oth-erwise against the offending newspaper a news agencies. To perform its functions or holdingan enquiry, the council has ample power throughout India, as are vested in a civil court, while trying a suit under the code of civil procedure in certain respects.

#### Registrar of Newspaper of India (RNI)

The Office of the Registrar of Newspapers for India (RNI) came into being on July 1, 1956, on the recommendation of the First Press Commission in 1953 and by amending the Press and Registration of

Books Act 1867.

The Press and Registration of Books Act contains the duties and functions of the RNI. On account of some more responsibilities entrusted upon RNI during all these years, the office is performing both statutory as well as some non-statutory functions.

#### **Functions:**

- Compilation and maintenance of a Register of Newspapers containing particulars about allthe newspapers published.
- Issue of Certificate of Registration to the newspapers published under valid declaration;
- Scrutiny and analysis of annual statements sent by the publishers of newspapers every year.
- Informing the District Magistrates about availability of titles, to intending publishers for filing declaration;
- Ensuring that newspapers are published in accordance with the provisions of the Press andRegistration of Books Act 1867 and the Rules made there under.

#### Prasar Bharti

Prasar Bharati is a statutory autonomous body established under the Prasar Bharati Act and came into existence on November 23, 1997. It is the Public Service Broadcaster of the coun- try. The objectives of public service broadcasting are achieved in terms of Prasar Bharati Act through All India Radio and Doordarshan, which earlier were working as media units under the Ministry of Information and Broadcasting.

#### **Functions:**

- To uphold the unity and integrity of the country and the values enshrined in the Constitution.
- To safeguard citizens' rights to be informed on all matters of public interest by presenting a fair and balanced flow of information.
- To pay special attention to the fields of education and spread of literacy, agriculture, rural
  - development, environment, health and family welfare and science and technology.
- To create awareness about women's issues and take special steps to
  protect the interests of children, aged and other vulnerable sections of the
  society.
- To promote research and expand broadcasting faculties and development in broadcast tech-nology.

#### 6.13 CHECK YOUR PROGRESS

Ques 1: Denying groups the right to vote is contrary to the function of ... a) democracy

- b) sovereignty
- c) socialism
- d) secularism

#### Ans: a) Democracy

Ques 2: Which is the oldest political party in India?

- a) Bharatiya Janata Party
- b) Indian National Congress
- c) Communist Party of India
- d) Bahujan Samaj Party

#### Ans: b) Indian National Congress

Ques 3: When did India adopt a written constitution?

- a) November 26, 1949
- b) January 26, 1950
- c) January 1, 1997
- d) January 1, 1999

#### Ans: a) November 26, 1949

Ques 4: When were the first general elections held?

- a) 1920
- b) 1952
- c) 1962
- d) 1999

Ans: b) 1952

Ques 5: Who among the following had the longest tenure as Indian President?

- a) Jawaharlal Nehru
- b) Lal Bahadur Shastri
- c) Zakir Husain
- d) Rajendra Prasad

#### Ans: d) Rajendra Prasad

Ques 6: The preventive Detention Act curtailed the

- a) Right to Freedom
- b) Right to Equality
- c) Right to Constitutional Remedies
- d) Right to Freedom of Religion

#### Ans: a) Right to Freedom

Ques 7: "Parliamentary Government" is also known as....

- a) Cabinet Government
- b) Responsible Government
- c) Westminster forms of government
- d) All of the above

#### Ans: d) All of the above

Ques 8: Who is authorised to decide over a dispute regarding disqualification of a member of parliament?

- a) Speaker of lok sabah
- b) President
- c) Election Commisioner
- d) A committee set up by the parliament

Ans: b) President

Ques 9: The Constitution of India provides a ...

- a) Presidential form Govt
- b) Cabinet System of Government
- c) Parliamentry System
- d) Bicameral System of government

**Ans: b) Cabinet System of Government** 

Ques10: The Lok Sabha is also known as

- A. Council of states
- B. The Upper House
- C. The House of the People
- D. Parliament

Ans: c) The House of the People

#### 6.14 KEYWORDS

- **Democracy:** Equality, right to vote, republic.
- **Elections:** Model code of conduct, democratic right, EVMs.
- **Judiciary:** Democracy, Constitution, autonomous, justice, protecting rights.

#### 6.15 TO SUM IT UP

- India has maintained its democratic institutions ever since it became independent of Britainin 1947, except for 18 months in 1975-77.
- The world's largest democracy gives its citizens the right to vote and elect their leaders.
- Autonomous bodies in India are given freedom to set their own laws but such laws must bein accordance with the Constitution and existing laws of the land.
- Some important bodies of the coumtry are Election Commission, Niti Ayog, Comptrollerand Auditor General, Law Commission, Women's Commission and the Indian Judiciary.

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**UNIT: 7** 

# INDIAN ECONOMY AND THE BUDGET

#### :: STRUCTURE ::

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- 7.1 Learning Objectives
- 7.2 Section 1: Micro and Macro Economics
- 7.3 Section 2 : Economic Survey and Implications
- 7.4 Section 3: How Budget is Prepared
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#### **Journalists**

- 7.6 Section 5 : Budget and Taxation
- 7.7 Section 6: Economic Audit
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#### The Big 4

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- 7.11 Check Your Progress
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- 7.14 References

#### 7.0 INTRODUCTION

The economy of India is characterised as a developing market economy. The long-term growth perspective of the Indian economy remains positive due to its young population and corresponding low dependency ratio, healthy savings and investment rates, and is increasing integration into the global economy. Nearly 60% of India's GDP is driven by domestic private consumption and continues to remain the world's sixth-largest consumer market. In 2018, India was the world's tenth-largest importer and the nineteenth-largest exporter. It has the world's seventh-largest foreign-exchange reserves worth \$476 billion.

The government presents its budget every year listing a complete set of accounts, including both expenditure and receipts. It is the complete financial statement.

#### 7.1 LEARNING OBJECTIVES

- Know about basics of economics and how its impacts life of every individual.
- Understand various economic markets including stocks, bullion, commodities.
- Basic introduction to global economic institutions across the world.
- Role and importance Indian economic institutions like RBI which governs the banks in India.

#### On completion of this chapter, you will be able to:

- Understand what are stocks, stock market and various market sentiments.
- The importance of national and international economic institutions.
- How stocks and other markets sentiment reflect the parameters of the economic situation at a given point of time.



#### 7.2 MICRO AND MACRO ECONOMICS

Economics is all about making choices in the presence of scarcity. Economics enables us to understand different aspects of the economy. It studies human behaviour as a relationship be- tween means (resources) and ends (human wants). Economic aims to ensure that the resources are used in the best possible manner.



#### Macro Economics

The term macro is divided from the Greek word 'makros' which means large. Macro Eco- nomics is the branch of economics that studies the behaviour and performance of an econo-my as a whole. It focuses on the aggregate changes in the economy such as unemployment, growth rate, gross domestic product and inflation.

Macro economics analyzes all aggregate indicators and the microeconomic factors that in- fluence the economy. Government and corporations use macroeconomic models to help in formulating of economic policies and strategies.

## Micro Economics

Micro is derived from Greek work 'mikros' which means small. Micro Economics is the study of individuals, households and firms' behavior in decision making and allocation of resources. It generally applies to markets of goods and services and deals with individual and economic issues.

Micro economic study deals with what choices people make, what factors influence their choices and how their decisions affect the goods markets by affecting the price, the supply and demand.

## Political economy of today

Political economy is an interdisciplinary branch of the social sciences that focuses on the interrelationships among individuals, governments and public policy. Political economists study how economic theories such as capitalism, socialism, and communism work in the real world. At its root, any economic theory is a methodology that is adopted as a means of directing the distribution of a finite amount of resources in a way that is beneficial for the greatest number of individuals.

In a wider sense, political economy was once the common term used for the field we now call economics. Political economy describes any government policy that has an economic impact.

## > SECTION 2

#### 7.3 ECONOMIC SURVEY AND IMPLICATIONS

Every year just before the Union Budget, the Department of Economic Affairs, Finance Minis- try of India presents the Economic Survey in the Parliament. It is prepared under the guidance of the Chief Economic Adviser, Finance Ministry. It is the ministry's view on the annual eco- nomic development of the country.

A flagship annual document of the Ministry of Finance, Government of India, Economic Sur- vey reviews the developments in the Indian economy over the previous 12 months. It summa- rizes the performance on major development programs, and highlights the policy initiatives of the government and the prospects of the economy in the short to medium term. The survey is presented before both Houses of Parliament during the Budget Session.

#### **History of the Economy Survey**

The first Economic Survey was presented in the year 1950-51. Until 1964, it was presented along with the Union Budget, but later it was disjointed from the Union Budget to give a better understanding of the

budget proposals.

As the Economic Survey contains a detailed analysis of the economic development of the country and a lot of data related to various sectors of the economy, it works as a useful toolproviding background knowledge. The former Chief Economic Advisor Arvind Subramanian in 2018 had for the first time released the document in pink colour. The idea was to support women who suffer violence and to push for more gender equality. Not just the colour of the document, he revamped the whole document by making it more interesting with quotes and additional information. This was the first time that the Economic Survey used data generated by GST Network and the Indian Railways to see the flow of goods and people across states within India.

#### **Implications of Economic Survey**

The Economic Survey holds significance as it apprises common people about the state of economic affairs of the country and makes them aware about the key economic decisions of the government which impact their lives in a considerable way. The Economic Survey also recommends policy changes to the government, which are, however, not binding but only act as a guide in framing national policies. It contains forecasts about the economic growth of the country and the reasons outlining the projection.

Based on the findings of the economic survey, the data must be treated as a public good, which can be used for social welfare and also be monetised to ease pressure on government finances. That privacy implications of the anonymised information need to befactored in.

The survey seeks to make available all data within the government for citizens, government, private and public institutions to use the data subject to user consent and appropriate privacy and fairness related constraints. The data collected digitally would be worthless if govern- ment officials working on in lack the analytical skill to make use of it in real time. While each department should build internal capacities to analyze and exploit data, the ministry of statistics and program implementation and ministry of electronics and information technol- ogy can act as nodal departments to steer these efforts at the national level.



#### 7.4 HOW BUDGET IS PREPARED

Making of budget is a process that makes several months to prepare. It takes a day to present a budget, but there is a lengthy and secretive process behind it.

The Union Budget, referred to as the annual Financial Statement in Article 112 of the Constitution of India, is the annual budget of the Republic of India, presented before the beginning of each financial year

or on a decided date by the Finance Minister of India in Parliament. The budget has to be passed by the House before it can come into effect on April 1.

Budget documents are not just numbers. Scrutinizing them, one can understand the intention of the government, its priorities, policies and allocation of financial resources.

The budget is made through a consultative process involving ministry of finance, NITI Aayog and spending ministries. Finance ministry issues guidelines to spending, based on which ministries present their demands. The Budget division of the Department of Econom-ic Affairs in the finance ministry is the nodal body responsible for producing the Budget.

#### How? is the budget made

Budget division issues a circular to all union ministries, states, UTs, autonomous bodies, departments and the defence forces for preparing the estimates for the next year. After ministries and departments send in their demands, extensive consultations are held between Union ministries and the Department of Expenditure of the finance ministry.

The Department of Economic Affairs and Department of Revenue meet stakeholders such as farmers, businessmen, FIIs, economists and civil society groups to take their views. Once the, pre-Budget meetings are over, a final call on the tax proposals is taken by the finance minister. The proposals are discussed with the PM before the Budget is frozen.

The finance ministry collects information about receipts and expenditure from various departments to prepare the revised estimates for the budget. The government also holds pre-budget consultations with stakeholders such as state representatives, bankers, agriculturists, economists and trade unions to understand their demands, which includes tax incentives and fiscal support.

## Final process

The finance minister and other officials participate in 'halwa ceremony', which marks the pro-cess of printing documents for the Budget. After the dish is served, a large number of officials and support staff, who are directly associated with the Budget-making and -printing process, are required to stay in the ministry and remain cut off from their families till the presentation of the Budget by the finance minister in Parliament.

#### **Presenting Budget**

The Finance Minister presents the budget in the Lok Sabha outlining key estimates and propos-als. He or she briefs the cabinet on

the budget proposals through a 'summary for the cabinet' just before presenting the budget in the parliament. The budget is tabled in the Parliament afterthe minister's speech.



# 7.5 WHY IS BUDGET IMPORTANT TO KNOWFOR JOURNALISTS

#### Its impact on individual, family, businesses and institutions.

Budget impacts economy, the interest rates and stock market. But, that is on a macro level. On micro level it impacts individuals and families in a big way. Any change in direct taxes affects salaried class or individuals who are playing taxes or are around the tax slabs. Any relief in income taxes results in increase in finances as one has to pay taxes takes and in casethe tax sab is increased or any additional tax or cess in results on stress on pocket as the in- come is reduces due to the tax liabilities.

Increase or decrease of indirect taxes like service taxes, cess and other charges also affect directly on individuals and in turn on the families. A small increase on service tax on say insurance or food will be indirectly be diverted on the individual who takes the survives andthe person will end up paying more from his or her pocket. It is in addition to the amount what they are paying. It's surely income for the government but is a burden on the individual and in turn on families as not everyone in the family is an earning member. So, the burden falls on the family as a whole.



#### 7.6 BUDGET AND TAXATION

The biggest revenue of the Government is through taxation. The government is responsible for a number of crucial functions. There is a longlist of expenses that the government needs to do.Let's look at some expenses that the government does defence, maintaining law and order, set-ting up and running of schools, colleges, health centers, hospitals, post offices and a variety of other public institutions. Then there is public transport system and the infrastructure, providing water, sanitation and electricity facilities, Besides the provision of public facilities, the govern-ment has the responsibility towards protection of livelihoods which is done through schemes like Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) in rural areas, distribution of food grains at fair prices and food security of the poor.

## **■** Need of taxation:

To fulfil the various roles, the government must have adequate money. The money required for the different functions of the government is collected from the people in the form of taxes. There are a variety of taxes that the government collects. The taxes collected constitute the revenues of the government. Revenues are necessary to finance the expenditures of the government.

The Annual Budget presented before the Parliament by the Finance Minister gives the ex- pected expenditure by the government on its various programmes for the coming year. It also states how these expenditures are going to be met through various revenue collections. Similarly, in each state assembly, the state government presents the budget for that state.



## **Taxations:**

Taxes are the main source of revenue for the government. There are a variety of taxes col- lected by the government. You might have heard about some of them like VAT (Value Added Tax), service tax, excise duty, income tax, property tax, customs duty etc. The taxes can broadly be classified into two categories:

**Indirect Taxes:** Indirect taxes are charged on goods and services. You would have seen that alongside the printed Maximum Retail Price (MRP) of goods it is written 'inclusive of taxes'. It means that the price includes taxes. Similarly, for most services like telephone and mobile phone services, the price that consumers pay includes taxes.

Excise duty is charged on goods, sales tax, custom duty, export duty, service tax are all dif-ferent types of taxs that we pay. It is not charged directly.

The VAT (Value Added Tax) on bill refers to the sales tax, which the retailer has to pay to the government. Like the excise duty, the retailer passes on the sales tax to the consumer and the consumer pays a higher price.

**Direct Taxes:** We pay taxes on goods and services that we buy/consume. We have seen how the producer or the trader adds the taxes to the final prices which consumers have to pay. As the goods pass through a number of stages of production and sale, at each step the taxes are paid to the government. However, the total tax is finally passed to the consumer. Thus, taxes on goods and services are also called indirect taxes. Consumers pay it but indirectly.

There are two important direct taxes – Income Tax and Corporate Tax. Companies that run factories or businesses have to pay taxes. Companies or businesses receive money from the sale of their products or services. After subtracting all expenses (on raw materials, salaries etc.) from their earnings, the portion that remains is known as the profit of that company or factory. On this profit, corporate tax has to be paid according to the rules.

Income tax is charged on personal income of individuals. There can be a variety of sources of individual incomes like wages, salaries, rent and pensions. An individual can also earn interest income on money that is kept in banks.



#### 7.7 ECONOMICAUDIT

The term audit is usually referred to financial statement audit. The reality is that audit is much more to do with finances. In economics audit can be of various types:

The pollution index, the forest cover, employment, poverty index, happiness, living, conser-vation of natural resources, human necessities and so on. In other types of audits too finance remains a part but it is largely to do with life, people, living and Nature.

Other than the financial audit team, other agencies are involved in this type of audit. The Comptroller and Auditor General has unearthed bit scams but these were again to do with the financial scam. The Judiciary (Supreme and High Court) has take cognizance of several issues which are more to do with the financial aspects of it.

Illegally cutting of trees, illegal mining on river bed, illegally extracting natural resources without due diligence, destruction of wildlife habitat,

growing pollution all come under the purview of economic audit as it is directly concerned with humans, animals and Nature.



# 7.8 THE CHARTERED ACCOUNTANT ANDTHEIR ROLE, THE BIG 4

# Who is a Chartered Accountant?

Chartered Accountant is a designation given to an accounting professional who has received certification from a statutory body that he/she is qualified to take care of the matters related accounting and taxation of a business, like file tax returns, audit financial statements and business practices, maintaining records of investments, preparing and reviewing financial reports and documents. A Chartered Accountant is qualified to offer advisory services to clients which include companies and individuals.

Becoming a certified Chartered Accountant requires completing three levels of training de-signed by the Institute of Chartered Accountants of India (ICAI). The ICAI, is a statutory body which regulates and maintains the profession of chartered accountancy in India

Chartered Accountancy as a profession assists accounting, auditing, taxation, financial and management areas of an individual or organisation. Chartered Accountants are one of the most sought after technical professionals in the world of finance who offer their services in maintaining and reviewing financial health of a business. Chartered Accountants today, have acquired important position in public as well as private sectors.

#### Role of a chartered accountant:

A chartered accountant is the necessity of all kinds of businesses, whether it big or small or even led by an individual. Every business which generates revenue needs a chartered accountant to manage its finance and taxes. So, they either hire an independent professional or take services of chartered accountancy firms. Some of the major roles what we can cate-gories are:

Accountancy and auditing: Accountancy is the main-stream of Chartered Accountants. This is one of the prominent functions which involves tasks from simple bookkeeping to complex financial scrutiny, writing up of accounts, making financial statements etc. CA are the audi-tors who critically examine the financial condition of the business to conclude its risk and scopes. Auditing entails reviewing of business unit's financial data and checking the validity of the documents. Advise clients on areas of business improvement.

**Taxation and cost accountancy:** Taxation is another task for a Chartered Accountant. CA furnish returns, manage all tax assessments and liabilities on behalf of the business unit. They even provide general advice to clients dealing with taxation issues. CA is the one who seals the cost of production or other processes involved in a project. In a business, he guides with cost management, cost control, price setting, etc. to the management.

**CA determines the financial status of a firm:** CA critically examines the company's financial documents to determine its financial status. They conduct the course to study the business and conclude whether the business is in loss or profit. They also help with suggestions related to market risk management.

#### The Big 4

The four largest accounting firms in the world are reffered as Big 4. These firms provide an extensive range of accounting and auditing services including taxation services, external audit, business consultancy management, risk assessment and control.

The Big 4 are often grouped together for a number of reasons. They are each comparable insize relative to the rest of the market, both in terms of revenue and workforce. They are each considered equal in their ability to provide a wide scope of quality professional services to their clients; and, among those looking to start a career in professional services, particularly accounting, they are considered equally attractive networks to work in, because of the fre- quency with which these firms engage with Fortune 500 companies.

They also provide massive employment and career development opportunities to accountants and auditors around the world.

# Top 4 1. Deloitte



Deloitte Touche Tohmatsu, popularly known as just Deloitte, was founded by William Deloitte in 1845. It went through a series of mergers and reorganizations but kept its brand name along with its quality standards and company values. Now, it emerges as one of the most successful brands in the world.

In 2019, it earned \$46.2 billion and had approximately 3,12,000 employees (the largest among the Big 4) in more than 150 countries demonstrating excellence in providing audit, consulting, financial advisory, risk management, and tax services to clients worldwide.

# 2. PricewaterhouseCoopers (PwC)



With \$42.5 billion revenues in 2019, PwC is the second larg- est accounting firm in terms of revenue. It employs more than 276,000 Professionals in 158 countries around the world. The company was

formed by the merger of two large accounting firms – Price Waterhouse, and Coopers & Lybrand. The two decided to merge in 1998 and dedicated themselves to provide services of value while establishing and maintaining good customer relations.

PwC firms operate locally in different countries around the world. These independently owned and managed firms, like other international companies, share common values and standards. PwC provides excellent assurance, consulting, and tax services.

# 1. Ernst & Young



Ernst & Whinney merged with Arthur Young to create Ernst & Young (E&Y) in 1989. Ernst & Young is a global organization of member firms in 150 countries. It employs people equipped

with profession- al skills and values of integrity, respect, teamwork, enthusiasm, and motivation. These form the core values of Ernst & Young.

The organization also values knowledge and skills development, helping around 284,000 em- ployees achieve their potential through professional training and career growth programs. Ernst & Young offers assurance, advisory, tax, and specialty services. Ernst & Young earned \$36.4 billion in 2019.

#### 4.Klynveld Peat Marwick Goerdeler (KPMG)



KPMG is a global network of accounting firms providing audit, tax, ad- visory, special interest and industry-specific services. It employs approxi- mately 219,000 professionals working together to provide quality service in 154 countries around the world. KPMG earned \$29.8 billion in 2019.

The organization was formed in 1987 through the merger of Peat Marwick International and Klynveld Main Goerdeler (KMG). Like other professional service organizations, KMPG places great value on its people and quality of service.



# 7.9 HEADING FOR DIGITAL ECONOMY

The Generation Z and millennials in India is using technology to the optimal. There is no coun-try in the world today, which has as much at stake in digital technologies, as India has. This young population prefers to transact and communicate digitally. India is going to become the largest consumer of digital technologies in times to come. Another reason is that the world- over, there are several channels of communication to access goods and services and digital channel happens to be the latest and the most convenient.

The digital economy is a term for all of those economic processes, transactions, interactions and activities that are based on digital technologies. The digital economy is different from the internet economy in that the internet economy is based on internet connectivity, whereas the digital economy is more broadly based on any of the many digital tools used in today's eco- nomic world.

#### Digital India program

- In line with the global digitization, Indian government too has taken a giant leap with Digital India movement. To provide benefits to end beneficiaries, government is taking best use of digital technology in every possible way. The digital channel in most of the cases remains the only channel of access and nothing brings it out more powerfully than the Jan Dhan, Aadhaar, Mobile (JAM) trinity. This, because mobile phone for an average Indian is not justmerely a voice device, it is a gateway to many services including banking.
- Consider the fact that it took us 70 years to take banking to nearly 100 million people, whichwas the top tier. It took less than two years to bring 250 million people into the banking fold, thanks for JAM. So, once the digital channels started opening up, we could reach out to a much larger number of people at the bottom of the pyramid, which is why Digital India and digital technologies have assumed such a great importance for India.

• Further, no matter what sector we look at, whether agriculture, health or education, we know that there are millions of people who are excluded and we do not have the time and the re-sources to replicate physical infrastructure, if we want to bring them in. This is where Digital India assumes critical importance as a key programme for digital inclusion.



# India is going digital

- The electronic transactions across the government is growing. The UN brings out an annual survey on digital readiness and in that one country, which has marked maximum increase in e-participation during last few years is India. The availability of information across sectors like education, health, finance, welfare, labour and environment has increased— using Apps and other digital communication channels. Needless to say, e-participation largely depends onstrong political commitment, collaborative leadership, vision and institutional frameworks that ensure engagement with people. India has registered substantial progress in online services de-livery, which include basic services like obtaining the birth and death certificate or e-Procure- ment and e-Tendering, for instance. While as a country, we have moved phenomenally towards e-participation, e-infrastructure is one area, which continues to be a big challenge for us.
- Earlier, the IT-enabled services (ITeS) were largely referred to as Business Process Out- sourcing (BPO). But the new generation of jobs that we expect to get created in India is going to be around areas like financial services and various other things that will happen in the wake of digitisation. Similarly, in the last few years, the number of investment proposals for electronics manufacturing has gone up more than 9 times or about 938 per cent. The most exciting, sign of change is about penetration of digital services on which financial services are

riding, into our villages.

• The younger generation is growing up in a new digital culture, sans intermediaries. Technol- ogy is the new intermediary. Goods and Services Tax (GST) is going to usher in a new era altogether to bring in transparency.

#### E-wallets

• The government has put in place a completely transparent eplatform to enable transpar- ent and fair procurement and so on. Digital wallets and payments—UPI, AEPS, APB—are growing exponentially and it is heartening to see people getting conscious about the power of biometrics. All this and much more will to a great extent serve to transform the Indian society into a digitally knowledgeable empowered society.



# 7.10 INDIA'S POSITION ON CRYPTOCURRENCY, RESTRICTIONS, FEMA AND FERA

# Cryptocurrency

- Cryptocurrency is basically digital money and uses cryptography to secure its transactions. Cryptography is a method of converting comprehensible data into complicated codes which are tough to crack.
- The controversial Bitcoin is a cryptocurrency. It is like virtual cash. Each Bitcoin behaves like a computer file which is stored in a 'digital wallet' app on a smartphone or computer. People can send Bitcoins to each other's digital wallets. Every single transaction is recorded in a public list called the blockchain. This makes it possible to trace the history of Bitcoins to stop people from spending coins they do not own, making copies or undoing transactions. After Bitcoin, there has been a rapid increase in the number of cryptocurrencies such as Litecoin, Ethereum, Zcash, Dash, Ripple etc.

# Ban lifted

• The Supreme Court ruling on lifting the ban on crypto-currency marks a new chapter in In- dia has not had a positive stance towards Bitcoins and other cryptocurrencies. A high-level government panel on virtual cryptocurrencies has recommended a ban on all virtual cryp- tocurrencies in India. The committee

had submitted its report on 23 July 2019, along with aproposed draft bill, Banning of Cryptocurrency and Regulation of Official Digital Currency Bill, 2019. It is available on the website of the Department of Economic Affairs.

- Along with the ban, the committee has also proposed a fine of Rs 25 crore and imprisonmentup to 10 years for any activity related to virtual currencies, which is carried out by individuals or companies.
- The Reserve Bank of India (RBI) had also cautioned Indian public in the past over cryp- tocurrencies, with the central government vowing earlier this year to eliminate the use of digital currency, which it considers illegal.
- However, even with this background, one can still say that there
  has been no blanket ban oncryptocurrencies.

# **❖** FEMA and FERA

- Foreign Exchange Regulation Act (FERA) was a law passed in 1973. It imposed severe re- strictions on the types of payments and the transactions in foreign exchange and securities, and those transactions that impacted the foreign exchange as well as currency import and export indirectly. The purpose behind the FERA was to regulate payments and foreign ex- change. It also intended to conserve foreign exchange, better the usage of foreign exchange in order to boost the country's economic development.
- In 1998, the Indian government repealed FERA and replaced it with the FEMA or the For- eign Exchange Management Act. FEMA is more liberal and it eased foreign exchange con-trols and lessened restrictions on foreign investment.
- The main reason for what change was that FERA did not comply with the post-liberalisation policies of the Government. Also, all the criminal offences were made as civil offences.

# Main Features of FEMA

- It gives powers to the Central Government to regulate the flow of payments to and from a person situated outside the country.
- All financial transactions concerning foreign securities or exchange cannot be carried out without the approval of FEMA.
   All transactions must be carried out through "Authorised Persons."

 As per this act, Indians residing in India, have the permission to conduct a foreign exchange, foreign security transactions or the right to hold or own immovable property in a foreign country.

# 7.11 CHECK YOUR PROGRESS

Ques1: Union Budget of India is presented by whom and in which house/houses of the Parlia-ment?

- a) Finance Minister of India: Lok Sabha
- b) Prime Minister of India; Rajya Sabha
- c) Cabinet Secretary; Both Lok Sabha and Rajya Sabha
- d) President of India; in joint session of Parliamnet

Ans: Finance Minister of India; Lok Sabha

Ques2: The annual Union budget of India is usually presented in the Parliament on the last day of ...

- a) Marc
- b) January
- c) February
- d) April

**Ans: February** 

Ques3: Depreciation means

- a) closure of a plant due to lock out
- b) closure of a plant due to labour trouble
- c) loss of equipment over time due to wear and tear
- d) destruction of a plant in a fire accident

Ans: c) loss of equipment over time due to wear and tear

Ques4: Gross domestic capital formation is defined as ...

- a) flow of expenditure devoted to increased or maintaining of the capital stock
- b) expenditure incurred on physical assets only
- c) production exceeding demand
- d) net addition to stock after depreciation

Ans: d) net addition to stock after depreciation

Ques5: The central co-operative banks are in direct touch with ...

- a) farmers
- b) state co-operative banks
- c) land development banks
- d) central government

# Ans: b) state co-operative banks

Ques6: Economic survey is published by:

- a) Ministry of Finance
- b) Planning Commission
- c) Govt. of India
- d) Indian Statistical Institute

# Ans: a) Ministry of Finance

Ques7: Any relief in income taxes results in

increase in financesTrue or False

# **Ans: True**

Ques8: Which of the following "tax" is levied at every stage of production?

- a) VAT
- b) Income tax
- c) Custom duty
- d) None of the above

#### Ans: a) VAT

Ques9: Which of the following is indirect tax?

- a) Income tax
- b) Wealth tax
- c) Corporation tax
- d) Sales tax

#### Ans. d) Sales tax

Ques 10: Which of the following tax will be abolished by the Goods and Services Tax.

- a) Property tax
- b) Corporation tax
- c) VAT
- d) All of the above

Ans. c) VAT

### 7.12 KEYWORDS

**Macro economy:** Formulating of economic policies and strategies; analyzes all aggregate indicators and the microeconomic factors.

**Micro economy:** Study of individuals, households and firms' behavior in decision making and allocation of resources. Applies to markets of goods and services and deals with individ-ual and economic issues.

**Economic survey:** Finance ministry's view on the annual economic development of the country over the previous 12 months; summarizes the government's performance on major development programs, and highlights the policy initiatives of the government.

**Budget:** annual Financial Statement of the government; government's intention, its priori- ties, policies and allocation of financial resources.

**Taxation:** People's money; government revenue;

# 7.13 TO SUM IT UP

- Country's economic system, government institutions, and political environment affect and influence each other.
- Budget impacts economy, the interest rates and stock market.
- Biggest revenue of the Government is through taxation.
- India is using digital economy for economic processes, transactions, interactions and activi-ties based on digital technologies.

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- Indian Economy by the Datt and Sundaram

**UNIT: 8** 

# ECONOMIC INSTITUTIONS LOCAL, NATIONAL & INTERNATIONAL

#### :: STRUCTURE::

- 8.0 Introduction
- 8.1 Learning Objectives
- 8.2 Section 1: What are Stocks, How They Work and How They

**Impact Our Lives** 

- 8.3 Section 2 : Different Stock Markets and How They are
- Parameters of Economic Situation at a Given Point of Time
- 8.4 Section 3: The World Bank, IMF and The Bretton Woods System
- 8.5 Section 4 : Asian Development Bank & NABARD
- 8.6 Section 5 : Bull and Bears/Market Sentiments
- 8.7 Section 6: National Stock Exchange/Bullion Market
- 8.8 Section 7: Commodity Markets
- 8.9 Section 8: Indian Economic Institutions: RBI, Economic Research

**Bureau: Their Roles and Importance** 

- **8.10 Check Your Progress**
- 8.11 Keywords
- 8.12 To Sum It Up
- 8.13 References

# 8.0 INTRODUCTION

• The term 'economic institutions' is usually used for socially sanctioned concepts and structures which human beings have developed in the process of satisfying their material needs. Economic institutions provide basic physical subsistence for society and meet needs for food, shelter, clothing and other necessities of life. These institutions include production agriculture and industry and the distribution, exchange and consumption of commodities,

- goods and services necessary for human survival. Secondary economic institutions are creditand banking system, advertising, cooperatives, etc.
- Humans have an economic basis, the nature of which determines the formal structure of society. From home to city, state, country or globally, economics is involved at all micro and macro level. The financial bodies are backbone of every country and in sync with glob- al economic institution they work and trade together. International bodies strike a balance between developed, developing and underdeveloped economies and together they work for each other's cause.
- These institutions are studied by the science of economics. Economists study the internal workings of economic system—production, distribution, supply and demand and consumption of goods, taxation, borrowing, saving and spending, and so on.

# 8.1 LEARNING OBJECTIVES

- Introduction to stocks, stock market, market sentiments and how does the stock exchangeswork.
- How stocks are parameter of economic situation at a given point of time.
- Understanding how economic institutions work on local, national and international parameters.
- Know about bullion and commodities market.
- Basic introduction to Indian economic institutions.

#### On completion of this Unit, you will be able to:

- Understand the economic institutions in India and abroad.
- Learn about stock market, its parameters and different market sentiments.
- How global institutions provide economic stability to different nations.

# > SECTION 1

# 8.2 WHAT ARE STOCKS, HOW THEY WORK AND HOW THEY IMPACT OUR LIVES

# **Stocks**

 Stocks are also known as shares or equity. Stocks are type of security which signifies the proportionate ownership in the issuing company. It entitles the holder of the stock to that proportion of the company's assets and earnings.

- Stocks are traded (bought and sold) predominantly on stock exchanges. It could be private sales as well. Stocks are the foundation of nearly every portfolio. These transactions have to conform to government regulations which are meant to protect investors from fraudulentpractices.
- Historically, they have outperformed most other investments over the long run. But, they come with risk factors as well. These investments can be purchased from most online stockbrokers. Stock investment differs greatly from real estate investment.

#### How does it work?

- Corporations issue or sell stock to raise funds to operate their businesses. The holder of stock, also known as shareholder, has a claim to a part of its assets and earnings. A sharehold-er becomes an owner of the issuing company and the ownership is determined by the number of shares a person owns relative to the number of outstanding shares. Let's take an example: If a company has 2,000 shares of stock outstanding and one person owns 400 shares, that person would own and have claim to 20% of the company's assets and earnings.
- Stock holders do not own corporations. Their ownership is
  proportionate to the shares issued by corporations. But corporations
  are a special type of organization because the law treats them as
  legal persons. In other words, corporations file taxes, can borrow, can
  own property, can be sued, etc.
- The risk and liability is limited for both shareholders and the company. Corporate property is legally separated from the property of shareholders, which limits the liability of both the corporation and the shareholder. If the company goes bankrupt, a judge may order all of its assets sold but your personal assets are not at risk. The court cannot even force you to sell your shares, although the value of your shares will have fallen drastically. Likewise, if a ma-jor shareholder goes bankrupt, she cannot sell the company's assets to pay off her creditors.

#### How stocks affect our life:

The stock market represents an extremely influential, complex facet of the world's economic system. The continuous rise-and-fall of stock prices have the ability to impact multiple aspects of our everyday lives in both small and life-altering ways even if one has no money invested in the system at all.

#### 1. Shareholders directly influence the direction of a business

In many companies, especially large ones, powerful investors sometimes overrule a business's executives and change its practices -

ideally, for the better. This can affect you in the form of new prices, different products, or even the elimination of your favorite brand.

# 2. The stock market impacts job security

Companies often base their hiring and firing decisions on stock price. If you're an executive for a major retail company and your stock price plummets, you're faced with the question of whether you should close down locations and cut thousands of jobs in order to boost sales and stabilize your stock price. In order to remain valuable to investors and to the market, many peo-ple can suffer the consequences.

# 3. Low oil prices lead to cheaper gas

By having high domestic oil production or decreasing dependency on it for fuel, the price of oil in a country's commodities market can lower drastically. As a result, prices per oil barrel drop, and gas prices decline. Reverse the scenario, and you experience a similar result - more dependence on oil imports causes an increase of its price on the market, as well as at the gas station, which is where you'll notice it.



# 8.3 DIFFERENT STOCK MARKETS AND HOW THEY ARE PARAMETERS OF ECONOMIC SITUATION AT A GIVEN POINT OF TIME

- We often hear about Bombay Stock Exchange (BSE), National Stock Exchange (NSE), Lon-don Stock Exchange (LSE) or New York Stock Exchange (NYSE). Before getting deeper into in it lets see know first about the market system:
- Primary Market: The primary market provides the channel for sale of new securities. Prima-ry market provides opportunity to issuers of securities; Government as well as corporate to raise resources to meet their requirements of investment and/or discharge some obligation.
- Secondary Market: Secondary market refers to a market where securities are traded after be-ing initially offered to the public in the primary market and/or listed on the Stock Exchange. Majority of the trading is done in the secondary market. Secondary market comprises of equity markets and the debt markets.

#### Different stock exchanges

These all are various types of stock markets. In India, we have two Bombay Stock Exchange (BSE) and National Stock Exchange (NSE). Similarly, every country has its own stock ex- changes which stocks

#### trade.

• New York Stock Exchange: United States

• Nasdaq: United States

Japan Stock Exchange: Japan
Shanghai Stock Exchange: China
London Stock Exchange: UK
Deutsche Borse: Germany

• Euronext: European Union

# Stock market's effect on economy:

The stock market is a strong indicator of the economy. The stock markets are considered to be indicators of the economic events that would unfold in the next six months to a year's time. Stocks tend to fall before the economy goes into a tailspin and often rise before economic indi-cators improve. The stock market always anticipates an economic recovery. Sometimes, there are several false rallies before the real recovery takes place. We have seen stock market rallyingsharply despite bad economic data. The stock market always anticipates an economic recovery. Sometimes, there are several false rallies before the real recovery takes place. The reality, how-ever, is that GDP numbers, IIP numbers, and inflation data.

It is often a sentiment indicator and can impact gross domestic product (GDP). GDP measures the output of all goods and services in an economy. As the stock market rises and falls, so does sentiment in the economy. As sentiment changes, so does consumer and business spending, which ultimately drives GDP growth. However, the stock market can have both negative and positive effects on GDP.

The economy's GDP is primarily driven by spending and investment. GDP is typically shown as a percentage growth rate from one period to another. For example, the quarter-to-quarter growth rate might be 6%, meaning the economy grew by 6% in that quarter on an annualized basis.

A bull market is when the equity markets are rising. The stock market affects gross domestic product primarily by influencing financial conditions and consumer confidence. When stocks are in a rising trenda bull market—there tends to be a great deal of optimism surrounding the economy and the prospects of various stocks. If GDP is rising—meaning the economy is per- forming well—those same companies can also raise additional funds by borrowing from banks or issuing new debt—called bonds. The bonds are purchased by investors, and the funds are used for business expansion and growth—also boosting GDP. With stock prices rising, investors—or consumers—have more wealth and optimism about future prospects. This confidence spills over into increased spending, which can lead to major purchases, such as homes and automobiles. The result leads to increased sales and earnings for corporations, further boosting GDP.

On the other hand, when the stock market is falling (bear market) it means that stock prices are going lower, and it can have a negative effect on sentiment. In a bear market, investors rush to sell stocks to prevent losses on their investments. Typically, those losses lead to a pullback in consumer spending, particularly if there's also the fear of a recession. A recession is two con- secutive quarters of negative—or contracting—GDP growth. Once consumers begin to pull back spending, it can hurt the sales and revenues of companies. Companies, in turn, are forced to cut costs and workers. The fall in consumer spending is exacerbated by an increase in unemploy- ment and further uncertainty about the future.



# 8.4 THE WORLD BANK, IMF AND THE BRETTON WOODS SYSTEM

# The World Bank

Created in 1945, with its headquarter in Washington DC, The World Bank is one of the world's largest sources of funding and knowledge for developing countries. With 189 member countries, staff from more than 170 countries and offices in over 130 locations, the World Bank Group is a unique global partnership with five institutions working for sustainable solutions that reduce poverty and build shared prosperity in developing countries.

#### What it does

- The World Bank Group works in every major area of development. They provide a wide array of financial products and technical assistance, and help countries share and apply inno-vative knowledge and solutions to the challenges they face.
- Since 1947, the World Bank has funded over 12,000 development projects, via traditional loans, interest-free credits, and grants.
- Its mission is to end extreme poverty by reducing the share of the global population that lives in extreme poverty to 3 percent by 2030 and to promote shared prosperity by increasing the incomes of the poorest 40 percent of people in every country.

#### **WB** Institutions

Its following five institutions share a commitment to reducing poverty, increasing shared pros-perity, and promoting sustainable development.

- 1. International Bank for Reconstruction and Development: IBRD provides financial development and policy financing.
- 2. International Development Association: IDA provides zero-to low-

- interest loans and grants.
- 3. International Finance Corporation: IFC mobilizes private sector investment and provides advice.
- 4. Multilateral Investment Guarantee Agency: MIGA provides political risk insurance (guaran-tees).
- 5. International Centre for Settlement of Investment Disputes: ICSID settles investment disputes.

# **International Monetary Fund**

- The International Monetary Fund (IMF) is an organization of 189 countries, working to foster global monetary cooperation, secure financial stability, facilitate international trade, promote high employment and sustainable economic growth, and reduce poverty around theworld.
- The IMF's primary purpose is to ensure the stability of the international monetary system—the system of exchange rates and international payments that enables countries (and their citizens) to transact with each other. The Fund's mandate was updated in 2012 to include allmacroeconomic and financial sector issues that bear on global stability.
- The IMF's fundamental mission is to ensure the stability of the international monetary sys-tem. It does so in three ways: keeping track of the global economy and the economies of member countries; lending to countries with balance of payments difficulties; and giving practical help to members.
- Most resources for IMF loans are provided by member countries, primarily through their payment of quotas.

# **IMF** and the Bretton Woods system

- The Bretton Woods Agreement created two Bretton Woods Institutions, the IMF and the World Bank. Formally introduced in December 1945 both institutions have withstood the test of time, globally serving as important pillars for international capital financing and tradeactivities.
- The Bretton Woods System included 44 countries. These countries
  were brought together to help regulate and promote international
  trade across borders. As with the benefits of all currency pegging
  regimes, currency pegs are expected to provide currency
  stabilization for trade of goods and services as well as financing.
- All of the countries in the Bretton Woods System agreed to a fixed peg against the U.S. dollar with diversions of only 1% allowed.

Countries were required to monitor and maintain their currency pegs which they achieved primarily by using their currency to buy or sell U.S. dollars as needed. The Bretton Woods System, therefore, minimized international currency exchange rate volatility which helped international trade relations. More stability in foreign currency exchange was also a factor for the successful support of loans and grants interna- tionally from the World Bank.

#### > SECTION 4

# 8.5 ASIAN DEVELOPMENT BANK & NABARD

# Asian Development Bank

- The Asian Development Bank (ADB) envisions a prosperous, inclusive, resilient and sus- tainable Asia and the Pacific, while sustaining its efforts to eradicate extreme poverty in the region. Despite the region's many successes, it remains home to a large share of the world's poor. The bank assists its members and partners, by providing loans, technical assistance, grants and equity investments to promote social and economic development. It maximizes the development impact of its assistance by facilitating policy dialogues, providing advisory services, and mobilizing financial resources through co-financing operations that tap official, commercial, and export credit sources.
- The Asian Development Bank was conceived in the early 1960s as a financial institution that would be Asian in character and foster economic growth and cooperation in one of the poor-est regions in the world. Headquartered in Manila, and established in 1966, ADB is owned and financed by its 67 members, of which 48 are from the region and 19 are from other parts of the globe. ADB's main partners are governments, the private sector, nongovernment organizations, development agencies, community-based organizations, and foundations.

#### **❖** NABARD

- National Bank for Agriculture and Rural Development (NABARD) in India is a financial in- stitution which deals with matters pertaining to policy, planning and operations in the fieldsof agriculture and economic development in rural areas.
- It was established on the recommendations of B. Sivaramman Committee on July 12, 1982 to implement the National Bank for Agriculture and Rural Development Act 1981. It replaced the Agricultural Credit Department (ACD) and Rural

Planning and Credit Cell (RPCC) of Reserve Bank of India and Agricultural Refinance and Development Corporation (ARDC). It is one of the premier agencies providing developmental credit in rural areas.

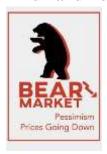
#### Functions:

- The initiatives of NABARD initiatives are aimed at building an empowered and financially inclusive rural India through specific goal-oriented departments which can be categorized broadly into three heads: Financial, Developmental and Supervision. Through these initia- tives they touch almost every aspect of rural economy.
- NABARD provides refinance support to building rural infrastructure; preparing district level credit plans to guiding and motivating the banking industry in achieving these targets; super-vising Cooperative Banks and Regional Rural Banks (RRBs) to helping them develop sound banking practices and onboarding them to the CBS platform; designing new development schemes to the implementation of GoI's development schemes and training handicraft arti- sans to providing them a marketing platform for selling these articles.
- Over the years their initiatives have touched millions of rural lives across the country. Its milestone achievements have been India's achievements as well. The SHG Bank Linkage Project launched by NABARD in 1992 has blossomed into the world's largest micro finance project. Kisan Credit Card, designed by them have become source of comfort for crores of farmers. They have financed one fifth of India's total rural infrastructure. The bank is pioneer in the field of watershed development as a tool for sustainable climate proofing.

#### > SECTION 5

### **BULL AND BEARS/MARKET SENTIMENTS**

#### **Bull and Bear market**



There are basically two types of sentiments that we often hear as a layperson – a bull market (bullish) or a bear market (bearish)! Now, what is a bull or a bear to do with the share mar- ket? The 'bull' and 'bear' words that are used in the market is derived from the way these animals attack their opponents. A bull thrusts its

horns up into the air upwards, while a bear swipes its paws downward. These actions are used for the movement of a market. If the trendis upwards, it's a bull market. And, if the trend is downwards, it's a bear market.

#### **Bull market**



- Bull market is a phrase used to describe an optimistic economic envi- ronment that is growing. There's no set methodology to identify a bull market. It means that asset classes of all types (stocks, bonds, real estate) rise for an extended period of time. It is this sentiment that the investors feel confident about and describ the momentum as "bullish."
- Some indicators: If a country's gross domestic product (GDP) is high that means consumer spending is also high a common indicator of a flourishing economy. With rising stock prices, people are confident that the market will continue to go up, so most major indices will also rise. Since the financial climate is hopeful, investors are hungry to buy shares during a bull market and hold onto them, confident they will continue to rise. This is known as long stock trading.
- The unemployment rates are low during bull phase due to growth in businesses which means growth in the workforce and more people will have jobs. When a bull market occurs, it's typ- ically here for a long time. Notable bull market periods have been years during and following WWII (from the 1940s through the 1950s), the 1980s-2000s and 2017 onwards.

#### Bear market

- The bear market describes negative sentiment as a market trend.
  If the bull market describes growth and stability, the bear market
  represents the inverse: pessimism, loss on investments, and a
  usually regarded "bad" economy.
- It describes an economic trend in which there is pessimism about the mar-ket. Generally, there's stagnation or a downward trend, people's confidence in the economy is low, and more people are selling stock than buying. Abear market is also a good indicator of a recession a long-term period of negative growth. Bear markets can be scary, but they don't tend to last very long, though that's

admittedly cold comfort for investors going through one.

#### **KEY INDICATORS**

- Low employment rates are typically a sign of a bear market. As
  companies lose business, this results in layoffs and loss of work.
  Market prices fall and there are fewer people willingto buy stock. As
  a result, prices of shares go down and the market falters.
- More "short" stock trading: This is when investors sell shares they don't own in order to buy the shares later at a lower price. It's one way to benefit from a down market. A very bearish move. Though the bear market seems bad, it doesn't typically last long. Remember that study from Morningstar? It shows that the average bear market lasts only 1.4 years, while the average cumulative loss from a bear market is 41%.
- Notable bear market examples are the Great Depression (1929), the dot-com burst of the early-2000s and the housing market crash (2008) is still a fresh wound for many people.



# 8.7 NATIONAL STOCK EXCHANGE/BULLION MARKET

# The National Stock Exchange of India Ltd.

NSE is the leading stock exchange in Indiaand the second largest in the world by num-bers of trades in equity shares from Januaryto June 2018, according to World Federation of Exchanges (WFE) report. NSE launchedelectronic screen-based trading in 1994, de-rivatives trading (in the form of index fu- tures) and internet trading in 2000, which were each the first of its kind in India.



It was recognised as a stock exchange by SEBI under the Securities Contracts (Reg- ulation) Act, 1956, when P. V. Narasimha Rao was the Prime Minister of India and Manmohan Singh was the Finance Minister. NSE commenced operations in the Whole-sale Debt Market (WDM) segment in June 1994. NSE was set up by a group of leading Indian financial institutions at the behest of the government of India to bring transparen- cy to the Indian capital market. The key do- mestic investors include Life Insurance Corporation of India, State Bank of India, IFCILimited, IDFC Limited and Stock HoldingCorporation of India Limited.

- NSE has a fully-integrated business model comprising our exchange listings, trading services, clearing and settlement services, indices, market data feeds, technology solutions and financial education offerings. NSE also oversees compliance by trading and clearing members and listed companies with the rules and regulations of the exchange.
- NSE is a pioneer in technology and ensures the reliability and performance of its sys- tems through a culture of innovation and investment in technology. NSE believes that the scale and breadth of its products and services, sustained leadership positions across multiple asset classes in India and globally enable it to be highly reactive to market demands and changes and deliver innovation in both trading and non-tradingbusinesses to provide high-quality data andservices to market participants and clients.

# **National Securities Depository Limited (NSDL)**

NSE was also instrumental in creating the National Securities Depository Limited (NSDL) which allows investors to securely hold and transfer their shares and bonds electronically. It also allows investors to hold and trade in as few as one share or bond. This not only made holding financial instruments convenient but more importantly, eliminated the need for paper certificates and greatly reduced the incidents of forged or fake certificates and fraudulent trans-actions that had plagued the Indian stock market.

#### **Bullion market**

A bullion market is where traders trade in precious metals like gold and silver. A bul-lion market is a place where exchanges of gold and silver take place over the counter and in the futures market. Trading in bul- lions market is open 24 hours. Bullion mar- kets exist across the globe, and most of thetransactions take place through electronic means or by phone.



- The versatile uses of silver and gold in many areas especially its industrial applications decide the prices of the precious metal. Bullions are considered as a safe bet to hedge (risk management strategy to offset losses in investment) against inflation or as a safe haven for investment.
- There are other avenues to invest in these markets such as exchangetraded funds (ETFs), which allow greater flexibility as far as safety and storage issues are con- cerned. There are a significant number of Gold ETFs available in the market.
  - The primary disadvantage of trading in physical bullion is that it is difficult to store the metal, as there is always a risk of theft associated with it. A bullion market has a lot of active players like banks, fabricators, refiners, vault operators, jewelers, hedgers, arbitrageurs, and speculators, etc. The brokers also facilitate the transactions between parties of two different countries or places. Investing in gold has always been attraditional route for investing. The simple market mechanism for investing in gold is to invest when the price is low and sell theinvestment when the market is at high.
  - Bullions tend to move at an erratic pace and have different behavioral patterns when compared to the other market securities like equities and funds. This makes it a bet-ter bet for hedging and makes it a worthy asset.
  - The London bullion market is the most globally traded market. It deals in gold and silver in futures, options and forwards con-tracts. The London Bullion Market Associ-ation oversees the operations of this bullion market, and it has set specific standards about the quality of the metals transacted.
- The London bullion market has over 150 members from 30 countries. These mem- bers derive majority of the revenue from Gold and Silver bullion trading.

#### 8.8 COMMODITY MARKETS

Commodity Market is about trading of precious metals, energy, oil, spices and so on. Gold andother metals can be accessed in number of ways including traditional physical holdings, futures contracts, D-mat forms, ETFs and through correlated markets such as mining stocks. Each mode of holdings has its own advantages and disadvantages but with so many options available, investors of all types should be able to find a product to match their temperament.

Exchange traded commodities are metal, bullion, fibre, energy, spices, plantations, pulses, pet-rochemical, oil and seed. Commodity markets across the world trade in agricultural products and other raw materials like wheat, barley, sugar, maize, cotton, cocoa, coffee, milk products, oil, metals, etc. and contracts based on them. These contracts can include spot prices, forwards, futures and options on futures. Other sophisticated products may include interest rates, environ- mental instruments, swaps, or freight contracts.

Trading in commodities futures has a long history. However, organized trading on an exchangestarted in 1848 with the establishment of the Chicago Board of Trade (CBOT). The first mile- stone in the 150 years rich history of organized trading in commodities in India was the con- stitution of the Bombay Cotton Trade Association in the year 1875. India had a vibrant futuresmarket in commodities till it was discontinued in the mid 1960's, due to war, natural calamities and the consequent shortages.

Following the introduction of liberalization policy in 1991, the Government of India appointed an expert committee on forward market under the chairmanship of Prof KN Kabra in 1993. The committee submitted its report in 1994 advocating the re-introduction of futures and expanding its coverage to agricultural commodities. It also proposed an expansion for the coverage of fu-tures markets to minimize the wide fluctuations in commodity prices and for hedging the risk arising from extreme price volatilities.

Commodities futures contracts and the exchanges they trade in are governed by the Forward Contracts (Regulation) Act, 1952. The regulator is the Forward Markets Commission (FMC), adivision of the Ministry of Consumer Affairs, Food and Public Distribution.

In 2002, the Government of India allowed the re-introduction of commodity futures in India:

- 1. National Commodity & Derivative Exchange
- 2. Multi Commodity Exchange
- 3. National Multi Commodity Exchange of India In terms of market share, MCX is today the largest commodity futures exchange in India, with a market share of close to 70%. NCDEX follows with a market share of around 25%, leaving the balance 5% for NMCE.

# > SECTION 8

# 8.9 INDIAN ECONOMIC INSTITUTIONS: RBI, ECONOMIC RESEARCH BUREAU: THEIR ROLES AND IMPORTANCE

The financial institutions are engaged in the business of dealing with financial and monetary transactions such as deposits, loans, investments, and currency exchange. They encompass a broad range of business operations within the financial services sector including banks, trust companies, insurance companies, brokerage firms, and investment dealers. Everyone living in a developed economy has an ongoing or at least periodic need for the services of financial institutions.

The Financial Institutions in India mainly comprises of the Central Bank which is better known as the Reserve Bank of India, the commercial banks, research bureau, the credit rating agencies, the securities and exchange board of India, insurance companies and the specialized financial institutions in India.

#### Some of the financial institutions in India:

- Reserve Bank of India (RBI)
- Industrial Finance Corporation of India (IFCI)
- Industrial Credit and Investment Corporation India Ltd. (ICICI)
- Life insurance corporation of India (LIC)
- Export Credit Guarantee Corporation of India (ECGC)
- Industrial Development Bank of India (IDBI)
- General Insurance Corporation (GIC)
- · Regional Rural Banks
- EXIM Bank
- Securities and Exchange Board of India (SEBI)
- National Housing Bank
- Small Industries Development Bank of India (SIDBI)

- Rural Infrastructure and Development Fund (RIDF)
- Indian Infrastructure Finance Company (IIFCL)
- · National Payments Corporation of India

# Reserve Bank of India (RBI)

- The Reserve Bank of India was established on April 1, 1935 in accordance with the provisions of the Reserve Bank of India Act, 1934. The Central Office of the Reserve Bank was initially established in Calcutta but was permanently moved to Mumbai in 1937. The Central Office is where the Governor sits and where policies are formulated. Though originally privately owned, since nationalisation in 1949, the Reserve Bank is fully owned by the Government of India.
- The Preamble of the Reserve Bank of India describes the basic functions of the Reserve Bank as "to regulate the issue of Bank notes and keeping of reserves with a view to securing monetary stability in India and generally to operate the currency and credit system of the country to its ad-vantage; to have a modern monetary policy framework to meet the challenge of an increasingly complex economy, to maintain price stability while keeping in mind the objective of growth."
- The RBI is an independent organization. The Reserve Bank's affairs
  are governed by a cen-tral board of directors. The board is appointed
  by the Government of India in keeping with the Reserve Bank of
  India Act.

#### Commercial Banks in India:

The commercial banks in India are categorized into foreign banks, private banks and the publicsector banks. The commercial banks indulge in varied activities such as acceptance of deposits, acting as trustees, offering loans for the different purposes and are even allowed to collect taxeson behalf of the institutions and central government.

# **Credit Rating Agencies in India:**

The credit rating agencies in India were mainly formed to assess the condition of the financial sector and to find out avenues for more improvement. The credit rating agencies offer various services as operation up gradation, training to employees, scrutinize new projects and find out the weak sections in it and rate different sectors. The two most important credit rating agencies in India are CRISIL and ICRA.

# **Securities and Exchange Board of India:**

The securities and exchange board of India, also referred to as SEBI, order to protect the inter- ests of the investors and to facilitate the

functioning of the market intermediaries. They super- vise market conditions, register institutions and indulge in risk management.

# **Insurance Companies in India:**

The insurance companies offer protection against losses. They deal in life insurance, marine insurance, vehicle insurance and so on. The insurance companies collect the little saving of the investors and then reinvest those savings in the market. The insurance companies are collaborating with different foreign insurance companies after the liberalization process. This step has been incorporated to expand the Indian Insurance market and make it competitive.

# **Specialized Financial Institutions in India:**

The specialized financial institutions in India are government undertakings that were set up to provide assistance to the different sectors and thereby cause overall development of the Indian.

# 8.10 CHECK YOUR PROGRESS

1: Where do the Commercial Banks keep the liquid assets under the Statutory Liquidity Ratio?

A: With RBI

B: With other banks

C: In the Market

D: With themselves

**Ans: (D) Wih themselves** 

#### 2: Where is the New York Stock Exchange located?

A: Wall Street

B: Broadway

C: Empire State Building

D: Times Square

Ans: (D) Times Square

3: Which of the following might be a reason for a stock market to lose value suddenly?

A: A big company going bankrupt

B: Fear of a global recession

C: A terrorist attack

D: All of these

#### Ans: (D) All of these

- 4: Which term most accurately describes selling shares at a higher price than the price at which they were bought?
- A: Loss
- B: Profit
- C: Asset
- D: Dividend

# Ans: (B) Profit

- 5: Which of the following is responsible for the fluctuations in the
- Sensex?
- A: Political instability
- B Monetary policy
- C: Rain
- D: All of the above

#### Ans: (D) All of the above

- 6: Which of the following might you see roaming a stock market?
- A: Goats
- B: Bulls
- C: Cows
- D: Mice
- Ans: (B)Bulls
- **7:** Which of the following cities does NOT have a formal stock exchange?
- A: Frankfurt
- B: London
- C: Monte Carlo
- D: Hong Kong
- **Ans: (C) Monte Carlo**

# 8: Which of the following is not the function of the World Bank?

- A: To provide long term loan to the member countries
- B: To provide loan to private investors belonging to member countries
- on its own guaranteeC: To ensure exchange rate stability
- D: To provides loan mainly for productive activities

# Ans. (C) To ensure exchange rate stability

9: Which of the following statement is correct?

A: Every member country of the IMF automatically becomes the member of the World Bank

B: The World Bank has 45 founder members

C: India is not the founding member of the World BankD: IMF is the part of World Bank group

Ans:(A) Every member country of the IMF automatically becomes the member of the World Bank

10: The bear market describes negative sentiment as a market trendTrue or False

**Ans: True** 

# 8.11 KEYWORDS

<b>Economic institutions</b>	provide basic physical subsistence and meet needs for necessities oflife
Stocks	shares or equity that are traded
World Bank	predominantly on stock exchanges. one of the world's largest sources of funding for developing countries.
Bull market Bear market	optimistic economic environment. negative sentiment as a market trend.

# **8.12 TO SUM IT UP**

- Economic institutions provide basic physical subsistence for society and meet needs forfood, shelter, clothing and other necessities of life.
- Stocks are type of security which signifies the proportionate ownership in the issuing com-pany.
- The stock market is a strong indicator of the economy.

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UNIT:9

# THE WORLD ORDER INTERNATIONAL AFFAIRS

# :: STRUCTURE::

- 9.0 Introduction
- 9.1 Learning Objectives
- **9.2 Section 1 : How The World Operates?**
- 9.3 Section 2: The United Nations
- 9.4 Section 3: BRICS, NATO, ASEAN, SAARC, G-7/G-20
- 9.5 Section 4: World Trade Organization
- 9.6 Section 5: Intellectual Property Rights & Forex
- 9.7 Section 6: Functions and Impacts of WTO
- 9.8 Check Your Progress
- 9.9 Keywords
- 9.10 To Sum It Up
- 9.11 References

# 9.0 INTRODUCTION

From an individual living in a small village or in a big city, we are today a part of the one big structure which combines to make a one big global family. Living in a small tribal area of an is-land or sky-kissing building of New York we are connected and interdependent on each other in some way or the other. We have 195 countries spread in the world which trade with each other. And, thus comes in the world order and international affair makes this possible. The global in-stitutions act as a common thread between countries which are separated with region, language, currency and cultures. On business, culture, health, education,

financial and other factors these institutions collaborate with each other as a one big international family of Mother Earth.

# 9.1 LEARNING OBJECTIVE

- To understand international affairs and know how the world operates.
- Introduce to the students to the various international institutions.
- Get an insight on World Trade Organisation, its function and impact.
- How IPR protects the rights of the creator.

# On completion of the unit, you will be able to:

- Understand the world order in context to us.
- Learn the importance of global institution.
- What role does various global institutions play in our life

# **■→ SECTION 1**■

# 9.2 HOW THE WORLD OPERATES?

- There is a very apt saying that 'if a butterfly flaps its wings in China then it can cause an earthquake in New Delhi'. In a broader perspective the entire world is connected with each other. Some country may be a superpower but it may not have elements that are must for it to be called one. Today, the world has become a global village where things are wired witheach other.
- A technology of one country, manpower of another and consumption in another continent such is the scenario today. The entire world trades and does business with each other. And, this called for a world order in which countries come under certain global institutions which lay rules, ways, standard procedures and code of conducts that are followed by its members.
- Institutions like United Nations, World Health Organisation, UNESCO, Red Cross, BRICS, NATO, ASEAN, SAARC, G-7/ G-20 Asean countries work with its members on various fronts. The function of these institutions is to strengthen collective selfreliance, promote active collaboration and mutual assistance in various fields, and cooperate with international and regional organizations.
- All this put together make it feasible for countries to trade and work together towards global cooperation, trade, health, education, harmony, peace, and humanity.

# 9.3 THE UNITED NATIONS

- To maintaining international peace and security, The United Nations (UN) was set up in 1945. Other than global peace and security, this intergovernmental organization is responsible for achieving international cooperation, developing friendly relations among nations and being a center for harmonizing the actions of nations.
- Headquartered on international territory in New York City, with main offices are in Geneva, Nairobi, Vienna and The Hague, it is the largest, most familiar, most internationally represented and most powerful intergovernmental organization in the world.
- The UN was established after World War II with the aim of preventing future wars, suc- ceeding the ineffective League of Nations. On April 25, 1945, 50 governments met in San Francisco for a conference and started drafting the UN Charter, which was adopted on June 25, 1945 and took effect on 24 October 1945, when the UN began operations. This day is observed at the UN Day.
- Pursuant to the Charter, the organization's objectives include maintaining international peace and security, protecting human rights, delivering humanitarian aid, promoting sustain-able development, and upholding international law. At its founding, the UN had 51 member states; this number grew to 193 in 2011, representing the vast majority of the world's sover-eign states.
- The UN has six principal organs: The General Assembly; the Security Council; the Econom- ic and Social Council; the Trusteeship Council; the International Court of Justice; and the UN Secretariat.

#### **WHO**

- World Health Organisation (WHO) works worldwide to promote health, keep the world safe, and serve the vulnerable. Their goal is to ensure that a billion more people have universal health coverage, to protect a billion more people from health emergencies, and provide a further billion people with better health and well-being.
- Established on April 7, 1948, the World Health Organization is a specialized agency of the United Nations that is concerned with international public health. Headquartered in Geneva, Switzerland, the WHO is a member of the United Nations Development Group. Its predeces-sor, the Health Organization, was an agency of the League of Nations.

- The WHO constitution has been signed by 61 countries (all 51 member countries and 10 others) on 22 July 1946. Since inception, it has played a leading role in the eradication of smallpox. Its current priorities include communicable diseases, in particular HIV/AIDS, Ebola, malaria and tuberculosis; the mitigation of the effects of non-communicable diseases such as sexual and reproductive health, development, and aging; nutrition, food security andhealthy eating; occupational health; substance abuse; and driving the development of report-ing, publications, and networking.
- For universal health coverage, they focus on primary health care to improve access to qual- ity essential services, work towards sustainable financing and financial protection, improve access to essential medicines and health products, train the health workforce and advise on labour policies, support people's participation in national health policies and improve mon- itoring, data and information.

#### **UNESCO**

- United Nations Educational, Scientific and Cultural Organization (UNESCO) is a special- ized agency of the United Nations (UN) that was outlined in a constitution signed November 16, 1945. Headquartered in Paris, France, it came into function in 1946 and works for the promotion of international collaboration in education, science, and culture. Its initial em- phasis was on rebuilding schools, libraries, and museums that had been destroyed in Europe during World War II.
- The main objective of UNESCO is to contribute to peace and security in the world by pro- moting collaboration among nations through education, science, culture and communication in order to further universal respect for justice, for the rule of law, and for the human rights and fundamental freedoms which are affirmed for the peoples of the world, without distinction of race, sex, language or religion, by the Charter of the United Nations.
- Apart from its support towards educational and science programs, UNESCO is also involved in efforts to protect the natural environment and humanity's common cultural heritage.

# **UNESCO's principal functions are:**

- It develops educational tools to help people live as global citizens free of hate and intolerance.
- It works so that each child and citizen have access to quality education.
- It strengthens bonds among nations by promoting cultural heritage

- and the equal dignity of all cultures.
- It fosters scientific programmes and policies as platforms for development and cooperation.
- It stands up for freedom of expression, as a fundamental right and a key condition for democ-racy and development.
- Serving as a laboratory of ideas, it helps countries adopt international standards and manages programmes that foster the free flow of ideas and knowledge sharing.

#### **Red Cross**

- The International Red Cross and Red Crescent Movement was founded to protect human life and health, to ensure respect for all human beings, and to prevent and alleviate human suffer-ing. It is an international humanitarian movement with approximately 97 million volunteers, members and staff worldwide.
- The International Committee of the Red Cross (ICRC) is a private humanitarian institu- tion founded in 1863 in Geneva, Switzerland, by Henry Dunant and Gustave Moynier. Its 25-member committee has a unique authority under international humanitarian law to pro- tect the life and dignity of the victims of international and internal armed conflicts. The ICRC was awarded the Nobel Peace Prize on three occasions (1917, 1944 and 1963).
- The movement consists of several organizations that are legally independent from each oth-er. However, they are united within the movement through common basic principles, objec-tives, symbols, statutes and governing organisations. The movement's parts are:
- The International Federation of Red Cross and Red Crescent Societies (IFRC) was founded in 1919 and today it coordinates activities between the 190 National Red Cross and Red Crescent Societies within the Movement.
- National Red Cross and Red Crescent Societies exist in nearly every country in the world. Currently 190 National Societies are recognized by the ICRC and admitted as full members of the Federation. Each entity works in its home country according to the principles of in- ternational humanitarian law and the statutes of the international Movement. Depending on their specific circumstances and capacities, National Societies can take on additional humanitarian tasks that are not directly defined by international humanitarian law or the mandates of the international Movement. In many countries, they are tightly linked to the respective national health care system by providing emergency medical services.

# 9.4 BRICS, NATO, ASEAN, SAARC, G-7/G-20

#### **BRICS**

- The association of five major emerging national economies Brazil, Russia, India, China and South Africa is known as BRICS. Before, South Africa joined the group in 2010, The was assocition of four countries was known as BRIC. The members of BRICS are known for their influence on regional affairs. All five members of BRICS are members of G20. The first summit of BRICS nations was held in 2009 and since then they have met annual at formal summits.
- The term "BRIC" is believed to be coined in 2001 by then-chairman of Goldman Sachs As- set Management, Jim O'Neill, in his publication Building Better Global Economic BRICs. It was actually coined by Roopa Purushothaman who was a Research Assistant in the original report. The foreign ministers of the initial four BRIC General states (Brazil, Russia, India, and China) met in New York City in September 2006 at the margins of the General Debate of the UN Assembly, beginning a series of high-level meetings. A full-scale diplomatic meeting was held in Yekaterinburg, Russia, on 16 June 2009. The first formal summit of BRIC was held in Yekaterinburg, commenced on 16 June 2009. The summit's focus was on means of improving the global economic situation and reforming financial institutions, and discussed how the four countries could better cooperate in the future.
- In 2010, South Africa began efforts to join the BRIC grouping and it became a member nation on 24 December 2010. The group was renamed BRICS with the "S" standing for South Africa to reflect the group's expanded membership.
- Headquartered in Shanghai, China, its main objectives are to cooperate between the member nations for development, provide financial assistance, support various projects, infrastructure etc. Economists believe these four nations will become dominant suppliers of manufactured goods, services, and raw material by 2050 due to low labour and production costs.

#### **NATO**

 North Atlantic Treaty Organization (NATO), military alliance was established by the North Atlantic Treaty (Washington Treaty) of April 4, 1949, which sought to create a counter- weight to Soviet armies stationed in Central and Eastern Europe after World War II. It started with 12 countries as its members and today it has 29 countries on board.

Its original members were Belgium, Canada, Denmark, France, Iceland, Italy, Luxembourg, the Netherlands, Norway, Portugal, the United Kingdom, and the United States. Joining the original signatories were Greece and Turkey (1952); West Germany (1955; from 1990 as Germany); Spain (1982); the Czech Republic, Hungary, and Poland (1999); Bulgaria, Esto-nia, Latvia, Lithuania, Romania, Slovakia, and Slovenia (2004); Albania and Croatia (2009); and Montenegro (2017). France withdrew from the integrated military command of NATO in 1966 but remained a member of the organization; it resumed it's position in NATO's military command in 2009.

- NATO's purpose is to guarantee the freedom and security of its members through political and military means.
- Political NATO promotes democratic values and enables members to consult and cooperate on defence and security-related issues to solve problems, build trust and, in the long run, prevent conflict.
- Military NATO is committed to the peaceful resolution of disputes.
   If diplomatic efforts fail, it has the military power to undertake crisis-management operations. These are carried out under the collective defence clause of NATO's founding treaty Article 5 of the Wash-ington Treaty or under a United Nations mandate, alone or in cooperation with other coun- tries and international organisations.

## **ASEAN**

• The Association of Southeast Asian Nations (ASEAN) was established on 8 August 1967 in Bangkok, Thailand, with the signing of the ASEAN Declaration (Bangkok Declaration) with five countries Indonesia, Malaysia, Philippines, Singapore and Thailand. Thereafter Brunei joined in 1984, Vietnam in 1995, Lao PDR and Myanmar in 1997 and Cambodia in 1999, making up what is today the 10 member states of ASEAN.

# **Functions**

# As per the ASEAN Declaration, the aims and purposes of ASEAN are:

- To accelerate the economic growth, social progress and cultural development in the region through joint endeavours in the spirit of equality and partnership in order to strengthen the foundation for a prosperous and peaceful community of Southeast Asian Nations;
- To promote regional peace and stability through abiding respect for

justice and the rule of law in the relationship among countries of the region and adherence to the principles of the United Nations Charter;

- To promote active collaboration and mutual assistance on matters of common interest in the economic, social, cultural, technical, scientific and administrative fields;
- To provide assistance to each other in the form of training and research facilities in the edu-cational, professional, technical and administrative spheres;
- To collaborate more effectively for the greater utilisation of their agriculture and industries, the expansion of their trade, including the study of the problems of international commodity trade, the improvement of their transportation and communications facilities and the raising of the living standards of their peoples;
- To promote Southeast Asian studies; and To maintain close and beneficial cooperation with existing international and regional organisations with similar aims and purposes, and explore all avenues for even closer cooperationamong themselves.

#### SAARC

• The South Asian Association for Regional Cooperation (SAARC) was established with the signing of the SAARC Charter in Dhaka on December 8, 1985. SAARC comprises of eight member states Afghanistan, Bangladesh, Bhutan, India, Maldives, Nepal, Pakistan and Sri Lanka. The secretariat of the association was set up in Kathmandu on 17 January 1987. The SAARC seeks to promote the welfare of the peoples of South Asia, strengthen collective self-reliance, promote active collaboration and mutual assistance in various fields, and coop- erate with international and regional organizations.

# **Objectives and functions**

Decisions at all levels are to be taken on the basis of unanimity; and bilateral and contentious issues are excluded from the deliberations of the Association. The objectives of the association as outlined in the SAARC Charter are:

- to promote the welfare of the peoples of South Asia and to improve their quality of life;
- to accelerate economic growth, social progress and cultural development in the region and to provide all individuals the opportunity to live in dignity and to realize their full potentials;
- to promote and strengthen collective self-reliance among the countries of South Asia;

- to contribute to mutual trust, understanding and appreciation of one another's problems;
- to promote active collaboration and mutual assistance in the economic, social, cultural, technical and scientific fields;
- to strengthen cooperation with other developing countries;
- to strengthen cooperation among themselves in international forums on matters of commoninterests:
- to cooperate with international and regional organizations with similar aims and purposes.

# G-7/ G-20 G-7

- G-7 refers to the group of 7 highly industrialized nations—France, Germany, Italy, the Unit-ed Kingdom, Japan, the United States and Canada. These countries hold an annual meeting to foster consensus on global issues like economic growth and crisis management, global security, energy, and terrorism.
- The first G-7 summit was held at the Rambonilet near Paris in November 1975. Currently the member countries of the G7 group account for 49% of global export, 51% of industrial output and 49% of assets in the international monetary fund. Now 45th meeting of G-7 held in the Biarritz, France between August 24–26, 2019.

#### G-20

The finance ministers of the G-7 countries in Sept, 1999 established the G-20 as an interna-tional forum to promote informal dialogue and cooperation among systematically important countries within the framework of Breton woods institutions system with a view to preserv-ing international financial stability.

- The Group of Twenty (G20) is the premier forum for its members' international economic cooperation and decision-making. It comprises 19 countries plus the European Union. The members of the G20 are Argentina, Australia, Brazil, Canada, China, France, Germany, In-dia, Indonesia, Italy, Japan, Republic of Korea, Mexico, Russia, Saudi Arabia, South Africa, Turkey, United Kingdom, United States, European Union.
- The G20 leaders meet annually; additionally, during the year, Finance Ministers and Central Bank Governors meet regularly to discuss ways to strengthen the global economy, reform in-ternational financial institutions, improve financial regulation, and discuss the key economic reforms that are needed in each of the member countries.

# 9.5 WORLD TRADE ORGANIZATION

## **WTO**

The world comprises of many countries and each other of them is blessed by different types resources. Some have food grain in abundance, some are rich in oil, minerals while some are technologically very advanced. Some have manpower in abundance while some are economi- cally very advanced. Historically, humans have done trade and business. It started with a small territory and today every part of the world the same. To streamline trade and business felt the need of a platform on a global level.

The World Trade Organization (WTO) is the global international organization dealing with therules of trade between nations. The basis of this are the WTO agreements, negotiated and signed by the bulk of the world's trading nations and ratified in their parliaments. The goal is to ensure that trade flows as smoothly, predictably and freely as possible.

The importance of WTO in the world of trade is immense. It is an organization for trade open-ing. It is a forum for governments to negotiate trade agreements and is a place for them to settletrade disputes. It operates a system of trade rules. The WTO is a place where member govern-ments try to sort out the trade problems they face with each other.

The birth of WTO is a result of several attempts to streamline trade on a global level. The WTO was born out of negotiations, and everything the WTO does is the result of negotiations. The bulk of the WTO's current work comes from the 1986–94 negotiations called the Uruguay Round and earlier negotiations under the General Agreement on Tariffs and Trade (GATT). The WTO is currently the host to new negotiations, under the 'Doha Development Agenda' launched in 2001.

Where countries have faced trade barriers and wanted them lowered, the negotiations have helped to open markets for trade. But the WTO is not just about opening markets, and in some circumstances its rules support maintaining trade barriers — for example, to protect consumersor prevent the spread of disease.

At its heart are the WTO agreements, negotiated and signed by the bulk of the world's trading nations. These documents provide the legal ground rules for international commerce. They are essentially contracts, binding governments to keep their trade policies within agreed limits. Although negotiated and signed by governments, the goal is to help producers of goods and services, exporters, and importers conduct their business, while allowing governments to meet social and environmental objectives.

# **How it functions**

The WTO is run by its member governments. All major decisions are made by the member- ship as a whole, either by ministers (who usually meet at least once every two years) or by their ambassadors or delegates (who meet regularly in Geneva). While the WTO is driven by its member states, it could not function without its Secretariat to coordinate the activities. The Secretariat employs over 600 staff, and its experts — lawyers, economists, statisticians and communications experts — assist WTO members on a daily basis to ensure, among other things, that negotiations progress smoothly, and that the rules of international trade are correctly applied and enforced.



# 9.6 INTELLECTUAL PROPERTY RIGHTS & FOREX

# **Intellectual Property Rights (IPR)**

What one creates is the property of the person who has created it. The creator has the authority and right to own that creation and protect it from being replicated. The Intellectual Property Rights give that creator the power to protect his or her creativity.

Intellectual property rights are the rights given to persons over the creations of their minds. They usually give the creator an exclusive right over the use of his/her creation for a certain period of time.

# Intellectual property rights are customarily divided into two main areas:

# (i) Copyright and rights related to copyright

- The rights of authors of literary and artistic works (such as books and other writings, musical compositions, paintings, sculpture, computer programs and films) are protected by copy- right, for a minimum period of 50 years after the death of the author.
- Also protected through copyright and related (sometimes referred to as 'neighbouring') rights are the rights of performers (e.g. actors, singers and musicians), producers of pho- nograms (sound recordings) and broadcasting organizations. The main social purpose of protection of copyright and related rights is to encourage and reward creative work.

# (ii) Industrial property

Industrial property can usefully be divided into two main areas: One
area can be character- ized as the protection of distinctive signs, in
particular trademarks (which distinguish the goods or services of

one undertaking from those of other undertakings) and geographical indications (which identify a good as originating in a place where a given characteristic of the good is essentially attributable to its geographical origin). The other types of industrial property are protected primarily to stimulate innovation, design and the creation of tech-nology. In this category fall inventions (protected by patents), industrial designs and trade secrets.

- The social purpose is to provide protection for the results of investment in the development of new technology, thus giving the incentive and means to finance research and development activities.
- A functioning intellectual property regime should also facilitate the transfer of technology in the form of foreign direct investment, joint ventures and licensing. The protection is usually given for a finite term (typically 20 years in the case of patents).
- While the basic social objectives of intellectual property protection
  are as outlined above, it should also be noted that the exclusive
  rights given are generally subject to a number of limitations and
  exceptions, aimed at fine-tuning the balance that has to be found
  between thelegitimate interests of right holders and of users.

# Objectives of intellectual property law:

- The main purpose of IPR is to encourage the creation of a wide variety of intellectual goods for consumers. To achieve this, the law gives people and businesses property rights to the information and intellectual goods they create, usually for a limited period of time. Because they can then profit from them, this gives economic incentive for their creation.
- Financial incentive: These exclusive rights allow owners of intellectual
  property to benefit from the property they have created, providing a
  financial incentive for the creation of an investment in intellectual
  property, and, in case of patents, pay associated research and
  development costs.
- Economic growth: The WIPO treaty and several related international agreements underline

that the protection of intellectual property rights is essential to maintaining economic growth.

- •Morality: According to Article 27 of the Universal Declaration of Human Rights, "everyone has the right to the protection of the moral and material interests resulting from any scientif-ic, literary or artistic production of which he is the author".
- •Natural Rights/Justice Argument: This argument is based on Locke's

idea that a person has a natural right over the labour and products which are produced by their body.

- Utilitarian-Pragmatic Argument: According to this rationale, a society that protects private property is more effective and prosperous than societies that do not.
- Personality Argument: It is based on a quote from Hegel: "Every man
  has the right to turn hiswill upon a thing or make the thing an object of
  his will, that is to say, to set aside the merething and recreate it as his
  own".

#### Forex:

# What is Forex (FX)?

- Various national currencies trade on the marketplace known as Forex (FX). Trillion of dollars change hand every day at the Forex marketplace which is the largest, most liquid market in the world. There is no centralized location for Forex. The forex market is an electronic network of banks, brokers, institutions, and individual traders (mostly trading through brokers or banks).
- Many entities, from financial institutions to individual investors, have currency needs, and may also speculate on the direction of a particular pair of currencies movement. They post their orders to buy and sell currencies on the network so they can interact with other currencyorders from other parties.
- The forex market is open 24 hours a day, five days a week, except for holidays. Currencies may still trade on a holiday if at least the country/global market is open for business.
- Forex Pairs and Quotes
- When trading currencies, they are listed in pairs, such as USD/CAD, EUR/USD, or USD/ JPY. These represent the U.S. dollar (USD) versus the Canadian dollar (CAD), the Euro (EUR) versus the USD and the USD versus the Japanese Yen (JPY).

There will also be a price associated with each pair, such as 1.2569. If this price was associ-ated with the USD/CAD pair it means that it costs 1.2569 CAD to buy one USD. If the price increases to 1.3336, then it now costs 1.3336 CAD to buy one USD. The USD has increased in value (CAD decrease) because it now costs more CAD to buy one USD.

#### **Forex Lots**

- In the forex market currencies trade in lots, called micro, mini, and standard lots. A micro lotis 1000 worth of a given currency, a mini lot is 10,000, and a standard lot is 100,000. This is different than when you go to a bank and want \$450 exchanged for your trip. When tradingin the electronic forex market, trades take place in set blocks of currency, but you can trade as many blocks as you like. For example, you can trade seven micro lots (7,000) or three mini lots (30,000) or 75 standard lots (750,000), for example.
- The forex market is unique for several reasons, mainly because of its size. Trading volume is generally very large.
- The largest foreign exchange markets are located in major global financial centers like Lon- don, New York, Singapore, Tokyo, Frankfurt, Hong Kong, and Sydney.

#### How to Trade in the Forex

- The forex market is open 24 hours a day, five days a week across major financial centers across the globe. This means that you can buy or sell currencies at any time during the week.
- From a historical standpoint, foreign exchange trading was largely limited to governments, large companies, and hedge funds. But in today's world, trading currencies is as easy as a click of a mouse. Accessibility is not an issue, which means anyone can do it. Many invest-ment firms, banks, and retail forex brokers offer the chance for individuals to open accounts and to trade currencies.
- When trading in the forex market, you're buying or selling the currency of a particular country, relative to another currency. But there's no physical exchange of money from one party to another. That's what happens at a foreign exchange kiosk—think of a tourist visiting Times Square in New York City from India. He may be converting his physical Rupee to actual U.S. dollar cash (and may be charged a commission fee to do so) so he can spend his money while he's traveling. But in the world of electronic markets, traders are usually taking a position in a specific currency, with the hope that there will be some upward movement and strength in the currency they're buying (or weakness if they're selling) so they can make a profit.
- A currency is always traded relative to another currency. If you sell a currency, you are buying another, and if you buy a currency you are selling another. In the electronic trading world, a profit is made on the difference between your transaction prices.

## FUNCTIONS AND IMPACTS OF WTO

# **Function of WTO**

The countries under World Trade Organisation work according to the WTO agreements which are negotiated and signed by the bulk of the world's trading nations. The goal is to help pro- ducers of goods and services, exporters, and importers conduct their business. The WTO was founded on certain guiding principles—non-discrimination, free trade, open, fair and undistort-ed competition, etc. In addition, it has special concern for developing countries.

# The specific functions are:

- It shall facilitate the implementation, administration and operation of the WTO trade agree-ments, such as multilateral trade agreements, plurilateral trade agreements.
- It shall provide forum for negotiations among its members concerning their multilateraltrade relations.
- It shall administer the 'Understanding on Rules and Procedures' so as to handle trade disputes.
- It shall monitor national trade policies.
- It shall provide technical assistance and training for members of the developing countries.
- It shall cooperate with various international organisations like the IMF and the WB with the aim of achieving greater coherence in global economic policy-making.

# Impact on the world

- The biggest impact of WTO has been that governments have agreed to put into practice which included lower trade barriers, trimming red tape in customs and trade. Justifications for restricting imports on health, safety and environmental grounds that are rational, not arbitrary. Disciplines on how they can react when imports increase sharply or the prices of imports tumble. Limits on harmful agricultural subsidies. Helps in access to services mar- kets. And, protection of intellectual property.
- The WTO works closely with other international agencies to improve the way global issues are tackled. Around 140 intergovernmental organizations are observers in WTO committees

and councils. The WTO is formally an observer in several agencies. The WTO Secretariat works with almost 200 of them in activities such as statistics, research, standard-setting, and technical assistance and training. The extent of the cooperation varies, and it continues to evolve so as to help member governments with their economic policies.

# If we have to list down some impacts they will be:

- Dispute settlement is sometimes described as the jewel in the WTO's crown. It's the centralpillar of the multilateral trading system and the WTO's unique contribution to the stability of the global economy. The annual number of disputes has declined overall. Developing countries are active, reflecting their increasing participation in trade.
- Open economies tend to grow faster and more steadily than closed economies and economic growth is an important factor in job creation. The process of trade opening takes place in the framework of WTO rules, which take into account the fact that some countries are betterequipped than others to open their markets widely.
- WTO has contributed towards peace and stability. The WTO trading system plays a vital role in creating and reinforcing that confidence.
   Particularly important are negotiations that lead to agreement by consensus and a focus on abiding by the rules.
- In recent years, developing countries have become considerably more active in all areas of the WTO's work. Developed countries agreed to reform trade in textiles and agriculture — both issues were important for developing countries. Once the rules have been agreed, all countries are equal under them.

# 9.8 CHECK YOUR PROGRESS

1: The headquarters of World Intellectual Property Organization (WIPO) is located in

A: Paris

B: Madrid

C: New York

D: Geneva

Ans: (D) Geneva

- 2: Which one of the following is not related to disarmament?
- A: SALT
- B: NPT
- C: CTBT
- D: NATO

Ans: (D) NATO

# **3:** Which of the following describe correctly the Group of Seven Countries (G-7)?

- A: They are developing countries
- B: They are industrialized countries
- C: They are holding Atomic Bomb technology
- D: They are the countries who can launch their own satellites.

Ans: (B) They are industrialized countries

# 4: Which of the following countries is not a member of SAARC?

- A: Nepal
- B: Bangladesh
- C: Afghanistan
- D: Myanmar

# Ans: (D) Myanmar

- 5: Which of the following is the headquarters of World Trade Organization (WTO)?
- A: New York
- B: Geneva
- C: Madrid
- D: Paris

# Ans: (B) Geneva

- 6: An Indian who become president of International Court of Justice–
- A: Dr. Nagendra Singh
- B: Justice R.N Thakur
- C: Justice P.L Bhagawati
- D: Justice H.R. Reddy

# Ans: (A) Dr. Nagendra Singh

7:	Which	of the follow	ing organisation	s works	towards	ending	grave
ab	uses of	human right	s?				

A: International Red Cross

B: United Nations Organisation

C: Transparency International

D: Amnesty International

# **Ans: (D) Amnesty International**

8: How many non-permanent members are there in the Security

Council

A: 12

B: 11

C: 13

D: 10

Ans: (D) 10

9: Intellectual Property Rights (IPR) protect the use of information and ideas that are of

A: Ethical value

B: Moral value

C: Social value

D: Commercial value

# Ans: (D) Commercial value

10: The term 'Intellectual Property Rights' covers

A: Copyrights

B: Know-how

C: Trade dress

D : All of the above

Ans: (D) All of the above

# 9.9 KEYWORDS

- World order: global institutions, common thread between countries.
- United Nations: global peace and security, international cooperation.
- WHO: works worldwide to promote health, keep the world safe, international public health.
- **SAARC:** promote welfare of the peoples of South Asia.

# 9.10 TO SUM IT UP

- The world has become a global village where things are wired with each other.
- International institutions strengthen collective self-reliance, promote active collaboration and mutual assistance in various fields.
- World order makes it feasible for countries to trade and work together towards global coop-eration, trade, health, education, harmony, peace, and humanity.

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# **UNIT: 10**

# **INDIAN SOCIAL ISSUES**

# :: STRUCTURE::

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10.1 Learning Objectives

10.2 Section 1 : Education (Primary Education, Secondary

**Education**)

10.3 Section 2: University - Understand What is Ailing it and

**Possible Solutions** 

10.4 Section 3: National Literacy Mission

10.5 Section 4 : Sarva Shiksha Abhiyan

10.6 Section 5: Health (What Ails India and How it Can Be

Cured?)

10.7 Section 6: Role of National Health Mission

10.8 Section 7: Swachh Bharat Abhiyan

10.9 Section 8: Malnutrition & Infant Mortality Rate

10.10 Section 9 : Family Welfare & Population Control

10.11 Section 10: Ayushman Bharat & Insurance Schemes for

The Poor

10.12 Section 11: Manpower, Infrastructure, Urban Rural

**Issues and Solutions** 

10.13 Section 12 : Access to Water, Food

**10.14 Check Your Progress** 

10.15 Keywords

**10.16 To Sum It Up** 

**10.17 References** 

# 10.0 INTRODUCTION

- India is a vast country, second in terms of population and fifth in size. Due to both factors –population and geography the problems too are aplenty. The bigger the country the bigger are the set of problems and complexities. We don't have quick-fix solutions to them because of vast geography, huge population mix, different religions and believes, rural and urban mix, caste and several other others.
- Britishers ruled us for over 200 years and since independence it has been over 70 years but we still follow many norms laid down during the colonial era. Some of them have been up-graded and tweaked but the mindset and practices remain the same.
- In this unit, we will take a look at our education system primary and secondary, universi- ties, various literacy programmes that the government runs for women, adults and illiterate Indians. On the health front various programmes are being run under the National Health Mission, to fight the problem of malnutrition and bring down infant mortality rate, on fam- ily welfare and population control. There is a great stress on sanitation and Swachh Bharat Mission is a big step on that front. Ayushman Bharat and various insurance schemes have been introduced to help the needy and those who don't have that facilities. Also, great stress is being laid on effective use on manpower, infrastructure development in rural and urban areas and proving access of water and food to the everyone.

#### 10.1 LEARNING OBJECTIVES

- Understand the social issues in India and various parameters.
- To have a knowledge of educational system on primary, secondary and university level.
- Basic introduction to programmes that run in the field of education and health.
- Different government run programmes and initiatives in the field of family welfare, popula-tion control, insurance and social security.
- An insight into urban and rural problem.

# On completion of this Unit, you will be able to:

Know where we are lacking on the education and health front and

what are the possible solutions.

- Analyse various programmes and schemes run by the government to tackle the social issues.
- Know about the main social problems and efforts that are being made to overcome them.



# 10.2 EDUCATION (PRIMARY EDUCATION, SECONDARY EDUCATION)

- Education to all is an important element that Indian Constitution also specifies. The British during their rule, introduced a system for education. After Independence in the year 1950, the Constitution of India in Article 45 includes a directive that free and compulsory elemen-tary education for all children up to the age of 14 should be provided within ten years of thecommencement of the Constitution.
- For the qualitative development of Primary education steps were taken
  in different Five Year Plans and funds were allocated for the said
  purpose. The Government of India appointed different committees
  and commissions for the qualitative improvement of primary
  education in the country.
- In India, the central board and most of the state boards uniformly follow the 10+2+3 pattern of education. In this pattern, study of 10 years is done in schools and 2 years in Junior colleges, and then 3 years of study for a bachelor's degree. The first 10 years is further subdivided into 4 years of primary education, 6 years of High School followed by 2 years of Junior colleges.

# **Primary education:**

- Under the Right of Children to Free and Compulsory Education Act 2009, education for children for 6 to 14 years of age or up to Class 8 has been made free by the government. With an aim to universalize primary education in India, the District Education Revitalization Programme (DERP) was launched in 1994. Its main focus was to reform and vitalize the primary education system.
- As of 2011, the enrollment rate for pre-primary schools is 58 per cent and 93 per cent for primary schools. However, as per the studies, among rural children of age 10, half could not read at a basic level, despite the high overall enrollment rate for primary education. Some of the reasons cited for the poor quality of education in schools

include the absence of around 25 per cent of teachers every day.

• Thus, even though education in India has improved dramatically over the last three decades. Schools being accessible to most children, both student enrollment and attendance are at their highest level, and teachers are adequately remunerated. The Right To Education (RTE) Act guarantees a quality education to a wider range of students than ever before. However, challenges in implementing and monitoring high standards in teaching and learning out- comes across regional, cultural and socioeconomic subsets prevent India from fully achieving this goal.

# **Secondary Education**

- Secondary education in India is examination-oriented and not course-based. Students reg- ister for and take classes primarily to prepare for one of the centrally-administered exam- inations. Senior school or high school is split into 2 parts with a standardised nationwide examination at the end of grade 10 and grade 12 (referred as Board exams).
- Grade 10 examination results can be used for admission into grades 11-12 at a secondary school, pre-university program, or a vocational or technical school. Passing a grade 12 board examination leads to the granting of a secondary school completion diploma, which may be used for admission into vocational schools or universities in the country or the world.
- Most reputable universities in India require students to pass college-administered admis- sions tests in addition to passing a final secondary school examination for entry into a college or university. School grades are usually not sufficient for college admissions in India.



# 10.3 UNIVERSITY - UNDERSTAND WHAT ISAILING IT AND POSSIBLE SOLUTIONS

- After passing senior secondary exam (Class XII board exams) a student takes admission in a higher institution referred as University. They could be private or public. The higher institutions in India both private and public universities.
- Public universities are supported by the Government of India and the respective state gov- ernments. The private universities are supported by various bodies and societies. The Uni- versity Grants Commission (UGC), which draws its power from the University

Grants Com- mission Act, 1956, recognises all the universities in India. There are 5 Professional Councils to control different aspects of accreditation and co-ordination.

# The types of universities include:

- Central universities, or Union universities, are established by an Act
  of Parliament and are under the purview of the Department of
  Higher Education in the Union Human Resource Development
  Ministry.
- State universities are run by the state government of each of the states and territories of India and are usually established by a local legislative assembly act.
- Deemed university, or 'Deemed to be University', is a status of autonomy granted by the Department of Higher Education on the advice of the UGC, under Section 3 of the UGC Act.
- Private universities are approved by the UGC. They can grant degrees but they are not allowed to have off-campus affiliated colleges.
- Apart from the above universities, other institutions are granted the
  permission to autono- mously award degrees. However, they do not
  affiliate colleges and are not officially called "universities" but
  "autonomous organizations" or "autonomous institutes". They fall
  under the administrative control of the Department of Higher
  Education.

# What's ailing them

- There is no doubt that India has some top-class institutions which are world class. Some of the IIMs, IITs and medical colleges are of highest orders and candidates are most sought af-ter for after they pass-out. But, they are numbered and can be looked as small island on this ocean of education. India's rapidly growing population is another deterrent. As we world's largest youngest population, we lack the number of quality education institutions. Our IIT, IIM, medical colleges and other institutions are too less in number to cater to them.
- The biggest problem is that in India we still followed the colonial system of education. Not much has changed in the system. We are evolving and adapting to the modern teaching andpedagogy but it will take much longer time to reflect as those on the helm of affairs and se-nior teachers are yet to adapt the modern system. Our leaning is too theoretical and very lessstress is laid on experimental leaning.
- We have never prepared our students on skills that are required in a

job market. Schools don't prepare them for entrepreneurship.

#### **Possible solutions:**

- Teachers should be trained, given exposure, there should be stress on research so that they can impart education which can allow them to enhance their skill.
- Educational policy needs frequent updates. It should cover the personality development as-pect of astudent. It should also imbibe values of culture and social services.
- The private sector accounts for 59 percent of enrolment in higher education but the regulato-ry environment is absolutely draconian when it comes to the private sector. There has been amushrooming of many mediocre private universities that definitely provided many students an option, but there was little incentive for these universities to improve. That will have to change.



# 10.4 NATIONAL LITERACY MISSION

To eradicate illiteracy in the country by imparting functional literacy to non-literates, the Government of India had set up National Literacy Mission (NLM) on May 5, 1988. The NLM was established not only to make everybody just self-reliant in reading, writing and arithmetic but also to make them aware of the development issues affecting the society. The target group of NLM is people between the age of 15 and 35. National Literate Mission works under the guidance of National Literacy Mission Authority, an independent wing of Ministry of Human Resources and Development.

The two flagship programmes under the National Literacy Mission are Total literacy pro- grammes and Post literacy Programme through which it gives shape to its aims. But with the revitalization of National Literacy Mission Programme on September 30, 1999, both the campaigns have come under one single project 'Literacy Campaigns an Operation Resto- ration'.

The NLM initiated its first successful literacy campaign in Kottayam city of Kerala followed by Ernakulam district of the same state. Till November 2002, 596 districts out of the total 600 districts of the country had been covered up by the National Literacy Mission (NLM) under the total literacy campaign programme. Out of which, 191 was in the post literacy phase and 238 in the continuing education phase.

## 10.5 SARVA SHIKSHA ABHIYAN

Making free and compulsory Education to the Children of 6-14 years age group, a funda- mental right, has been mandated under the 86th amendment to the Constitution of India. The Ministry of Human Resource Development (MHRD) under the Government of India anchors flagship programme Sarva Shiksha Abhiyan (SSA) for achievement of Universal- ization of Elementary Education (UEE) in a time bound manner.

The SSA has been operational since 2000-2001. With passage of the Right to Education (RTE) Act, 2009 changes have been incorporated into SSA approach, strategy and also norms. SSA is being implemented by the Central and State Governments funding and cover the entire country. Currently, through SSA around 192 million children of 1.1 million habitations are served. The community participation and monitoring are encouraged by the scheme at each stage of implementation of the programme.

The core objective of Sarva Shiksha Abhiyan is to attain universalization of elementary ed-ucation in the country. Its overall goals include universal access and retention, bridging of gender and social category gaps in education and enhancement of learning levels of children. These objectives are met with specific interventions, that are aligned to the legally mandated norms and standards and free entitlements mandated by the Right to Education Act, 2009 and the Model Rules issued from time to time.

Padhe Bharat Badhe Bharat is a nationwide sub-programme of Sarva Shiksha Abhiyan. Chil-dren who fail to read in early education lag behind in other subjects. The programme is de-signed to improve comprehensive early reading, writing and early mathematics programme for children in Classes I and II. SSA interventions include opening of new schools and alternate schooling facilities, construction of schools and additional classrooms, toilets and drinking water, provisioning for teachers, regular teacher in service training and academic resource support, free textbooks and uniforms and support for improving learning achieve- ment levels and outcome. With the passage of the RTE Act, changes have been incorporated into the SSA approach, strategies and norms.



# → SECTION 5

#### 10.6 HEALTH (WHAT AILS INDIA AND HOW ITCAN **BE CURED?**)

- Nobel laureate Abhijit Banerjee in 'What the Economy Needs Now' has discussed about the what ails India's healthcare sector and has come up with some cure to it:
- Ayushman Bharat does very little for primary healthcare. It has been announced that 1.5 lakh health and wellness centres will be set up, partly to deal with primary healthcare issues including NCDs – but, given the budgetary allocation of less than Rs 1 lakh per centre, this looks more like a very minor upgrading of the existing sub-centres and/or primary healthcarecentres (PHCs).
- The provision of some free medicines, has been attempted by a number of states in the past; but, for the most part, there has been no reversal of the trend towards wholesale exit from public healthcare, especially in North India.
- It seems unlikely that small investments in these sub-centres and PHCs will change all that; the patients will probably continue to stay away, and therefore using these as the basis of outreach for NCDS and other public health interventions probably has limited potential.

# **■→ SECTION 6**■

#### 10.7 ROLE OF NATIONAL HEALTH MISSION



National Health Mission (NHM) encompassing two sub-missions, National Rural Health Mission (NRHM) and National Urban Health Mis- sion (NUHM). It is both flexible and dynamic and is intended to guide states towards ensuring the achievement of universal access to health care through strengthening of health systems, institutions and capabilities.

#### **Role of National Health Mission:**

- Prioritize achievement of universal coverage for Reproductive Maternal, Newborn, Child Health + Adolescent (RMNCH+A), National Communicable Disease Control and Non-Com-municable Diseases programmes.
- Expand focus from child survival to child development of all children 0-18 years through a mix of community, anganwadi, and school-based health services. The focus of such services will be on prevention and early identification of diseases through periodic screening, healtheducation and promotion of good health practices.
- Achieve the goals of safe motherhood and transition to addressing the broader reproductive health needs of women. Focus on adolescents and their health needs.
- Ensure the control of communicable disease which includes prompt response to epidemics and effective surveillance.
- Converge with Ministry of Women and Child Development and other related Ministries for effective prevention and reduction of undernutrition in children aged 0-3 years and anaemia among children, adolescents and women.
- Empower the ASHA to serve as a facilitator, mobilizer and provider of community level care.
- Strengthen people's organizations such as the Village Health Sanitation and Nutrition Com-mittees (VHSNC) and Mahila Arogya Samitis (MAS) for convergent inter-sectoral planning to address social determinants of health and increasing utilization of health and related pub-lic services at the community level.
- Enable Social Protection Function of Public Hospitals through the universal provision of free consultations, free drugs and diagnostics, free emergency response and patient transportsystems.
- Develop effective partnerships with the not-for-profit, nongovernmental organizations and with the for-profit, private sector to bring in additional capacity where needed to close gaps or improve quality of services.



# 10.8 SWACHH BHARAT ABHIYAN

 Prime Minister Narendra Modi launched the Swachh Bharat Mission in New Delhi on October 2014, throughout length and breadth of the country as a national move- ment. The campaign aims to achieve the vision of a 'Clean India' by 2nd October 2019 as a tribute that India could pay to the Father of the Nation, Mahatma Gandhi on his 150 birth anniversary in 2019. He exhorted people to fulfil Mahatma Gandhi's dream of a clean and hygienic India.



- The Prime Minister led a cleanliness pledgeat India Gate, which about thirty lakh gov-ernment employees across the country joined. He also flagged off a walkathon at Rajpath and surprised people by joining in not just for a token few steps, but marching with the participants for a long way.
- He himself initiated the cleanliness drive at Mandir Marg Police Station and gave the mantra of 'Na gandagi karenge, Na karne denge.' Modi also invited nine people to join the cleanliness drive and requestedeach of them to draw nine more into the ini-tiative. By inviting people to participate in the drive, the Swachhta Abhiyan has turned into a National Movement. A sense of re-sponsibility has been evoked among the people through the Clean India Movement. With citizens now becoming active partic- ipants in cleanliness activities across the nation, the dream of a 'Clean India' once seen by Mahatma Gandhi has begun to get a shape.
  - Since then major steps were taking andsome major campaigns were initiated. Peo-ple from different sections of the society have come forward and joined this mass movement of cleanliness. From govern- ment officials to jawans, Bollywood actors to the sportspersons, industrialists to spiri- tual leaders, all have lined up for the noblework. Millions of people across the countryhave been day after day joining the clean- liness initiatives of the government depart- ments, NGOs and local community centres to make India clean. Organising frequent cleanliness campaigns to spreading aware-ness about hygiene through plays and mu- sic is also being widely carried out across the nation.
  - Swachh Bharat Abhiyan has become a 'Jan Andolan' receiving tremendous support from the people. Citizens too have turned out in large numbers and pledged for a neat and cleaner India. Taking the broom to sweep the streets, cleaning up the garbage, focussing on sanitation and maintaining a hygienic environment have become

a prac-tice after the launch of the Swachh Bharat Abhiyan. People have started to take part and are helping spread the message of 'Cleanliness is next to Godliness.'



# 10.9 MALNUTRITION & INFANT MORTALITY RATE

## **Malnutrition**

- As per the Global Hunger Index report published in 2019, India ranks 104 amongst the 177 countries where the assessment is most relevant and where data on all four component in- dicators are available. These indicators are proportion of underweight, and undernourished, mortality rate, stunted children under 5 years of age.
- More than 1/3rd of world's malnourished children live in India. The
  prevalence of underweight children in India is among the highest in
  the world, and is nearly double that of Sub Saharan Africa with dire
  consequences for mobility, mortality, productivity and economic
  growth
- The economic inequality is one of the major causes for malnutrition in our country. Mater- nal, infant, and child nutrition play significant roles in the proper growth and development, including future socioeconomic status of the child.
- Reports of National Health & Family Survey, United Nations International Children's Emer-gency Fund (UNICEF) and World Health Organisation (WHO) have highlighted that rates of malnutrition among adolescent girls, pregnant and lactating women, and children are alarmingly high in India.

# **Infant Mortality Rate**

- Every child has a right to live in this world but various factors lead to large number of deaths throughout the world specially of the kids under the age of 1 year. This death toll is measured by the infant mortality rate (IMR), which is the number of deaths of children under one year of age per 1000 live births. The rate for a given region is the number of children dying underone year of age, divided by the number of live births during the year, multiplied by 1,000.
- Modern medical science, awareness and efforts or various global organizations are contrib-uting in a big way in bringing the IMR down. In India, from 64.9 (per 1,000) in year 2000 ithas come down to 37.8 (per 1,000) in 2018. Efforts are being made to bring it further

down.Across India, there were 721,000 infant deaths in 2018, as per the United Nations' child mortality estimates. That's 1,975 infant deaths every day, on average, in 2018 which is still very high and needs to be brough down.

#### Causes:

- The biggest contributor to infant mortality rate is premature birth.
   Other causes of infant mortality are birth asphyxia, pneumonia, congenital malformations, term birth complications such as abnormal presentation of the foetus umbilical cord prolapse, or prolonged labor, neonatal infection, diarrhoea, malaria, measles and malnutrition.
- Many factors contribute to infant mortality, such as the mother's level of education, envi- ronmental conditions, and political and medical infrastructure. Improving sanitation, accessto clean drinking water, immunization against infectious diseases, and other public health measures can help reduce high rates of infant mortality.
- 99% of infant deaths occur in developing countries, and 86% of these deaths are due to infections, premature births, complications during delivery, and perinatal asphyxia and birth injuries.



# 10.10 FAMILY WELFARE & POPULATION CONTROL

# Family welfare

- Family planning means planning by individual or couples to have only the children they have, when they want them. It includes not only planning of birth, but they welfare of wholefamily by means of today family by means of today family health care. The family welfare programme has priority in India, because its success depends upon the quality of life of all citizen.
- Started in 1951, the Government of India redesignated the National Family Programme in 1977 to promote family planning through the total welfare of the family. Government has concentrated on this programme in various five-year plans through higher priority and placed more emphasis on the use of spacing methods between the births of two children.
- The concept of welfare was related to quality of life which included education, nutrition, health, employment, women's welfare, shelter, safe drinking and other associated factors. The services were taken to every doorstep in order to motivate family to accept the small family norm on the basis of voluntary acceptance.

 Adequate supply of contraceptives were made available to eligible couples within easy reach. Also, clinical and surgical services were set up to achieve the targets. Various means of mass communication (radio, TV, cinema, newspaper, puppet shows and folk dance) were used toovercome the social and cultural hinderances in adopting the programme or extensive use to public health education for family planning.

# **Population control**

• India is second most populous country in the world with 1.35 billion people just behind Chi- na which is on the top with 1.46 billion people. As per the data available, India represents almost 17.85% of the world's population, which means one out of six people on this planetlive in India.

•

Every year, India adds more people than any other nation in the world, and in fact the indi- vidual population of some of its states is equal to the total population of many countries. For example, Population of Uttar Pradesh (state in India) almost equals to the population of Bra-zil. Some of the reasons for India's rapidly growing population are poverty, illiteracy, high fertility rate, rapid decline in death rates or mortality rates and immigration from Bangladeshand Nepal.

#### Cause

Some of the reasons for India's rapidly growing population are poverty, illiteracy, high fer-tility rate, social structure which believes in large family, rapid decline in death rates or mortality rates and immigration from Bangladesh and Nepal.



# 10.11 AYUSHMAN BHARAT & INSURANCESCHEMES FOR THE POOR

# **Ayushman Bharat**

To achieve the vision of Universal Health Coverage, as recommended by the National Health Policy 2017, Ayushman Bharat, a flagship scheme of Government of India was launched.

Ayushman Bharat is an attempt to move from sectoral and segmented approach of health service delivery to a comprehensive need-based health care service. Ayushman Bharat aims to undertake path breaking interventions to holistically address health (covering prevention, promotion and ambulatory care), at primary, secondary and tertiary level.

Ayushman Bharat adopts a continuum of care approach, comprising of two inter-related components:

# 1. Health and Wellness Centers (HWCs)

In February 2018, the Government of India announced the creation of 1,50,000 Health and Wellness Centres (HWCs) by transforming existing Sub Centres and Primary Health Cen- tres. These centres would deliver Comprehensive Primary Health Care (CPHC) bringing healthcare closer to the homes of people covering both maternal and child health services and non-communicable diseases, including free essential drugs and diagnostic services.

# 2. Pradhan Mantri Jan Arogya Yojana (PM-JAY)

This is aimed at providing health insurance cover of Rs. 5 lakhs per family per year for secondary and tertiary care hospitalization to over 10.74 crores poor and vulnerable fami- lies (approximately 50 crore beneficiaries). The benefits are on a family floater basis which means that it can be used by one or all members of the family. This scheme was earlier known as National Health Protection Scheme (NHPS) before it was rechristened to PM-JAY. PM-JAY has been rolled out for the bottom 40% of poor and vulnerable population.

The yojna is completely funded by the Government, and cost of implementation is shared between Central and State Governments. This is world's largest health insurance/ assurance scheme fully financed by the government. It provides cashless access to health care services for the beneficiary at the point of service, that is, the hospital. All pre–existing conditions are covered from day one and it covers up to 3 days of pre-hospitalization and 15 days post-hos-pitalization expenses such as diagnostics and medicines. Services include approximately 1,393 procedures covering all the costs related to treatment, including but not limited to drugs, supplies, diagnostic services, physician's fees, room charges, surgeon charges, OT and ICU charges etc.

# **Insurance schemes for poor:**

The Government of India has launched several initiatives that have been designed on the lines as to meet sustainable development goals:

**Rashtiya Swasthiya Bima Yojana (RSBY):** The objective of RSBY is to provide protection to BPL households from financial liabilities arising out of health shocks that involve hospitalization. Beneficiaries under RSBY are entitled to hospitalization coverage up to Rs.30,000 for most of the diseases that require hospitalization.

Employment State Insurance Scheme (ESIS): It is a multidimensional social security sys-tem tailored to provide socio-economic protection to worker population and their dependants covered under the scheme. Besides full medical care for self and dependants, that is admissible from day one of insurable employment, the insured persons are also entitled to a variety of cash benefits in times of physical distress due to sickness, temporary or permanent disablement.

Central Government Health Scheme (CGHS): It provides comprehensive health care fa-cilities for the Central Govt. employees and pensioners and their dependents residing in CGHS covered cities. Started in New Delhi in 1954, Central Govt. Health Scheme is nowin operation in Allahabad, Ahemdabad, Bangalore, Bhubhaneshwar, Bhopal, Chandigarh, Chennai, Delhi, Dehradun, Guwahati, Hyderabad, Jaipur, Jabalpur, Kanpur, Kolkatta, Luc-know, Meerut, Mumbai, Nagpur, Patna, Pune, Ranchi, Shillon, Trivandrum and Jammu.



# 1012 MANPOWER, INFRASTRUCTURE, URBAN / RURAL ISSUES AND SOLUTIONS

# Manpower

- Manpower planning is a very important part of the overall planning of an organisation. Any business or work cannot prosper unless the right number of employees have required skill, talents and qualification available at right time.
- The real issue with manpower and at marco and micro level is availability of right kind of skilled workers. To bridge the gap the Government of India has started Skill India pro- gramme which people are being giving training in skill development in traditional jobs and modern technologies.
- Manpower outnumber the requirement but the right kind of person for job is a challenge. Human resource management becomes an important element in this. Employer and manage- ment often for financial and material factors have a tendency to neglect the critical factor ofhuman resources.
- Technology is helping in increasing productivity but that has resulted in reduction of staff as management then focuses on effective manpower utilisation and planning.
- The rural India is also facing manpower problem because younger generation is moving to cities and leaving traditional farming which

is created problem in the villages. On the con- trast, the use of new farming methods in tune with technology has resulted in unemployment of labour.

## **Infrastructure**

• India needs infrastructure from big cities to small town to village. If is required for our aging railways, roads, railways, power and everywhere. The government too is spending big time on infrastructure and roads are been rebuilt everywhere, new expressway are being created, railway lines are being re-laid and other infra developments are being stressed open.

## **Problems and solutions:**

- The government needs to play a role in developing infrastructure, from limiting impacts on public health and the environment, to providing the capital for projects that are not attractive to private investors. In other areas, market forces can help shape better outcomes.
- Consider a distributed model for infrastructure projects. Infrastructure development must meet the needs of local communities, and requires effective implementation on the ground. Projects designed with a local focus may seem less impressive but, put together, they have the potential to change people's lives faster in months, not years.
- India is less burdened by legacy infrastructure and has the opportunity to select innovative courses in development; the country can become a fast adopter of new technologies.



# 10.13 ACCESS TO WATER, FOOD

- With forecast population growth, India will face a growing challenge to secure food and wa- ter for its population. India currently has enough food and water per capita to remain secure, but a lack of storage capacity will hinder the continuation of supply and access.
- Despite large surpluses in food, India is home to approximately 25 per cent of the world's hungry. Ongoing mismanagement of resources and wasteful behaviour has led to the over- exploitation of water resources, particularly groundwater.
- By 2050 India is likely to be home to 1.6 billion people. This population growth brings withit increased demand for water, food and energy, requiring significant expansions of current

- infrastructure and resource availability. Factoring in climate change, meeting these demands is likely to present as India's greatest challenge.
- Under the National Food Security Act (NFSA), passed in 2013, the National Food Security Bill includes India's latest Food Aid Programme. One of the largest in the world, the pro- gramme provides subsidised food to two-thirds of the population, or 800 million people. Under, the Mid Day Meal scheme, school children are provided free meal which provides them food and motivates many of them to go to school.
- On the water front, India has an abundance of water within its borders, with 13 major and 46 minor basins. The Ganges-Brahmaputra is the largest basin, covering 34 per cent of India and contributing approximately 59 per cent of the country's water resources. India is a vast country with different types or regions, terrains, groundwater levels, climate and other factors which determine the water supply. Besides drinking, water is an integral part of farming and irrigation, electricity production, industries besides other usage.
- The World Bank estimates that 85 per cent of India's drinking water supply is dependent on groundwater. Further, current groundwater use is between 70 and 100 per cent of the estimated annual recharge in some basins. The overexploitation of groundwater, lack of storage capacity and increasing levels of pollution in a business-as-usual scenario, has greatly in-creased the risk of severe water insecurity across India.
- Rainwater harvesting and programmes are being used to revitalise traditional tank systems present a considerable opportunity to capture and store water during periods of heavy rain- fall. The reduced risk of floods, increased aquifer recharge and year-round access to greater stores of fresh water are all desirable potential outcomes.

# 10.14 CHECK YOUR PROGRESS

1: Article 45 of the Indian Constitution makes education free for all children upto 14 compulsoryTrue or False

**Ans: True** 

2: When was the National Adult Education Programme (NAEP) launched
a) 1964
b) 1972
c) 1978
d) 1986
Ans: (C) 1978
3:When is 'National Teachers' Day' celebrated?
a) September 5
b) October 5
c) January 15
d) February 28
Ans:(A) September 5
4: 10+2+3 year structure of education was proposed by?
a) Education Commission, 1964
b) Ramamurti Committee, 1990
c) Secondary Education Commission, 1952
d) University Education Commission, 1948
Ans: (A) Education Commission, 1964
5: In which year the University Grants Commission was established?
a) 1951
b) 1952
c) 1953
d) 1954
Ans: (C) 1953
6: Government of India set up National Literacy Mission on May 5, 1988
True or False
Ans:True

7:India's largest National Health Protection Scheme has been implemented under the scheme

- a) Ayushman Bharat
- b) Adarsh Bharat
- c) Samman Bharat
- d) Nirman Bharat

# Ans:(A) Ayushman Bharat

8: Ayushman Bharat scheme will subsume which among the following

- a) Rashtriya Swasthya Bima Yojna
- b) Central Government Health Scheme
- c) Senior Citizen Health Insurance Scheme

# Ans:Both A and C

9: Which ministry initiated the Swachch Bharat Mission?

- a) Ministry of Environment and forest
- b) Ministry of Urban Development Housing
- c) Ministry of Urban development
- d) Ministry of Drinking water and Sanitation

# **Ans:(D) Ministry of Drinking water and Sanitation**

10: What is the main aim of Janani Suraksha Yojana of the Family Welfare programme?

- a) Reducing maternal and neonatal mortality
- b) To encourage people to use safe sexual methods
- c) To provide pensions to widow women
- d) To provide shelters to poor people

# Ans:(A) Reducing maternal and neonatal mortality

# 10.15 KEYWORDS

**Primary system** Free education for all children up to

14 years of age

National Literacy MissionTSawchch BharatSAyushman BharatP

Total literacy Sanitation, hygiene Public healthcare

# **10.16 TO SUM IT UP**

- India is a vast country and its problems are aplenty.
- Overcoming all hurdles, India has launched several ambitious schemes
- National Health Mission, National Literacy Mission, Ayushman Bharat, Swachch Bharat etc are programmes introduced to help the large populace.
- Great stress is being laid on effective use on manpower, infrastructure development and proving access of water and food to everyone.

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# **Videos**

Public Health: Policies and Practices in India – YouTube

National Health Programs of India - Public Health - YouTube

**UNIT: 11** 

# GENERAL NEWS KNOWLEDGE

# :: STRUCTURE ::

- 11.0 Introduction
- 11.1 Learning Objectives
- 11.2 Section 1: Terrorism
- 11.3 Section 2: India's Wars Until Now
- 11.4 Section 3 : A Historic Sense of All Major Elections
- 11.5 Section 4: Major Leaders and Their Role
- 11.6 Section 5 : Riots, Major Uprisings, Sense of

**Appeasement** 

- 11.7 Section 6 : Major News Events
- 11.8 Section 7 : Split in Congress, Emergency
- 11.9 Section 8 : Economic Liberalisation, Bank

**Nationalisation, Dealings with Private Sector** 

- 11.10 Section 9 : Demonetisation
- 11.11 Check Your Progress
- 11.12 Keywords
- **11.13 To Sum It Up**
- 11.14 References

## 11.0 INTRODUCTION

• Strongly associated with general intelligence, general news knowledge provides a great sense of educational value. People with high news knowledge are aware of diverse subjects like politics, economy, entertainment, sports, business, industry, trade and commerce. Read-ing newspapers and watching news channels improves your language skills, and vocabulary too. You gain a clear idea about what is happening

around your country and also the world.

As the saying goes, "Information is power." News is readily available
through newspapers, magazines, television, radio and the internet. With
the advance of technology, internet todayhas enabled the news media to
be pro-active & far-reaching.

# 11.1 LEARNING OBJECTIVES

- Understand the importance of news knowledge.
- Introduce students to various mediums of news gathering.
- Gain understanding of political, economic and cultural life.
- Learn the importance of media democracy.

# On completion of this unit, you will be able to ...

- Understand how different news mediums work.
- Collect local and national news through observation, investigation and research.
- Select material for publication.
- Check style, grammar, accuracy and legality of the matter.



# 11.2 TERRORISM

# Major terror attacks, organisations, their ideology and demands, issuesbecause of that

- Broadly speaking, terrorism is violence, generally against common people, for political pur- poses during peacetime. The terms "terrorist" and "terrorism" originated in the late 18th century during the French Revolution but the start of 2000s witnessed terror attacks across the world and India soon became a soft target for terror groups.
- The first major terror attack in modern world took place on September 11, 2011 in New York and Washington DC. This was followed by various terror attacks across European countries.
- The purpose of terrorism is to exploit the media in order to achieve maximum publicity in

order to influence the targeted audience and achieve political goals.

**Religious terrorism** focuses on religious imperatives, a presumed duty or in solidarity with a specific religious group, against one or more religious groups. Mumbai 26/11 terror attack in 2008 from an Islamic group in Pakistan is an example of religious terrorism in India. India

blames Pakistan for sponsoring terrorism in the country and has successfully created global pressure on Pakistan to take action against terrorists that it harbours.

**Left-wing terrorism** focuses on economic ideology, where all the existing socio-political structures are seen to be economically exploitative in character and a revolutionary change through violent means is essential. Leftists believe in the ideology of Marx, Engel, Mao, Lenin and others. Maoist violence in Jharkhand and Chhattisgarh are examples of Left wingterrorism in India.

Mumbai has been the most preferred target for most terrorists organisations, most operating with support from Pakistan. Major terror attacks include explosions in Mumbai suburban trains in July 2006, and the unprecedented attacks of 26 November 2008, when two prime hotels, a landmark train station, and a Jewish house were attacked and sieged.

On 13 December 2001, terrorists attacked the Parliament House resulting in a 45-minute gun battle in which 9 policemen and parliament staff were killed. All five terrorists were also killed by the security forces and were identified as Pakistani nationals.



# 11.3 INDIA'S WARS UNTIL NOW

A glance at the overall history of wars - Kalinga to Panipat in a nut-shell and then post-Independence in a bit more detailed manner.

- o The earliest mentions to wars or armies in India find place in the Vedas and the epics Ma- habhatata and Ramayana. A series of powerful dynasties and empires have been part of an-cient Indian history and also till the 19th century.
- The Kurukshetra war, also called the Mahabharata war, is extensively described in the Ma-habharata. **Ashoka the Great** waged a destructive war against the state of Kalinga (modern Odisha), which he conquered in about 260 BCE. Another famous battle of India, the Battle of Vatapi, was fought between the Pallavas and the Chalukyas near Vatapi in 642 AD.
- o In 1301 Delhi Sultanate ruler Alauddin Khilji conquered Ranthambore. Two years later Kh-ilji captured Chittor Fort after an eight month long siege.
- o The Portuguese conquest of Goa occurred when the governor of

Portuguese India Afonso de Albuquerque captured the city in 1510.

- o The First Battle of Panipat, on 21 April 1526, was fought between the invading forces of Babur and the Lodi dynasty. It took place in north India and marked the beginning of the Mu-ghal Empire and the end of the Delhi Sultanate. This was one of the earliest battles involving gunpowder fire divided into two major seasons Southwest Monsoons and Northeast Mon- soons arms and field artillery in the Indian subcontinent.
- o The Army of modern India was raised under the British Raj in the 19th century by taking the erstwhile presidency armies, merging them, and bringing them under the Crown. The British Indian Army fought in both World Wars.
- o India has fought over 5 battles with her neighbouring countries (4 with Pakistan and 1 with China) post-Independence.

#### The war of 1947/48

Known as the **first Kashmir War**, it was fought with Pakistan over the princely state of Jammu and Kashmir from 1947 to 1948. Pakistan precipitated the war a few weeks after independence by launching tribal lashkar (militia) from *Waziristan* in an effort to secure Kashmir, the future of which hung in the balance. The inconclusive result of the war still affects the geopolitics of both countries.

## The 1962 Sino-Indian War

This war happened due to poor political gameplay of India. A more stronger and powerful Chi-na was able to occupy most of the regions of Aksai Chin. Indian forces did not fight this battlewith any advanced arms and ammunition but fought with great bravery and courage. The casualties from the Indian sides were heavy as around 1,383 were martyred, 1,047 were wounded, 1,696 were missing and 3,968 were captured by China.

## The 1965 Indo-Pak war

The conflict began following Pakistan's **Operation Gibraltar**, which was designed to infiltrateforces into **Jammu and Kashmir** to precipitate an insurgency against Indian rule. India retali-ated by launching a full-scale military attack on **West Pakistan**. The 17-day war caused thousands of casualties on both sides and witnessed the largest engagement of armoured vehicles and the largest tank battle since World War II. Both India and Pakistan claim victory in this war.

## 1962 Indo-Sino Conflict

India faced a major defeat against China in 1962 but situations were

different this time in 1967. Indian army was more prepared, more advanced and more aware about the activities of PLA at the borders. This incident is not a conventional war but can be considered as a major clash between world's two largest forces in which India was declared as a direct winner.

#### The Sino-Indian War of 1967

Also known as the **Nathu La and Cho La incidents**, (1 - 10) October 1967) It was a series of military clashes between India and China in Sikkim, then an Indian protectorate. The Chinese Army infiltrated parts of Sikkim on 1 October 1967, but was repulsed by the Indian Army by 10 October. The end of the conflicts saw a Chinese military withdrawal from Sikkim after being **defeated** by Indian forces after which it became an Indian state in 1975.

#### The 1971 Indo-Pak War

This war was the direct military confrontation between India and Pakistan during the Bangla- desh Liberation War in 1971. It began when Pakistan launched pre-emptive air strikes on 11 Indian airbases on 3 December 1971, leading to India's entry into the war of independence in East Pakistan on the side of Bangladesh nationalist forces. Lasting just 13 days, it is one of the shortest wars in history. On 16 December, an Instrument of Surrender was signed between India and Pakistan and around 93,000 Pakistani troops were taken as Prisoners of War by the Indian side. This war was one of the major success for the Indian side as India remained dominant from Water, Air and Land.

# 1999 Kargil war

The Kargil War was an armed conflict between India and Pakistan that took place between May and July 1999 in the Kargil sector of Jammu and Kahmir and elsewhere along the Line of Control. The Indian Army, supported by the Indian Air Force, recaptured a majority of the positions on the Indian side of the LOC infiltrated by the Pakistani troops and militants. Soon Pakistani forces withdrew from all other Indian positions along the LOC.



# 11.4 A HISTORIC SENSE OF ALL MAJOR ELECTIONS

Elections in India are the largest democratic electoral exercise in the world. The Indian parlia-ment follows a bicameral system. It has two houses, namely the Rajya Sabha (Upper House) & the Lok Sabha (Lower House). The party (or a coalition) that gets a majority in the Lok Sabha

gets to form the central government.

# The First Lok Sabha (1952-57)

The first ever election in the Indian Republic was held for 489 seats with a total number of 17.3crore eligible voters. The Indian National Congress (INC) won 364 seats. Jawaharlal Nehru was elected the Prime Minister and remained the PM till his death in 1964.

# The Fifth Lok Sabha (1971-77)

This was the first election after Indira Gandhi broke away from the Congress. Her party wona whopping 352 seats out of 518 with the other faction under Morarji Desai winning only 16 seats. Indira Gandhi imposed emergency in 1975 and this had a huge impact on the politics of India thereafter.

# The Sixth Lok Sabha (1977-79)

These were the first elections after the emergency. Bharatiya Lok Dal (or the Janata party) emerged victorious in these elections defeating the Congress for the first time. Seven parties including Swatantra Party, Utkal Congress, Bharatiya Kranti Dal, and the Socialist Party came together at the end of 1974 and opposed the autocratic rule of Indira Gandhi. Morarji Desai became the Prime Minister, but had to step down in 1979 after couple of parties in the Janata alliance pulled out. He was succeeded by Charan Singh.

## The Seventh Lok Sabha (1980-84)

After the failure of the Janata experiment, Congress(I) under the leadership of Indira Gandhi bounced back to power winning a handsome 353 of the 529 seats. The parties of the earlier Janata coalition could not repeat their performance. There was no Leader of Opposition (LoP).

# The Eighth Lok Sabha (1984-89)

After Indira Gandhi was assassinated, the anti-Sikh riots broke out in 1984. Riding on the sym-pathy wave, Congress under Rajiv Gandhi's leadership came to power in a landslide victory by winning 404 of the 514 seats. The Bharatiya Janata Party (BJP) made its electoral debut by winning 2 seats, one in Gujarat and another in Andhra Pradesh (Now Telangana). Rajiv Gandhi became the Prime Minister.

# The Ninth Lok Sabha (1989-91)

Bofors scandal, LTTE and other issues worked against the Congress. There was a hung house for the first time with no party getting a major-ity. Congress won 197, Janata Dal 143 and the BJP 85 out of 529 seats. Janata Dal formed the National Front government with outside support from BJP and

the Left parties. Vishwanath Prat-ap Singh became the Prime Minister. His rival in the Janata Dal, Chandra Shekhar broke awayin 1990 and formed the Samajwadi Janata Party. As a result, VP Singh had to step down. Chandra Shekhar then became the Prime Minister in 1990 with the external support of Congress. Even this experiment lasted only for a short while forcing general elections in just 2 years.

# The Tenth Lok Sabha (1991-96)

Rajiv Gandhi was assassinated in the run-up to the 1991 general elections by the LTTE. These elections were also termed as the 'Man-dal-Mandir' elections after the two most im- portant poll issues --the Mandal Commission fallout and the Ram Janmabhoomi-Babri Mas-jid issue. The Mandir issue led to riots in many parts of the country and the electorate was po-larized on caste and religious lines. No party could get a majority. Congress emerged as the single largest party with 232 seats while the BJP won 120 out of 521 seats. P V Narasim- ha Rao headed a minority government. He is credited with ushering in economic reforms .

## The Eleventh Lok Sabha (1996-98)

The rise of regional parties started with this election. The BJP emerged the single largest party in a hung house by winning 161 seats. Congress won 140 and Janata Dal 46. Region- al parties like TDP, Shiv Sena & the DMK won 129 seats. BJP that was invited to form the government, attempted to build a coali- tion, but Atal Bihari Vajpayee had to resign as the PM in 13 days. The Congress extended outside support to Janata Dal and other small- er parties that formed the 'United Front' with H D Devegowda as the Prime Minister.

## The Thirteenth Lok Sabha (1999-2004)

These elections were held in the backdrop of the Kargil war. The BJP again emerged as the single largest party with 182 seats, Congress with 114 and regional parties with 158 seats. BJP formed a more stable NDA government with Atal Bihari Vajpayee as the Prime Minis-ter for the third time.

# The Fourteenth Lok Sabha (2004-09)

NDA suffered defeat as the BJP could win only 138 seats. Congress improved its tallyto 145 while the regional parties won maxi- mum 159 seats. Congress formed the United Progressive Alliance (UPA) with support from other parties and outside support from the Left parties. Manmohan Singh was chosen as the Prime Minister and continued to be in office for the second consecutive term (2009-2014).

# The Sixteenth Lok Sabha (2014-19)

The second term of the UPA was a disaster with numerous allegations of corruption & scams. The BJP was successfully able to project Nar-endra Modi as the man of the hour and also asits Prime Ministerial candidate. The BJP won majority on its own with 282 seats while the Congress recorded its worst ever performance with just 44 seats.

# The Seventeenth Lok Sabha (2019-2024)

The BJP romped home with as Narendra Modi led the party to win 303 seats on its own and crossed the 350 mark with its NDA allies. Narendra Modi became only the 3rd person in India's history to have secured a single party majority two times in a row, after Jawaharlal Nehru & Indira Gandhi. Congress could win only 52 seats.



## 11.5 MAJOR LEADERS AND THEIR ROLE

There are a large number of political parties in India. It is estimated that over 200 parties were formed after India became independent in 1947. Post-Independence India also saw emergence of many prominent political leaders who went on to shape India's future in their own way. Here we take a look at a few major leaders of the country.



Mohandas Karamchand Gandhi was a lawyer who became the primary leader of India's independence movement. Mahatma Gandhi inspired movements for civil rights and freedomacross the world in several other

countries. He propagated nonviolent means of civil disobedience and led Indians in the Dandi Salt March to protest against the Britishimposed salt tax and launched the Quit India Movement, a mass protest demand-ing "an orderly British withdrawal" from India. He was also a social activist who campaigned for women's rights, religious tolerance, and reduction of poverty. He is aptly called the Father of the Nation.



Jawaharlal Nehru, the first Prime Minister of Indian Republic, is wide-ly admired for his astute idealism and statesmanship. Endowed with a wonderful political outlook and futuristic thinking, Nehru in his

lifetime went on to become a paramount leader of the Indian independence movement.

**B.R.** Ambedkar was a leading activist and social reformer who



dedicated his life, working for the uplift of the Dalits and the socially backward class of India. Born in a socially backward family, Ambedkar he received higher education and became the first everuntouchable to do so. He was the first law minister of free India and the chief archi-tect of the 'Constitution of India.'

**Indira Gandhi,** popularly known as the 'Iron Lady of India,' was an astute stateswoman whose sheer sense of politics and exceptional skills catapulted her position in the Indian politics to help her become the first woman elected to lead a democratic country. Born



in a politically influential dynasty and growing up in an intense political atmosphere, Indira Gandhi possessed an authoritarian streak and became the central figure of the 'Indian National Congress' party.

Lal Bahadur Shastri was the second Prime Minister of the Republic



of India who plunged into the Indian independence movement in early 1920s. Before becoming the Prime Minister of India, he served in a number of other departments like the railway minis-try and the home ministry. He coined the famous slogan "Jai Jawan Jai Kisan" during the Indo-Pakistan war of 1965.

Narendra Modi, the present Prime Minister of India, led his party



Bharatiya Janta Party (BJP) to a historic win in 2014 and 2019 elections. He became the first Indian Prime Minister born after independence. He rose from a poverty-stricken tea-selling boy to a development-oriented leader, eventually becoming the longest-serving chief minister of Gujarat for

12 years. He became a controversial figure after the 2002 Gujarat riots. His government was accused of not doing enough to curb the riots.

**Atal Bihari Vajpayee** was a highly respected veteran politician who had served as the PrimeMinister of India in three non-consecutive terms. He was a member of the Indian Parliament foralmost five decades. One of the founding members of the erstwhile Bharatiya Jana



Sangh, he was the first person to deliver a speech in Hindi at the U.N. General assem-bly. Famous for his oratory skills, his first stint as the Prime Minister of India lasted for just 13 days. He was again sworn in for the second time after a couple of years.

This time too, his government lasted for just over a year. His third stint as the Prime Minister

was his most successful one and he served a full term of five years in this position.

Sonia Gandhi is an Italian-born Indian politician who has held the



position of president of the 'Indian National Congress' party since 1998. She is also the chairperson of the 'United Progressive Alliance' in the Lok Sabha, a position she is serving since 2004. Born in Italy, she came to India after marrying Rajiv Gandhi. She was named among 'Time 100 most influential people in the world' in 2007 and 2008.

Jayaprakash Narayan was an Indian independence activist and



political leader. He active- ly participated in the civil disobedience movement against British rule. A staunch Marxist, he joined the Indian National Congress on the invitation of Nehru. In the 1970s he played a pivotal role in the popular people's movement known as the Bihar Movement. He was posthumously awarded the Bharat Ratna in 1999.

## ■ > SECTION 5

# 11.6 RIOTS, MAJOR UPRISINGS, SENSE OF APPEASEMENT

# political policies towards religious groups and the rise of current socio-polit-ical thinking based on religion

- Certain events of civil unrest in India put a serious strain on the secular foundation of the so-ciety. Be it the Swadeshi movement of 1905 or Satyagrah in 1930, movements have shaped the history of the nation.
- Religious violence in India has a history, even before the Partition riots of 1947 took place. Riots in India in Pre-Indepence period that shook the country include Kazhuhumalai and Sivakasi riots which took place in 1895 and 1899, caste related violence in Calcutta in 1946, 1927 Nagpur riots (1927 Nagpur). In the recent years India was hit by religious violence in Delhi, Mumbai, Assam, Bihar and Uttar Pradesh.

**Sikh Riots 1984:** The 1984 Sikh riots erupted on 1 November 1984, after the assassination of Indira Gandhi killing around 800 Sikhs. The national capital Delhi was the worst affected area along with Yamuna river areas.

**Kashmir Riots 1986:** Communal violence broke out in the Muslimmajority state of Kashmir against Kashmiri Hindus in 1986. Violence was reported in the Anantnag area followed by ma-jor exodus of Kashmiri Hindus from the Valley.

**Bhagalpur Riots of 1989** is one of the worst communal riots in India since Independence, which claimed over 1000 lives. The communal violence broke out between Hindu and Muslimand continued for almost two months.

**Bombay Riots of 1992** between Hindu and Muslim killed over 1,000 people. The violence broke out after the demolition Babri Mosque demolition.

**Gujarat Riots 2002** followed after Sabarmati Express train was burnt as a pre-planned conspir- acy by Muslim mob. Post Godhra violence and Naroda Patiya riots in Ahmedabad is considered the worst example of horror and brutality.

**Muzaffarnagar riots 2013:** Clashes between Hindus and Muslims claimed 48 lives and injured 93 in the Uttar Pradesh district. It is considered one of the worst religious violence in India.

# Jan Lokpal Bill: Anti Corruption Movement by Anna Hazare, 2011

When activist Anna Hazare began a hunger strike at Jantar Mantar in New Delhi on April 5, 2011, the movement led to the resignation of Agriculture Minister Sharad Pawar from the group of ministers that had been charged with reviewing the draft Jan Lokpal bill. The initiativebrought together a huge number of people, making it a one-of-its-kind event in decades. The movement was named among the "Top 10 News Stories of 2011" by Time Magazine.

# The Assam movement, 1979-1985

This was a movement against undocumented immigrants in Assam. The movement, led by All Assam Students Union and the All Assam Gana Sangram Parishad, developed a programme of protests and demonstration to compel the government to identify and expel illegal imigrants.

# **Appeasement and political policies**

The Congress party always been accused of Muslim appeasement by granting them policy fa- vours. This strategy has produced unforeseen side effects leading to further fragmentation along religious lines and communal violence. Development has become a non-issue within political discourse surrounding the Muslim community. The worst example of Muslim appeasement is the 1985 Shah Bano case in which a 70-year-old Muslim divorcee was sanctioned maintenancemoney by the Supreme Court of India. Muslims termed the decision as interference in the inter-nal affairs of the community. The ruling Congress party led by Rajiv Gandhi misused its mas-sive majority in Parliament and passed the Muslim Women (Protection of Rights on Divorce) Act of 1986. The retrogressive bill absolved the Muslim husband of any responsibility towardshis divorced wife, irrespective of her pecuniary condition.



# 11.7 MAJOR NEWS EVENTS

# Freedom struggle

India's Freedom Struggle was a series of activities with the ultimate aim of ending the British rule in India. The movement spanned total of 90 years (1857–1947). The rebellion of 1857 was a large-scale rebellion in the northern and central India against the British East India Com- pany's rule. It was suppressed and the British government took control of the company. The decades that followed witnessed growing political awareness, manifestation of Indian public opinion and the emergence of Indian leadership at both national and provincial levels. The In- dian self-rule movement underwent a process of constant ideological evolution. Various such movements led to the Indian Independence Act 1947, which ended the suzerainty in India and the creation of Pakistan. India remained a Dominion of the Crown until 26 January 1950, when the Constitution of India came into force, establishing the Republic of India.

## Nehru-Sardar-Gandhi team

Patel became a close lieutenant of the Mahatma Gandhi and plunged into the independence movement after meeting him in Kheda. After "Quit India" resolution was passed on August 8, 1942, all the front ranking leaders of Congress including Gandhi, Patel, Nehru and Maulana Azad were arrested and taken to different destinations for long jail terms. When the interim gov- ernment was formed on September 2, 1946, Nehru became the vice-president of the ExecutiveCouncil and Patel was

given the home portfolio along with information and broadcasting. He became India's first Deputy Prime Minister and was allocated the portfolios of Home, States and Information and Broadcasting. While most know far more about Gandhi and Nehru and their contributions in making the nation, that they call home, few would give equal recognition Patel.

#### **Gandhi-Bose relations**

The two met at a Congress session in 1921. They had diverse views on Simon Commission. Bose was a radical while Gandhi was a moderate. In 1929, Bose announced Purne Swaraj and Gandhi upbraided him on this. Unfortunately, Nehru and Gandhi became sceptical and wary of Bose's tactics of freedom and rising popularity among youth. In 1939, Bose won the Congress presidency despite Gandhi's opposition, who wanted to replace Bose with Sita Ramiya. Seeing this unrelenting opposition, Bose resigned.

# Nehru's left leanings

Nehru was deeply attracted and influenced by Marxism and Socialism and he felt that it was the best doctrine for the well-being and emancipation of mankind. In 1927 Nehru visited Soviet Union. It had a noticeable influence on the evolution of his political outlook. In Moscow he met representatives of the revolutionary and national liberation movements of Eruope, Asia and Af- rica. His fascination with communism started at this time. He had acquired a wider perspective, especially the conviction that political freedom had to be linked to socialism.

#### **Industrialisation**

The industrial revolution came late to India, due to its complicated political and economic rela-tionship with Great Britain. The Indian textile industry took a hit when the industrial revolution began in Great Britain which began to restrict textile imports from India and other countries by establishing tariffs and other protective policies. It instead began to export its own textiles to India. The industrial revolution reversed India's economic relationship with Great Britain so that it was now merely a supplier of raw materials for Great Britain and an importer of British textiles, instead of a producer of textile goods. India now has the sixth largest economy in the world.

#### Shastri and his death

Prime Minister Lal Bahadur Shastri died under mysterious circumstances in Russia after sign-ing the Tashkent accord on January 10, 1966. Late in the night he woke up coughing severely and died by the time his doctor arrive. The symptoms were of a heart attack. Shastri's

family al-leged that he had been poisoned as his body bore blue patches. The famliy sought clarifications from the government but was not satisfied with the response they got. Some even link Shastri's death with Netaji mystery.



# 11.8 SPLIT IN CONGRESS, EMERGENCY

# The Congress' 1969 split was prompted by the following events:

- A) Conflict with the syndicate: The syndicate was a group of powerful men in the Congress like K Kamraj, SK Patil, N Sanjeeva Reddy and Atulya Ghosh. They wanted Indira Gandhito serve as per their directives and follow their instruction. But Indira had been jolted by 1967 election results and decided it was time to demonstrate her leadership. So, she turned the fight for Congress leadership into an ideological conflict, by forcing the party to take a left turn and adopt the 10-point programwhich included nationalization of banks, land re- forms, distribution of food grains etc.
- b) **Morarji Desai's resignation:** Finance Minister, Morarji Desai was not willing to launch the policies initiated by Indira Gandhi. She had called for the abolition of the privy purse, but Desai was skeptical of the move. So he resigned from the government.
- c) VV Giri's presidential win: Despite Indira's opposition, the syndicate fielded N. Sanjee- va Reddy as their Presidential candidate in 1969. However, Indira influenced VV Giri into running for President as an independent. Despite the party whip, she asked her supporting MLAs and MPs to vote for their 'conscience'. Eventually, VV Giri won the elections, enrag-ing the syndicate.

This formalized the split within the Congress. Indira and her supporters were expelled from the party, and she founded the Congress (Requisitionists), separated from Congress (Organisation).

# **Emergency**

Several events eventually culminated in the imposition of emergency in 1975.

# Tension with the judiciary:

a) The Supreme Court had delivered an unfavorable judgment for the government in the Kes- hvanand Bharti case. It had curtailed the powers of the government to alter the Fundamental rights of the citizens.

- b) When the vacancy for the Chief Justice of India emerged, India overrode seniority of three judges and appointed Justice AN Ray to the chair.
- c) The high court of Allahabad passed a judgment declaring the election of Indira Gandhi in- valid.

#### Strikes and movements

The students of Gujarat and Bihar led a movement against rising prices of grains in March 1974. These students invited Jayaprakash Narayana to lead the movement, and he gave the movementa national character. The movement turned into a March to Parliament, and there was a show of great strength. JP Narayana had turned the movement into a political force. This was followed by Railway Strike, which crippled the entire workings of the government.

## **Economic turmoil**

Despite the Garibi Hatao platform of Indira Gandhi, inflation was incredibly high, and pover- ty was rampant. The Bangladesh crisis aggravated the situation, as 8 million people crossed the border into India. At the same time, the USA decided to stop supplies to India because of India's war with Pakistan.

The government froze the salaries of its employees, leading to disappointment. The govern-ment was unable to control unemployment and inflationary practices like grain hoarding. Economic turmoil also led to the rise of Naxalites and political unrest around the country.



# 11.9 ECONOMIC LIBERALISATION, BANK NATIONALISATION, DEALINGS WITH PRIVATE SECTOR

It is almost 29 years since July 1991, when economic liberalization began in India. For some, those who lived through the times as adults, it is etched in memories as a watershed. Liber- alisation was shaped largely by the economic problems of the government rather than by the economic priorities of the people or by long-term development objectives. There has been a revolutionary change in Indian Economy since the espousal of the New Economic Strategy in 1991. This had great impacts on all the areas of life in India. When a nation becomes liberalised, the economic effects can be intense for the country and as well as for the investors. Economic liberalisation is relaxing the government regulations in a country to allow the private sector companies to operate business transactions with comparatively fewer restrictions.

## **Bank nationalisation**

It's been 50 years since banks were nationalised in India. It started under the then Prime Minis-ter Indira Gandhi with nationalisation of 14 major lenders that accounted for 85 per cent of bank deposits in the country at that time. Six more banks were later nationalised in 1980. The core objective for nationalisation was to energise priority sectors at a time when the large businesses dominated credit profiles.

# **Dealing with private sector**

Private sector includes all different types of individual or corporate enterprises, both domestic and foreign, engaged in different fields of productive activity. Private sector enterprises are owned and managed by the private sector. These private sector enterprises are mostly characterized by certain common characteristics like private initiative, profit motive and ownership and management in private hands.



## 11.10 DEMONETISATION

Three years after the Indian government decided to scrap nearly 86 percent of the country's cur-rency overnight, researchers and data scientists continue to study the impact of the unparalleled 'natural experiment'. Indian Economic Survey claims that the economy has done away with all the negative impacts of Demonetization. However, economic experts are of the view that the economy is still crying for a faster growth and little objective has been achieved by the demonetization move. The Demonetization was announced as a surprise in the night on November 8, 2016. The Economic Survey of India which was released just before the presentation of General Budget 2018 in Parliament emphasized that all the negative impact of Demonetization of Rs.500/- and Rs.1000/- currency notes has ended.. On August 30, 2017, the Reserve Bank of India released its report on Demonetisation. The report said 99 per cent of the banned notes came back into the banking system. This belies the Government claims that the Demonetization would flush out the black money and counterfeit currency.

11.11 CHECK YOUR PROGRESS
1. First major terror attack of the century took place in New York on
September 11, 2011True or False?
Ans: True
2. Mumbai 26/11 terror attack from an Islamic group in Pakistan is an example of (terrorism in India
Ans: Religious
3. Maoist violence in Jharkhand and Chhattisgarh are examples of () terrorism in India.
Ans: Left wing
4. On 13 December 2001, Pakistani terrorists attacked the Parliament House killing 9 police-men and parliament staff.
True or False?
Ans: True
5. Choose the right answer India has fought battles with which two neighbouring countries.
A: Pakistan and China
B: Pakistan and Bangladesh
C: Nepal and Sri Lanka D: China and Bangladesh
Ans: (A) Pakistan and China
6. The 1971 Indo-Pak War was the first direct military confrontation between India and PakistanTrue or False?
Ans: True
7: Kargil War in 1999 was fought between India and (
8: Indian parliament follows a tricameral systemTrue or False?  Ans: False

9: Dr BR Ambedkar was chief architect of the (-----) of

India.

**Ans: Constitution** 

10: Which Indian prime minister coined the famous slogan "Jai Jawan Jai Kisan"

A: Jawaharlal Nehru

B: Indira Gandhi

C: Lal Bahadur Shastri

D: Morarji Desai

Ans: (C) Lal Bahadur Shastri

# 11.12 KEYWORDS

**Terror attack** Violence, generally against common people, for

political purposes duringpeacetime.

**Indian war** Battle with neighbouring countries

**Elections** Largest democratic electoral exercise in the world.

**Riots** Religious violence.

# **11.13 TO SUM IT UP**

 In 72 years since Independence, India has evolved into a vibrant constitutional democracyand made rapid strides in several domains.

- Indian elections are the largest democratic exercise in the world.
- The country has had to fight a series of wars in the 72 years after Independence.
- India has borne the brunt of several terror attacks.

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**UNIT: 12** 

# INDIAN SOCIO-ECONOMIC ISSUES

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# 12.0 INTRODUCTION

- A long way since Independence, India is standing at a turning point in the 21st century. The concerted and coordinated efforts of the national governments through various Five Year Plans, starting from 1951, have changed the economic scenario of the country considerably. Agriculture production has risen steadily, and progress of industrialization has increasingly played a role in India's economic development.
- However, overall success in reducing poverty, ignorance and inequality has been quite limit- ed. It suffers from high levels of

- poverty, disasters, lack of education. On one side it is called a land of opportunity while on the other, it is bogged down by death, poverty and unemploy-ment.
- The development of any economy not only refers to the economic growth but also includes the progressive change in the socio economic structure of a country. It includes the progress in terms of health, education, poverty etc.
- Hence it is important for the government to bring effective policies and should ensure that it is properly implemented on the ground level and should benefit the people. So that the negligence of primary health and education shouldn't remain the hurdle for India's socio economic structure.

## 12.1 LEARNING OBJECTIVES

- Understand what are socio- economic issues.
- Gain understanding of India's socio economic structure.

# On completion of this unit you will be able to...

- Analyse socio economic journey of the country.
- Identify the indicators responsible for diversity in development.



# 12.2 AGRICULTURE

Agriculture plays a vital role in the Indian economy. In the years since its independence, India has made immense progress towards food security. Indian population has tripled, and food- grain production more than quadrupled. There has been a substantial increase in available food-grain per capita.

Before the mid-1960s India relied on imports and food aid to meet domestic requirements. However, two years of severe drought in 1965 and 1966 convinced India to reform its agricul-tural policy and that they could not rely on foreign aid and imports for food security. India ad-opted significant policy reforms focused on the goal of food grain self-sufficiency. This ushered in India's Green Revolution. It began with the decision to adopt superior yielding, disease re- sistant wheat varieties in combination with better farming knowledge to improve productivity.

India ranks 74 out of 113 major countries in terms of food security index. India's agricultural economy is undergoing structural changes. Between 1970 and 2011, the GDP share of agriculture has fallen from 43% to 16%. This isn't because of reduced importance of agriculture ora consequence of agricultural policy. This is largely because of the rapid economic growth in services, industrial output, and non-agricultural sectors in India between 2000 and 2010.

Despite the overwhelming size of the agricultural sector, however, yields per hectare of crops in India are generally low compared to international standards. Improper water management is another problem affecting India's agriculture. At a time of increasing water shortages and environmental crises, for example, the rice crop in India is allocated disproportionately high amounts of water. One result of the inefficient use of water is that water tables in regions of rice cultivation are on the rise, while soil fertility is on the decline. Aggravating the agricultural situation is an ongoing Asian drought and inclement weather. Even when a monsoon with average rainfall is expected, prospects of agricultural production during that period are not considered bright. This has partially been due to relatively unfavorable distribution of rainfall, leading to floods in certain parts of the country and droughts in some others.



Indian irrigation infrastructure includes a network of major and minor canals from rivers, groundwater well-based systems, tanks, and other rainwater harvesting projects for agricultural activities. Of these, the groundwater system is the largest.

About 2/3rd cultivated land in India is dependent on monsoon. The improvements in irrigation infrastructure since Independence has helped India improve food security, reduce dependence on monsoons,

improve agricultural productivity and create rural job opportunities. Dams used for irrigation projects have helped provide drinking water to a growing rural population, control flood and prevent drought-related damage to agriculture. However, free electricity and attractive minimum support price for water intensive crops such as sugarcane and rice have encour-aged ground water mining leading to groundwater depletion and poor water quality. As per a report in 2019, more than 60% of the water available for farming in India is consumed by rice and sugar, two crops that occupy 24% of the cultivable area.

India's agriculture is composed of many crops, with the foremost food staples being rice and wheat. Indian farmers also grow pulses, potatoes, sugarcane, oilseeds, and such non-food items as cotton, tea, coffee, rubber, and jute. India is a fisheries giant as well. A total catch of about 3 million metric tons annually ranks India among the world's top 10 fishing nations.

Agriculture has shown an increase in average agricultural output per hectare in last 60 years. Improving road and power generation infrastructure, knowledge gains and reforms has allowed India to increase farm productivity between 40% to 500% over 40 years. India's recent accomplishments in crop yields while being impressive, are still just 30% to 60% of the best crop yields achievable in the farms of developed as well as other developing countries. Additionally, despite these gains in farm productivity, losses after harvest due to poor infrastructure and unorganised retail cause India to experience some of the highest food losses in the world.

The sector has seen a huge growth in cooperative societies after Independence. The country has networks of cooperatives at the local, regional, state and national levels that assist in agricultural marketing. The commodities that are mostly handled are food grains, jute, cotton, sugar, milk, fruit and nuts.

Despite the fact that agriculture accounts for as much as a quarter of the Indian economy and employs an estimated 60 percent of the labour force, it is considered highly inefficient, waste- ful, and incapable of solving the hunger and malnutrition problems. Despite progress in this area, these problems have continued to frustrate India for decades. It is estimated that as much as one-fifth of the total agricultural output is lost due to inefficiencies in harvesting, transport, and storage of government-subsidized crops. Droughts and debts have led to rise in farmers' suicide.

## 12.3 MONSOON

Monsoon season brings in most of the rainfall over the Indian subcontinent. It is divided into two major seasons - Southwest Monsoons and Northeast Monsoons with an intervening period of retreating monsoons between the former and the latter. **India** receives south-west **monsoon** winds in summer and north-east **monsoon** winds in winter. South-west **monsoons** are formed due to intense low pressure system formed over the Tibetan plateau. North-east **monsoons** are associated with high pressure cells over Tibetan and Siberian plateaus.

The monsoon is caused by differing temperature trends over the land and ocean. In India, the southwest summer monsoon is attracted by a low pressure area that's caused by the extremeheat of the Thar Desert in Rajasthan and adjoining areas during summer. During the mon- soon, the wind direction reverses. Moisture-laden winds from the Indian Ocean come to fillup the void, but because they can't pass through the Himalaya region, they're forced to rise. The gain in altitude of the clouds results in a drop in temperature, bringing about rain.

When the southwest monsoon reaches India, it splits into two parts around the mountainous region of the Western Ghats in south-central India. One part moves northwards over the Arabian Sea and up the coastal side of the Western Ghats. The other flows over the Bay of Bengal, up through Assam, and hits the Eastern Himalaya range.

The southwest monsoon's withdrawal begins in Rajasthan, with the direction of air circula-tion again reversing. This is supposed to take place at the start of September but it's common for it to be delayed, prolonging the length of the monsoon.

For many people in India it is the variability of rainfall on shorter time scales that has the biggest impacts – intense heavy rainfall leads to flooding; breaks in the monsoon of a weekor more lead to water shortage and agricultural drought.

Floods and droughts are a normal occurrence in India. In 2002 for example, a break in the monsoon rains saw July receiving only about 50% of its normal rainfall, leading to cuts in agricultural output and declining GDP. Thinking about climate change in the context of howthese extreme events will change can help farmers and other end users to understand its im-plications.

The eastern Himalaya region, around Darjeeling and Shillong is one of the wettest areas in not just India, but the whole world, during the monsoon. This is because the monsoon picksup additional moisture from the Bay of Bengal as it heads towards the Himalayan range.

As far as major cities are concerned, Delhi, Bangalore and Hyderabad receive comparativelyless rain. Chennai doesn't receive much rain at all during the southwest monsoon, as Tamil Nadu gets most of its rainfall from the northeast monsoon, from October to December. Ker-ala, Karnataka, and Andhra Pradesh also experience this monsoon, as well as heavy rainfallduring the southwest monsoon.



# 12.4 EMPLOYMENT EXCHANGE & SKILLINDIA PROGRAM

Employment Exchange is an organisation that provides employment assistance on the basis of qualification and experience. Unemployed persons as well as currently employed persons looking for more suitable jobs can register with the employment exchanges operating in their States to avail of job opportunities. Employment exchanges collect and furnish information on the prospective employers, available vacancies and job seekers, thereby facilitating job- seekers to find a suitable job and for industry to find the suitable manpower. It is established by the Ministry of Labour and Employment of the Government of India.

There are numerous employment exchanges in India. Each Indian State has its own unique employment exchange. On the other hand there are states which do not have employment exchange and publish contact details of their officials and their emails to get latest employ-ment news and updates.

Registration in employment exchange is free .Those who are registered in employment ex- change only get unemployment wages. Since the introduction of state PSCs, employment exchanges can not appoint people in permanent posts . They appoint people for temporary vacancies up to six months from registered unemployed persons.

A Digital Employment Exchange was launched on 15 June 2015 by the Ministry of Micro, Small and Medium Enterprises. This facility enables industrial units to find suitable man- power and job seekers to find suitable jobs. Thus, they are conceptually similar to the tra- ditional Employment Exchange but cater to mainly the micro and small and medium scale enterprises which generally employ less than 25 people.



# Skill India Program

India's formally skilled workforce is just 2%. Additionally, there is a huge problem of em-ployability among the educated workforce of the country. Lack of vocational or professionalskills makes it difficult for the youth to adapt to changing demands and technologies of the marketplace. The high level of unemployment is due to the failure to get jobs and also due to a lack of competency and training.

Pradhan Mantri Kaushal Vikas Yojana (PMKVY) is the flagship scheme of the Ministry of Skill Development & Entrepreneurship (MSDE). The objective of this Skill Certification Scheme is to enable a large number of Indian youth to take up industry-relevant skill training that will help them in securing a better livelihood. Individuals with prior learning experience or skills will also be assessed and certified under Recognition of Prior Learning (RPL). Un-der this Scheme, Training and Assessment fees are completely paid by the Government.

The main objective of this program is to create opportunities, space and scope for the devel-opment of the talents of the Indian youth, develop sectors under skill development and also identify new sectors.

#### **KEY FEATURES**

To skill the youths in such a way so that they get employment and also improve entrepre-neurship.

Provide training, support and guidance for traditional occupations like carpenters, cobblers, welders, blacksmiths, masons, nurses, tailors, weavers etc.

Stress on new areas like real estate, construction, transportation, textile, gem industry, jew-ellery designing, banking, tourism and various other sectors.

To create a hallmark called 'Rural India Skill', so as to standardise and certify the training process.

To initiate tailor-made need-based programmes for specific age groups in language and communication skills, life and positive thinking, personality development, management, be-havioural skills and employability skills.



# 12.5 SELF-HELP GROUPS

Self help groups (SHGs) are informal groups that consist persons who face similar problems. These people come together to form a group to overcome their problems and improve their standard of living. They are mostly from similar socio-economic background and are involved in initiating small savings between themselves in a bank. This money is used to give loans to the SHG members. SHGs are a vital tool to alleviate people from below poverty line and improve their social status by promoting self employment.

Any local resident may help in initiating self help group. This person is called animator or fa- cilitator who brings together people who are facing similar problems by advocating benefits of SHGs. This person is usually well-known within the community. A woman facilitator especial-ly can help significantly in woman-empowerment in rural India. The facilitator is assisted by NGOs, government development agencies and local banks in bringing people together.

Ideally, an SHG should have bout 10-12 members as a bigger group may cause difficulty in en-suring equal participation by members. The SHG should not have more than one member from the same family as the goal is to benefit maximum families. It should also have either only menor only women as normally mixed groups are not successful. It is also felt that women SHGs are more successful as they are better at savings and making use of loans more efficiently than men.

SHGs hold regular weekly or monthly meetings so that members get closer to each other. All members must attend these meetings. The membership register, savings and loan register must be kept up to date so that transparency is maintained.

The key functions of an SHG is to mainly a) initiate and maintain savings within the group, b) lend loans to members , c) solve common

problems and d) procure bank loans.

It is important that India that has a diverse culture, traditions and historical background, msut be equipped to solve problems at the ground level. Often it is difficult for the government the socio-economic problems by itself. Therefore, bringing together people who have similar prob-lems can become a game changer for the Indian economy.

SHGs are a boon for financial inclusion. Many people in rural India are unable to aail loans inabsence of collateral. SHGs can help in solving this problem.

SHGs have any advantages too. It helps in combating social evils like alcoholism, drug addic-tion, gambling etc. Women members are able to take in dependent decisions. It increases employment opportunities in rural India besides providing easier access to government schemes.

However, SHGs have their limitations too. There is too much dependence on the government and NGOs. The facilitators do not have professional training in organising SHGs. And as these groups are not registered and are mostly run on trust between members, the savings may not besafe.

# > SECTION 5

## 12.6 FARMERS' ORGANIZATIONS

Farmers are the backbone of our country. However, despite their invaluable contributions to our very survival, little is done to empower farmers and ensure their prosperity. Fortunately, farmers' organisations are now taking the lead in ensuring that farmers' livelihoods are not just sustainable but also flourishing.

Farmers' organisations are essential institutions for the empowerment, poverty alleviation and advancement of farmers and rural poor. These are groups of rural producers coming together to pursue specific common interests of their members and developing technical and economic activities that benefit their members. These organisations also help them in maintain relations with partners operating in their economic and institutional environment.

Farmers' organisations in India are established to provide an effective channel for both dissem- ination of technology to large number of small and marginal farmers and feedback to research and extension. The need for FOs arises as agriculture is the unorganised sector in the country and farmers don't have any vibrant model to organise themselves and link with the market. Andwhile 60% of population depends on agriculture in India, hardly 5-10% of farmers are progres-sive and educated.

During the 70s too attempts were made to organise farmers when India introduced dairy coop-eratives which proved successful.

In rural areas FOs are the nearest and often only institutions providing essential goods and services to the rural poor and helping them to break out from the poverty cycle. FOs reduce the risks that individual farmers face during seasonal shocks. FOs also help mobilize capital and contribute to the growth of the local economy.

There are various groups/institutions that come under farmers' organisations. They are – farm- ers' groups, FIGs, CIGs, cooperatives, farmers' associations, SHGs, farmers' unions, agricul- tural cooperatives owned and controlled by members and Chamber of agriculture with a general assembly elected by farmers.

The services provided by FOs are varied. They include marketing (inputs supply, output mar- keting and processing, market information), financial (savings, loans, and other forms of cred-it), technological (education and extension), education (business skills, health etc), and welfareservices.

FOs can be grouped into community based and resource oriented and also commodity based and market oriented. Community based FOs can be a village level cooperative association dealing with inputs needed by members or the resource owner, to enhance the productivity of their business. Commodity based FOs specialize in a single commodity and opt for value added products which have expanded markets. They are not specific to any single community and are designated as output dominated organisations.

FOs should be promoted to combine the advantages of decentralized production and centralized services, post- harvest management, value addition and marketing.



# 12.7 SUBSIDIES AND MINIMUM SUPPORT PRICE (MSP)

Subsidies are one of the quintessential attributes of any welfare state. A welfare state without subsidies cannot be imagined. Governments have to extend subsidies to achieve objectives of socio- economic policy. By providing subsidies government aims to make basic necessities affordable to poor people through extension of consumer services. Through subsidies it also strives to prepare a foundation of various economic sectors in which private sector can participate later. When economy is at lower stages of development, it is often unviable and unaffordable for private sector to step in production. In such case government does handholding by supporting private sector by extending subsidies and withdrawing them when private sectorbecomes competitive.

Subsidies should be aimed at specific development objectives. On achievement of these objectives subsidies should be phased out. It is only then that subsidies can go well with an undistorted market economy.

However, in a democracy, subsidy becomes a politically sensitive issue and governments suffer huge political risk if they phase out extended subsidies. Overtime, new subsidies are extended which pile up on older ones and they soon consume scarce revenue resources of government. Government is forced to cut allocation to developmental and infrastructure avenues. Further, higher subsidy expenditure pushes up fiscal and revenue deficits as government starts spending more than it earns. This fiscal deficit can be closed preferably by raising more revenue throughnew taxes (proactively) or by borrowing money. Most significant consequence of either of this alternative is that money is squeezed out of economy and which results in lower consumption/demand. This, in turn hits the growth in economy.

Subsidies are the opposite of taxes because government gives money to individuals or firms, in- stead of collecting money from individuals or firms. A subsidy in its simplest form is a negative tax – a reverse flow (transfer) from the government to the public – or an income/consumption supplement for individuals. Further, Subsidies, like taxes, may thus be lump sum, proportional or progressive. Subsidies are as much an economic tool as are taxes to facilitate smooth func- tioning of the economy.

Some of the subsidies that went wrong and adversely affected economic growth of the country over the years are in the sectors of agriculture, fertilizer, energy, railways etc.

There has been a sharp growth in electricity use in the agriculture sector, especially since the 1980s with consumption rising from 8% of total consumption in 1969 to 17% in 2016. This is supplied either free or at subsidised rates, and a large part of it is not metered.

There is a strong linkage between electricity, water and agriculture. All of the electricity sup- plied to agriculture is used for pumping water, mostly groundwater for irrigation. Close to 85% of pumping energy used in agriculture comes from electricity, the rest being mainly from diesel.

In this scenario, managing India's groundwater has become a big challenge for policymakers.

Power subsidy for irrigation leads to excessive groundwater usage that is already visible in states such as Punjab and Haryana. Nearly 80% of groundwater reservoirs in Punjab and 60% in Haryana are over-exploited, a direct result of the irrigation and power subsidy.

# Minimum support price

- Minimum support price (MSP) is the minimum price set by the government for certain agri- cultural products. These agri products would be directly bought from the farmers if the openmarket prices are less than the cost incurred.
- By extending MSP, government intervention insures the farmers against a steep decline in the prices of their goods and helps them prevent losses. The government of India sets the MSP twice a year for 24 commodities. This is done by the government to protect the farmers against a fall in prices in a year of bumper production. When the market price falls below the declared MSP, the government would purchase the entire quantity from the farmers at MSP.
- Major crops covered under MSP include cereals like wheat, paddy, jowar, barley etc, pulses, oilseeds raw cotton, raw jute, sugarcane etc.
- The main objective of setting up MSP is to support farmers from distress sales and to procure food grains for public distribution.
- MSP is decided by the Commission for Agricultural Costs and Prices
  after taking into ac- count the entire structure of the economy of a
  particular commodity or group of commodi- ties, cost of production,
  trends in market prices, among others.
- The Commission also makes visits to states for on-the-spot assessment of the various con- straints that farmers face in marketing their produce, or even raising the productivity levels of their crops. Based on all these inputs, the Commission then finalizes its recommendations/ reports, which are then submitted to the government.
- The government, in turn, circulates the CACP reports to state governments and concerned Central Ministries for their comments. After receiving the feed-back from them, the Cabinet Committee on Economic Affairs (CCEA) of the Union government takes a final decision onthe level of MSPs and other recommendations made by the CACP.



# 12.8 FARMERS'SUICIDES

Agriculture is the primary sector in India. India is predominantly an agrarian economy with close to 70% of the population depend- ing on agriculture for livelihood directly or indirectly. Despite the fast growth of the sec- ondary and tertiary sectors in India, a vast majority of the people depend on agriculture for their livelihood. The Green Revolution has made India self-sufficient in food grain production for daily consumption. Today, more and more farmers are also taking up modern methods and tools for farming. How- ever, rising cases of farmers' suicide point towards underlying agrarian crisis prevailing within the country for a long period of time.



India has witnessed a spate of droughts over decades. The worst affected being the farmers of Rayalaseema districts in Andhra Pradesh, and the cotton farmers in the stateof Maharashtra. Nature has repeatedly failed the farmers of these states and owing to lack of facilities to save their crops, these farm-ers have no means to face the adversities of crop failures. If the farmers are at the mercy of monsoons for timely water for their crops, they are at the mercy of the government for alternative irrigation facilities.

Big Dams have been built to supply irrigation facilities through canals and sub canals to farmers round the year. The ambitious Sardar Sarovar Narmada Dam project is an ideal ex- ample of this planning by successive govern- ments over the past 50 years. This dam will benefit four states - Madhya Pradesh, Ma-harashtra, Gujarat and Rajasthan. This is to reduce their dependence on Monsoon rainsfor their irrigation needs. However, in many parts of the country, irregular electricity supply does not allow farmers to pull water through a pump to their farmlands.

The farmers normally resort to borrowing from money lenders in the absence of insti- tutionalized finance. Where institutional fi-nance is available, the ordinary farmer does not have a chance of availing it because of the "procedures" involved in disbursing the finance. The institutional finance, where available is mostly availed by the medium or large land owners, the small farmers do not even have the awareness of the existence of such facilities. The money lender is the only source of finance to the farmers. Should the crops fail, the farmers fall into a debt trap and crop failures piled up over the years give them no other option other than ending their lives. The input - output ratio, in terms of money invested in agriculture is very mea- ger, primarily because of raising cost of in- puts and insufficient support prices from the government.

According to official records, around 160,000 farmers have committed suicide since 1997. Ru-ral indebtedness is one of the major factors. Policies associated with the process of liberali- sation imposed stress on peasantry of the country by withdrawing formal supports towards the sector, which in turn made farmers dependent on non-institutional sources such as private moneylenders and private agents. Seed sector liberalisation has not only brought private players in agriculture but also encouraged monoculture of hybrid cash crops requiring costly inputs, which eventually gets transformed into debt. This situation coupled with crop failure due to pestattack, climatic change and lack of irrigation has led to mismatched expectation of farmers and indebtedness. Desperate farmers find solution to their woes by committing suicide.

According to a National Crime Records Bureau report, 11,379 farmers committed suicide in India in 2016. It says there were 948 farmer suicides every month, or 31 suicides every day. The states with highest suicides are Maharashtra (3,141), Karnataka (2,585), Andhra Pradesh (2,525), Madhya Pradesh (1,237) and Chattisgarh (1,126).

Seven states in the country, Maharashtra, Telangana, Karnataka, Chhattisgarh, Madhya Pradesh, Tamil Nadu and Andhra Pradesh account for 87.5% of the farming sector suicides. Maharashtra shows the highest figures out of these states. Suicides are not restricted to marginal farmers. Even small farmers are committing suicides.

Even the state of Punjab, which benefited maximum from the Green Revolution, has its share of farmer suicides. From 1995 to 2015, 4687 farmers were reported to commit suicide from Punjab with one district Mansa reporting 1334 suicides.

Most of the farmers suicide's are due to the distress, crop failure, indebtedness, poverty, lack of institutional credit, poor irrigation, lack of awareness on new technologies, a high-interest rate of non-institutional agencies and lack of government policies. Many of these states - especially Punjab, Maharashtra, Andhra Pradesh and Gujarat have experimented with genetically modi- fied BT Cotton Crop. After ten years of irrigation, the technology has failed to give a bumper harvest

over the last two years. This has also led to an increase in farm distress in recent years.

#### **Causes of farmers suicides**

- Rise in input costs there has been an overall increase in agricultural input costs.
- Cost of seeds and chemicals like fertilisers and pesticides.
- Cost of agricultural equipment agricultural equipment like tractors, pumps, etc. are expensive and add to the surging cost of inputs.
- Labour costs hiring animals and labourers are also getting increasingly expensive, adding to the burden. Schemes like MGNREGA and the increase in the minimum basic income has been counter-productive for agriculture.
- Loan distress in 2015, 2474 out of the 3000 farmer suicides had unpaid bank loans, ac-cording to the National Crime Records Bureau. It also shows a strong link between farmer suicides and indebtedness. While Maharashtra and Karnataka had the highest number of farmer suicides, these two states also had a high rate of suicides for indebtedness.
- Lack of direct market integration despite innovative government schemes like e-National Agricultural Market (eNAM), removing or minimising intermediaries in this sector is prov- ing to be more difficult than easy.
- Lack of awareness while there are schemes and policies aimed at helping farmers, a lack of awareness has become an obstacle in improving the lot of farmers. They are unaware of the schemes, or do not know how to avail of the benefits offered to them by the government.
- Water crisis –there is a concentration of suicides in the water-deficient regions like Maha- rashtra and Karnataka. Failing monsoons only add to the woes of the farmers. Interstate water disputes also cause unnecessary distress on the farmers. Water shortage has led to a failure to meet the production demands.
- Climate change climate change is also affecting farmers and agriculture. Uncertain mon- soon systems, flash floods, etc. have led to crop losses. Deferred monsoon also cause production shortfalls regularly.
- India's economic policies are generally urban consumer-driven and limit the profit margins and mar the farmers' chances of breaking the debt cycle.

• Loan waivers are populist measures undertaken by the government as an appeasement policyto secure certain votes.

Some of the major relief packages and debt waiver schemes announced by the government are: -2006 relief package – primarily aimed at 31 districts in the four states of Andhra Pradesh, Maharashtra, Karnataka, and Kerala with a high relative incidence of farmers suicides.

Agricultural debt waiver and debt relief scheme, 2008 – Agricultural Debt Waiver and Debt Relief Scheme in 2008 benefited over 36 million farmers at a cost of 65000 crore rupees (US\$10 billion). This spending was aimed at writing of part of loan principal as well as the interest owedby the farmers.

2013 diversify income sources package – In 2013, the Government of India launched a Special Livestock Sector and Fisheries Package for farmers suicide-prone regions of Andhra Pradesh, Maharashtra, Karnataka and Kerala. The package was aimed to diversify income sources of farmers.

Apart from these Central Government initiatives, there are many efforts from the state govern-ments side like Maharashtra Bill to regulate farmer loan terms, 2008 and Kerala Farmers' Debt Relief Commission (Amendment) Bill, 2012.

There cannot be one single and most effective solution to prevent the suicides of farmers. The trend can be reversed through active participation of the Government in addressing the real is- sues of the farmers that are driving them to suicides. Social responsibility also goes a long way to help the farmers. The big land owners in most places do not lend a helping hand to struggling farmers. In most cases, they grab the benefits which are otherwise meant for the poor farmers. General public, NGOs, Corporates and other organisations too can play a part in helping farm-ers by adopting drought affected villages and families and helping them to rehabilitate.

The solution to the farmer's plight should be directed towards enabling the farmers to help themselves and sustain on their own. Temporary measures through monetary relief would not be the solution. The efforts should be targeted at improving the entire structure of the small farmers wherein the relief is not given on a drought to drought basis, rather they are taught to overcome their difficulties through their own skills and capabilities. The Government needs to come up with pro-active solutions and the nation has to realize that farmers' suicides are not minor issues happening in remote parts of a few states, it is a reflection of the true state of the basis of our economy.

# 12.9 CHECK YOUR PROGRESS

1: About 2/3rd of cultivated land in India is dependent on A: Rivers B: Canals C: Monsoon D: Groundwater Ans: (C) Monsoon 2: India's monsoon is divided into two major seasons - Southwest Monsoons and Northeast Monsoons True or False **Ans: True** 3: Pradhan Mantri Kaushal Vikas Yojana is designed to give academic degree to studentsTrue or False **Ans: False** 4: Self help groups have empowered men in rural IndiaTrue or False Ans: False 5: SHG should not have more than one member from the same family

**Ans: True** 

True or False

6: The need for farmers' organisations arises as agriculture is the (.....) sector in the country

A: Organized

B: Government controlled

C: Unorganised

D: Private

Ans: (C) Unorganised

7: High subsidy expenditure eases fiscal and revenue deficitsTrue or False

**Ans: False** 

8: Government sets Minimum Support Price for certain (\_\_\_\_) products

Ans:

A: Agricultural

B: Consumer

C: Luxury

D: Electronic

Ans: A

9: Green Revolution took place in the field of Choose the right answer

A: Agriculture

B: Paint industry

C: Horticulture

D: Milk products

Ans: A

10: Which State ranks highest in farmers' suicide? Choose the right answer

A: Maharashtra

B: Karnataka

C: Madhya Pradesh

D: Bihar

Ans: (A) Maharashtra

# 12.10 KEYWORDS

**Agriculture** India is an agrarian economy.

**PMKVY** Employment opportunity for youth.

Farmers' suicide Underlying agrarian crisis.

# **12.11 TO SUM IT UP**

- Developing agriculture sector and progress of industrialization has increasingly played arole in India's economic development.
- Overall success in reducing poverty, ignorance and inequality has been quite limited.
- The socio economic structure of the country includes the progress in terms of health, educa-tion, poverty.

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# **UNIT: 13**

# INDIAN SOCIO-ECONOMICS ISSUES-BUSINESS & INDUSTRY

#### :: STRUCTURE::

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13.1 Section 1: Taxation: GST

13.2 Section 2 : Import Export Documentation

13.3 Section 3: Ease of Doing Business

13.4 Section 4 : Single Window Clearance

13.5 Section 5 : Corporate Tax

13.6 Section 6: FICCI/ASSOCHAM/MSME Industries

**13.7 Check Your Progress** 

13.8 Keywords

13.9 To Sum It Up

13.10 References

#### 13.0 INTRODUCTION

- As per World Bank, the GDP growth in India was 6.6% in 2017. Despite government mea- sures like demonetisation and GST, World Bank projected India's growth forecast at 7.5% (against 6.6% in 2017) for 2019-20 and retained the same forecast for the next two years as well. This shows a strong industrial outlook for India.
- Promoting industrial growth through infrastructure development, easy access to credit, and through research and skill development measures remain the government's priority, as evi- denced in 'Make in India' initiative.
- Some industries have shown positive growth like wood and products

of wood and cork. The best possible result has come from the manufacture of articles of straw and plating materials. Its growth rate is 24.8 percent; then comes the food products at 15.9 percent and computer, electronic and optical products at 9.4 percent.

- In the present scenario, right now defence is one area that can significantly revive the stalled industrial scene of India, especially the manufacturing sector. If the 'Make in India' pro- gramme of the government is to materialise, then this is the most obvious bet.
- Some of the major industries In India are in the following sectors: Textile, food processing, chemical, cement, steel, software, mining, petroleum, fisheries and defence



#### 13.1 TAXATION: GST

India has a well-developed tax structure. Be- ing a federal country, the authority to levy tax-es is divided between the central government and the state governments. The central govern- ment imposes taxes such as personal income tax and corporate tax, customs duties, excise duties and central sales tax. CST is assigned to the States in which it is collected. The states have the constitutional power to levy sales tax apart from various other local taxes like entrytax, octroi, etc.

Tax is a payment compulsorily collected from individuals or firms by government. The word 'direct' is used to denote the fact that the burden of tax falls on the individual or the com- pany paying the tax and cannot be passed on to anybody else. The most important direct tax is personal income tax and corporate tax. In- come tax is levied on the income of individ- uals, Hindu undivided families, unregistered firms and other association of people. For taxation purpose, income from all sources is added and taxed as per the income tax slabs of the individual.



An 'indirect' tax is levied on manufacturing and sale of goods or services. It is called 'in- direct' because the real burden of such a tax is not borne by the individual or firm paying it but is passed on to the consumer. Excise duty, customs duty, sales tax etc. fall under 'indirect' tax.

Some minor taxes are also levied by the local authorities such as the municipality and the lo-cal governments.

Funds provided by taxation are used by gov- ernments to carry out several functions in-cluding military defence, law and order, redistribution of wealth, infrastructure like roads, ports etc, social welfare, education, health and social security measures like pensions for the elderly, unemployment benefits etc.

To avoid any disputes between the centre and state as regards to taxation, the Constitution envisages following provisions:

- Division of powers to levy taxes between centre and state is clearly defined.
- There are certain taxes which are levied by the centre, but their proceeds are distribut- ed between both centre and the state. Example- Union Excise Duty.
- There are certain taxes which are levied by the centre, but their proceeds are trans- ferred to the states. Example-Estate duty on property other than agriculture income.
- There are certain taxes which are levied by the central government, but the responsibil- ity to collect them is vested with the states. Example- Stamp Duty other than included in the Union List.
- There are certain taxes which are levied by the states, and their proceeds are also kept by states. Example: Erstwhile VAT.

#### Tax reforms

- The taxation system in India has undergone tremendous reforms during the last 15 years. The tax rates have been rationalized and tax laws have been simplified resulting in better compliance, ease of tax payment and better enforcement. The process of rationalization of tax administration is ongoing in India.
- This has consequently led to India's meteoric rise to the top 100 in the World Bank's Ease of Doing Business (EoDB) ranking in 2018. The Goods & Services Tax (GST) reform is one such reform to ease the complex multiple indirect tax regime in India.
- Goods and Service Tax (GST) is one of the biggest indirect tax reforms that the country has adopted. GST is a comprehensive indirect tax levied on manufacture, sale and consumption of goods as well as services at the

national level. It has replaced all indirect taxes levied on goods and services by the Central and State Governments.

• GST regime was implemented from 1st July 2017, and India has adopted the dual GST mod-el in which both the Centre and States levy taxes. The GST is applicable on all goods other than alcoholic liquor for human consumption and five petroleum products (Petroleum crude, high-speed diesel, motor spirit, natural gas and aviation turbine fuel).

#### What is GST?

- It is a destination-based taxation system.
- It was established by the 101st Constitutional Amendment Act.
- It is an indirect tax for the whole country on the lines of "One Nation One Tax" to make Indiaa unified market.
- It is a single tax on supply of Goods and Services in its entire product cycle or life cycle i.e.from manufacturer to the consumer.
- It is calculated only in the "Value addition" at any stage of a goods or services.
- The final consumer will pay only his part of the tax and not the entire supply chain which was the case earlier.
- There is a provision of GST Council headed by the finance minister of India, to decide uponany matter related to GST.

#### Benefits of GST

- Minimal physical interface.
- Compliance cost reduced due to the unification of Indirect taxes.
- Check over tax-evasion through a robust IT-based administration.
- Unified tax-regime for both goods and services.
- No cascading of taxes.

GST has managed to subsume many local, state and central taxes which should be appreciated. Hiccups were expected, but after two years there has to be a climate of certainty with smooth GSTN network and minimum changes in the law. The way GST is progressing it appears that the journey is still midway for the authorities and businesses and much has still to be achieved. It cannot be said that there are only negatives, there are substantial positives. The emphasis should be on expanding the tax base, checking of tax evasion, simplification of procedures and glitch-free GSTN system.

#### **GST Council**

- It is the 1st Federal Institution of India, as per the Finance minister.
- It will approve all decision related to taxation in the country.
- It consists of Centre, 29 states, Delhi and Puducherry.
- Centre has 1/3rd voting rights and states have 2/3rd voting rights.
- Decisions are taken after a majority in the council.



#### 13.2 IMPORT EXPORT DOCUMENTATION

Knowing import and export procedure(s) and documentation is critical if one wants all runs smoothly without surprises. Knowledge of import and export procedure(s) are essential to planand prepare all actions in the right order. Besides, you need to know documentation, because if you don't prepare right documents or you prepare those incorrectly, then you may fail to exportor import.

#### The procedure

In order to establish a company, you need to fill the forms, confirm your initial capital, address details, contact details, and other formalities. To establish a company, you also need to pay some government fees.

Second step is to apply for a bank account at the local bank after showing them your company corporation documents. You need international banking service, so you can send and receive money from abroad.

After you have an existing company with the bank account you need to apply for your export/ import license. This is also called as IEC number issued by the General Director of Foreign Trade, Department of Commerce.

Following are the requisite details /documents to be submitted along with the application for IEC as per Impex Policy 2015-20.

- PAN of the business entity in whose name Import/Export would be done
- Address Proof of the applicant entity.
- LLPIN /CIN/ Registration Certification Number (whichever is applicable).
- Bank account details of the entity.

You also mush furnish details of the entity seeking the IEC, as per Impex

Policy 2015-20.

No export or import shall be made by any person without obtaining an IEC number unless spe-cifically exempted under Import Export Policy 2015-20.

Your potential overseas buyer will definitely ask you to send them a sample first. You need to pack the sample and ship it to your customer, so they can check and test your product. Even for sample sending, you need to fill the export declaration, where you mark product, its HS code and value. With sample sending, you need to prepare and provide Proforma invoice, packing list, certificate of origin, airway bill with the receiver data, your data, destination.

Once the sample is approved, they will make the real export order by signing a contract. Then the exporter needs to issue the proforma invoice to the buyer. The buyer needs to arrange the advance payment to confirm the order. Advance payment is usually 30% and the balance payment need to be arranged against the copy of the bill of landing.

#### **Documentation in export import business**

Followings are the necessary documents what every exporter and importer needs to provide orreceive.

#### Proforma invoice (PI)

- Mandatory Export import document.
- This is a document, which will state the value per unit for the goods. And will show the totalvalue of the goods exported. Also, the exporter and importer details are stated.

### **Sales-purchase contract**

- Mandatory export-import documentation.
- This is the proof of purchase-sale between the parties. You need to present this to your coun-try custom together with the proforma invoice.

#### **NDA** agreement

 NDA (Non-disclosure agreement) document protects you as a supplier or export-import agent. If one party surpasses you as a supplier or agent, then legal action can be taken to getback the lost profit.

#### Packing list (PL)

• Mandatory export import documentation

- The packing list states the quantity of the goods exported. Also those packing and weightsand CBM,s. also, the amount of the packages are stated on the packing list.
- On the packing list, also the product HS code is marked.

## Bill of landing/Airway bill/Railway bill

- Crucial Export import document for importers custom.
- After the goods had been taken on the shipboard, then the shipper will issue the Bill of land-ing (B/L). This document confirms that goods had been taken on the ship and are ready forshipping. This is the proof for receivers and banks that the goods are ready for shipment.

#### **Certificate of Origin (C/O)**

 This is very important document as it can lower the import duties in some cases and without this sometimes exporting is impossible. This document will prove that the goods are from the country by which the C/O is issued.

Also, the C/O contains the producer data. This is an official doc what can be issued only by country export and trading authorities.

# **Material safety sheet (MSD)**

Sometimes this document is required by importing country custom.
 This doc can be issued by the exporter and must confirm that product is not harmful to the humans and nature. This doc is usually required for liquids.

# Freight insurance certificate

#### Not mandatory

- If the goods are precious then usually the buyer requires that exporter signs insurance-policyfor the goods. The insurance certificate is issued by companies who provide insurances.
- There are lot more documents and procedures that are required if exporting some specific product. For food product, the exporter needs to provide health inspection certificates and sanitary certificates.



#### 13.3 EASE OF DOING BUSINESS

• The Ease of Doing Business (EoDB) index is a ranking system established by the World Bank Group. In the EODB index, 'higher rankings' (a lower numerical value) indicate better, usually simpler,

regulations for businesses and stronger protections of property rights.

- It is computed by aggregating the distance to frontier scores of different economies. The dis- tance to frontier score uses the 'regulatory best practices' for doing business as the parameter and benchmark economies according to that parameter.
- For each of the indicators that form a part of the statistic 'Ease of doing business,' a distance to frontier score is computed and all the scores are aggregated. The aggregated score be-comes the Ease of doing business index.

Indicators for which distance to frontier is computed include construction permits, registration, getting credit, tax payment mechanism etc. Countries are ranked as per the index.

#### The ranking is based on 10 parameters in different areas of business:

- 1. Starting a business
- 2. Dealing with construction permits
- 3. Getting electricity
- 4. Registering property
- 5. Getting credit
- 6. Protecting minority investors
- 7. Paying taxes
- 8. Trading across borders
- 9. Enforcing contracts
- 10. Resolving insolvency

Rankings and weights on each of the above parameters are used to develop an overall EoDB ranking. A high EoDB ranking means the regulatory environment is more conducive for starting and operating businesses.

In 2014, the Government of India launched an ambitious program of regulatory reforms aimed at making it easier to do business in India. The program represents a great deal of effort to create a more business-friendly environment. The efforts have yielded substantial results with India jumping 65 places in the Doing Business rankings since 2014. Positive changes have led to this impressive improvement in India's ranking in the EoDB index.

EODB rankings are carefully evaluated by foreign investors when they look to start a firm in any country.

10 top improvers are Saudi Arabia, Jordan, Togo, Bahrain, Tajikistan, Pakistan, Kuwait, China, India, and Nigeia.

#### **About Doing Business project:**

It provides objective measures of business regulations and their enforcement across 190 economies and selected cities at the subnational and regional level.

Launched in 2002, looks at domestic small and medium-size companies and measures the regulations applying to them through their life cycle.

This year's study covers 12 indicator sets and 190 economies. Ten of these areas—starting a business, dealing with construction permits, getting electricity, registering property, getting credit, protecting minority investors, paying taxes, trading across borders, enforcing con- tracts, and resolving insolvency—are included in the ease of doing business score and ease of doing business ranking.

Doing Business also measures regulation on employing workers and contracting with the government, which are not included in the ease of doing business score and ranking.

#### **Performance of India:**

India went up 14 rungs in the 2020 survey to score a 63, making it the one of world's top 10most improved countries for the third consecutive time.

However, India failed to achieve government's target of being at 50th place. It was 77th last

year.

This is the third year in a row that India has made it to the top 10 in Doing Business, whichis a success which very few countries have done over the 20 years of the project.

#### **Challenges:**

India still lags in areas such as enforcing contracts (163rd) and registering property (154th).

It takes 58 days and costs on average 7.8% of a property's value to register it, longer and at greater cost than among OECD high-income economies.

It takes 1,445 days for a company to resolve a commercial dispute through a local first-in- stance court, almost three times the average time in OECD high-income economies.

Sustained business reforms over the past several years helped India improve its ranking. India conducted four reforms in the 12-month period to May 1. Among other improvements, India made the process of

obtaining a building permit more efficient.

Importing and exporting also became easier for companies with the creation of a single elec-tronic platform for trade stakeholders, upgrades to port infrastructure and improvements to electronic submission of documents.

With a rank of 63/190, World Bank now deems India an easier place to do business in than BRICs peers such as Brazil (109) and South Africa (82). However, China has a better rank (46). India's Doing Business Score is 67.23 out of 100.

India's climb in the 2019 rankings seems to have come mainly from sharply higher scores on two 'doing business' indicators — securing construction permits and trading across the borders. It also made smaller improvements in starting a business and getting credit.

India's score remains dismal on registering property, where it ranks 166. While it takes 69 days to register a piece of property in India, in New Zealand this can be done in a single day!

Another major bottleneck in India is regarding paying taxes. While many Indian businesses make about 13 tax payments in a year (giving away as much as 53 per cent of their profits), those in in Hong Kong make just three payments a year. The average tax rate across global economies is less than half of the Indian rate.

Though the Ease of Doing Business Report acts as an indicator to understand the ease of doing business with respect to companies in major cities, it has many shortcomings.

In India it does not cover Proprietary and Partnership Firms – Despite the fact that propri- etorship and partnership firms dominate the small business space.

The Ease of Business Report in India covers only Mumbai and Delhi. It does not take into account the red-tapism experienced by the business firms located in tier 2 or tier 3 towns. Delhi and Mumbai cannot be taken as an exact sample of India. Actually, it is the single-win-dow clearance for securing building permits in Delhi and a new online system in Mumbai brought about this quantum change in India's rankings recently.

In 2015, the government's goal was to join the 50 top economies on the ease of doing busi-ness ranking by 2020. While the competition to move up the ladder would increase and become much tougher, India is on track to be within top 50 of the Ease of Doing business inthe next year or two. And to come under 25 or below 50, the government needs to announce and start implementing next set of ambitious reforms now, as these reforms takes a few years to be realized on the ground.

#### 13.4 SINGLE WINDOW CLEARANCE

As part of the 'Ease of Doing Business' initiatives, the Central Board of Excise & Customs, Government of India has taken up implementation of the Single Window Project to facilitate the Trading Across Borders in India. The 'India Customs Single Window' would allow import- ers and exporters, the facility to lodge their clearance documents online at a single point only. Required permissions, if any, from other regulatory agencies would be obtained online withoutthe trader having to approach these agencies. The Single Window Interface for Trade (SWIFT), would reduce interface with Governmental agencies, dwell time and the cost of doing business.

It allows importers and exporters, the facility to lodge their clearance documents online at a sin-gle point only. Required permissions, if any, from other regulatory agencies would be obtained online without the trader having to approach these agencies.

Efficient information systems and procedures can significantly increase the speed at which goods can move, reduce costs, improve business efficiency, and enhance the overall economic performance of the country. It is a facility that allows parties involved in trade and transport to lodge standardized information and documents with a single entry point to fulfil all import, export, and transit-related regulatory requirements. If information is electronic, then individual data elements should only be submitted once.

A Single Window can be an important trade facilitation tool. The WTO Trade Facilitation Agreement encourages all its members to set up a Single Window. (Article 10.4). The Interna-tional Chamber of Commerce Custom Guidelines 2012 also support the use of a national Single Window and the WCO developed guidelines on how to set up a Single Window.

# If implemented effectively, a Single Window project can achieve the following benefits:

For the government as a whole: increase in government revenue, enhanced compliance with rules, improved efficiency in resource allocation, better trade statistics,

For economic operators, such as traders: faster clearance times, a more transparent and pre-dictable process and less bureaucracy,

For an administration such as Customs: improved staff productivity through the upgraded infrastructure, increase in customs revenue, a more structured and controlled working envi-ronment, and enhanced professionalism,

For the national economy as a whole: improved transparency and governance and reduced corruption, due to fewer opportunities for physical interaction.

In India this system was introduced under "Make in India" initiative in 2014. It involves routing of all approvals required by an enterprise to set up a business through a hassle free common application window. It envisages to merge all licences required to set up business in India into a single hub and expedite the ease of doing business.

#### > SECTION 5

#### 13.5 CORPORATE TAX

Indian taxation system is divided into two types: Direct Taxes and Indirect Taxes. Direct tax is levied on the income that different types of business entities earn in a financial year. There are different types of taxpayers registered with Income tax department and they pay taxes at different rates. For example, an individual and a company being a taxpayer are not taxed at the same rate. Therefore, Direct Taxes are again subdivided as:

**Income Tax:** This tax is paid by the taxpayers other than companies registered under company law in India on the income earned by them. They are taxed on the basis of slabs at different rates.

**Corporate Tax:** This tax is paid by the companies registered under company law in India on the net profit that it makes from businesses. It is taxed at a specific rate as prescribed by the income tax act subject to the changes in the rates every year by the IT department.

Domestic as well as foreign companies are liable to pay corporate tax under the Income-tax Act. While a domestic company is taxed on its universal income, a foreign company is only taxed on the income earned within India i.e. is being accrued or received in India.

For the purpose of calculation of taxes under Income tax act, the types of companies can be defined as under:

**Domestic Company:** Domestic company is one which is registered under the Companies Act of India and also includes the company registered in the foreign countries having control and management wholly situated in India. A domestic company includes private as well as public companies.

**Foreign Company:** Foreign company is one which is not registered under the companies act of India and has control & management located outside India.



# **Corporate Tax Rate Slashed**

In the Budget 2019, the government announced major changes in corporate income tax rates torevive growth in the broader economy.

The government slashed corporate tax rates for domestic firms from 30% to 22% and fornew manufacturing companies from 25% to 15% to boost economic growth.

Corporate tax is a tax imposed on the net income of the company. The new effective tax rate inclusive of surcharge and cess for domestic companies would be 25.17% and for new domestic manufacturing companies would be 17.01%.

These rates are applicable to those companies who forego the current exemptions and incentives.

Also, the Minimum Alternate Tax (MAT) will not apply to such companies.

The reduction in the corporate tax rate for domestic companies became effective from 1stApril 2019.

The change for new domestic companies applies for those which got incorporated on or after1st October 2019 and start producing on or before 31st March 2023.

The provisions affecting these changes have been inserted in the Incometax Act through an ordinance.

## **Impact:**

The move is expected cost the government Rs 1.45 lakh crore annually. This increases the chances of higher fiscal deficit and government may have to resort to spending cuts or em- bark on higher disinvestments.

It was expected to give a great stimulus to 'Make In India', attract private

investment from across the globe, improve the competitiveness of the private sector, create more jobs.

The reduction in corporate tax, effectively, brings India's 'headline' corporate tax rate broad-ly at par with an average of 23% rate in Asian countries.



### 13.6 FICCI/ASSOCHAM/MSM INDUSTRIES

#### **FICCI**

Internal trade or domestic trade as it is known as one of the most important aspects of a coun-try's economy. A healthy trade sector indicates a healthy economy. So it is only obvious thatthe government focuses their attention to promote and protect internal trade, and the Indian Chambers of Commerce does just that.

Established in 1927, FICCI is the largest and oldest apex business organisation in India. Its history is closely interwoven with India's struggle for independence, its industrialization, and its emergence as one of the most rapidly growing global economies.

A non-government, not-for-profit organisation, FICCI is the voice of India's business and industry. From influencing policy to encouraging debate, engaging with policy makers and civil society, FICCI articulates the views and concerns of industry. It serves its members from the Indian private and public corporate sectors and multinational companies, drawing its strength from diverse regional chambers of commerce and industry across states, reach- ing out to over 2,50,000 companies.

FICCI provides a platform for networking and consensus building within and across sectors and is the first port of call for Indian industry, policy makers and the international business community.

#### The main functions of FICCI are:

Undertake economic research and encourages scientific research useful for the develop-mentof industry and commerce.

Arrange business education and technical education.

Publish periodicals for dissemination of information useful to business community.

Provide library facilities to members.

Offer advice and suggestion on management, quality improvement so as to improve compet-itive strength of Indian industry.

Arranges seminars, conferences and workshops on subjects of importance to business com-munity.

Send trade delegations abroad to explore foreign investment and assists in

negotiating bilat-eral trade agreements.

Resolve differences and disputes among members through arbitration.

#### ASSOCHAM

The Associated Chambers of Commerce and Industry of India (ASSOCHAM) is one of the apex trade associations of India. The organisation represents the interests of trade and commerce in India, and acts as an interface between issues and initiatives.

Established in 1920, it has in its fold more than 250 Chambers and Trade Associations, andserves more than 4,50,000 members from all over India. It has witnessed upswings as well as upheavals of Indian Economy, and contributed significantly by playing a catalytic role in shaping up the Trade, Commerce and Industrial environment of the country.

ASSOCHAM has emerged as the fountainhead of Knowledge for Indian industry, which is all set to redefine the dynamics of growth and development in the technology driven cyber age of 'Knowledge Based Economy'. ASSOCHAM is seen as a forceful, proactive, forwardlooking institution equipping itself to meet the aspirations of corporate India in the new world of business. ASSOCHAM is working towards creating a conducive environment of India business to compete globally.

ASSOCHAM derives its strength from its Promoter Chambers and other Industry/ Regional Chambers/Associations spread all over the country. Its vision is to empower Indian enter- prise by inculcating knowledge that will be the catalyst of growth in the barrierless technol-ogy driven global market and help them upscale, align and emerge as formidable player in respective business segments.

#### Mission

As a representative organ of Corporate India, ASSOCHAM articulates the genuine, legiti- mate needs and interests of its members. Its mission is to impact the policy and legislative environment so as to foster balanced economic, industrial and social development.

ASSOCHAM represents the interests of over 4,50,000 direct and indirect members across the country. Through its heterogeneous membership, ASSOCHAM combines the entrepre- neurial spirit and business acumen of owners with management skills and expertise of pro- fessionals to set itself apart as a Chamber with a difference.

Currently, ASSOCHAM has over 100 National Councils covering the entire gamut of eco-nomic activities in India. It has been especially acknowledged as a significant voice of Indian industry in the field of Corporate Social Responsibility, Environment & Safety, HR & Labour Affairs, Corporate Governance, Information Technology, Biotechnology,

Telecom, Banking & Finance, Company Law, Corporate Finance, Economic and International Affairs, Mergers & Acquisitions, Tourism, Civil Aviation, Infrastructure, Energy & Power, Education, Legal Reforms, Real Estate and Rural Development, Competency Building & Skill Development to mention a few.

ASSOCHAM has been a significant contributory factor in the emergence of new age IndianCorporates, characterized by a new mindset and global ambition for dominating the inter- national business. The Chamber has addressed itself to the key areas like India as Invest- ment Destination, Achieving International Competitiveness, Promoting International Trade, Corporate Strategies for Enhancing Stakeholders Value, Government Policies in sustaining India's Development, Infrastructure Development for enhancing India's Competitiveness, Building Indian MNCs, Role of Financial Sector the Catalyst for India's Transformation.

ASSOCHAM derives its strengths from the following Promoter Chambers: Bombay Cham-ber of Commerce & Industry, Mumbai; Cochin Chambers of Commerce & Industry, Cochin: Indian Merchant's Chamber, Mumbai; The Madras Chamber of Commerce and Industry, Chennai; PHD Chamber of Commerce and Industry, New Delhi.

ASSOCHAM members represent the following sectors:

Trade (National and International)

Industry (Domestic and International)

Professionals (e.g. CAs, lawyers, consultants)

Trade and Industry Associations and other Chambers of Commerce.

#### **MSME Industries**

Micro, Small and Medium Enterprise (MSME) sector is the backbone of the Indian econom-ic structure and acts as a bulwark for Indian economy, providing resilience to ward off globaleconomic shocks and adversities. In accordance with the Micro, Small, and Medium Enter-prises Development (MSMED) Act in 2006, the enterprises are classified into two divisions.

Manufacturing enterprises – engaged in the manufacturing or production of goods in any industry

Service enterprises – engaged in providing or rendering services.

Headquartered in New Delhi, the Mniistry of MSME is a branch of the Indian Government, which is the apex body for the formulation and administration of rules, and laws, pertaining micro, small, and medium-sized enterprises in the country.

Having created 11 crore job opportunities in India while contributing to the GDP by 29%, we can say that MSMEs are the heart of the Indian economy. And the change in the definition will enable Indian enterprises to carry out their businesses better.

Investment will no longer characterize MSMEs. In October 2019, Union Minister Nitin Gadkari said that the revised definition of micro, small, and medium enterprises may grant aunified description for all things related to taxation, investment, and more. The definition isto be implemented via an amendment that can further refine the business scenario for Indian enterprises. The Union Cabinet had approved the amendment to change the criteria to classify MSMEs from "investment in plant and machinery" to "annual turnover."

With low investment requirements, operational flexibility and the capacity to develop appro-priate indigenous technology, SMEs have the power to propel India to new heights.

### Importance of MSMEs in Indian economy

**Employment:** It is the second largest employment generating sector after agriculture. It provides employment to around 120 million persons in India.

**Contribution to GDP:** With around 36.1 million units throughout the geographical expanse of the country, MSMEs contribute around 6.11% of the manufacturing GDP and 24.63% of the GDP from service activities. MSME ministry has set a target to up its contribution to GDP to 50% by 2025 as India becomes a \$5 trillion economy.

**Exports:** It contributes around 45% of the overall exports from India.

**Inclusive growth:** MSMEs promote inclusive growth by providing employment opportuni-ties in rural areas especially to people belonging to weaker sections of the society.

**Financial inclusion:** Small industries and retail businesses in tier-II and tier-III cities createopportunities for people to use banking services and products.

**Promote innovation:** It provides opportunity for budding entrepreneurs to build creative products boosting business competition and fuels growth

#### 13.7 CHECK YOUR PROGRESS

1: Income tax is imposed by the state government.

True or False

**Ans: False** 

2: 'Make in India' initiative was launched by...Chose the right answer

A: Vajpayee government

B: NDA government

C: VP Singh government

D: Narendra Modi government

### Ans: (D) Narendra Modi government

3: Division of powers to levy taxes between centre and state is clearly defined.

True or False

#### **Ans: True**

4: Income tax and corporate tax come under indirect tax category.

True or False

#### **Ans: False**

5: GST stands for Good Service Tax.

True or False

#### **Ans: False**

6: Impex policy monitors business within the country.

True or False

#### Ans: False

7: The Ease of Doing Business (EoDB) index is a (... established by the World Bank Group.

# **Ans: Ranking system**

8: A high EoDB ranking means the regulatory environment is more conducive for starting and operating businesses.

True or False

#### **Ans: True**

9: Single Window Project is implemented to facilitate.

A: Trading across borders in India

B: Buying railway ticket

C : Selling of agri products

#### Ans: A: Trading across borders in India

10: Corporate Tax is paid by the foreign companies registered in India.

True or False

**Ans: False** 

#### 13.8 KEYWORDS

- Industrial growth: Strong industrial outlook for India.
- **GST:** Indirect tax for the whole country on the lines of "One Nation One Tax".
- **EoDB:** Ease of Doing Business index is a ranking system established

by the World Bank.

• **FICCI:** India's largest and oldest apex business organisation.

## 13.9 TO SUM IT UP

- Some major industries have shown positive growth
- The tax rates have been rationalized and tax laws have been simplified
- Under GST regime India has adopted the dual GST model in which both the Centre and States levy taxes
- India's EoDB rank shot up from 142 to 77 in five years from 2015 to 2019
- Domestic as well as foreign companies are liable to pay corporate tax in India under theIncome-tax Act

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UNIT:14

# INDIAN ENVIRONMENTAL POLICIES

## :: STRUCTURE::

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#### 14.0 INTRODUCTION

With a population of over 1.3 billion, India is soon set to dislodge China as the most populations country of the world. While India has one of the fastest growing populations in the world today, it's far behind most others when it comes to preserving the environment and the ecology. Today, our country is riddled with a number of environmental concerns

which have only aggravated in the last few decades. It is high time we tackled these issues headon as turning a blind eye is no solution. Even as India races ahead to join the league of top economies internationally, it must stick to a growth path that is environmentally sustainable. Neglecting the environment can create havoc and the damage done may become irreparable. So we must wake up and take remedial steps before it's too late.

However, growth has come at a severe cost to the country's environment in the form of de-forestation, pollution and threats to endangered species. A high standard of living in India has increased the demand for lumber and this has led to significant deforestation within the country.

#### 14.1 LEARNING OBJECTIVES

- Understand how environment affects growth.
- Explain to students the environmental problems in the country.
- Gain understanding of India's environmental policies.

#### On completion of this unit, you will be able to

- Know how India's environmental policies work.
- Have deep knowledge of India's natural resources.
- Understand various laws and rules on environment.



# 14.2 ISSUES THAT INDIA FACES ON THE ENVIRONMENTAL FRONT

#### **Pollution**

India is known for having some of the world's worst pollution record. A Central Pollution Control Board report says that more than 2,700 million litres per day of domestic sewage is discharged by cities located along the Ganga River. India's current environmental policy is dominated by the country's landmark National Environment Policy 2006.

Air pollution is one of the worst scourges to have affected India.

India also has major water pollution issues. Discharge of untreated sewage is the single most important cause for pollution of surface and ground water in India.

#### **Deforestation**

Deforestation is one of the major causes to the environmental degradation which is affected by the agents like small farmers, ranches, loggers and plantation companies. There is a broad consensus that expansion of cropped areas and pastures are a major source of deforestation. The term 'deforestation' describes the complete long term removal of tree cover. The loss of forest cover influences the climate and contributes to a loss of biodiversity. The economic activity is adversely affected by siltation, flooding, soil degradation and reduced timber supplies.

#### **Desertification**

Desertification is the process by which the biological productivity of drylands is reduced due to natural or manmade factors. It does not mean the expansion of existing deserts. There are several causes for desertification. They include overgrazing, deforestation, farming practices, urbanisation etc.

# **Invasion of exotic species**

Nearly half of India's geographical landmass is prone to invasion by alien plant species. A study suggests that 'invasion hotspots' that fall within croplands, rangelands and village biomes must be given immediate attention to control and eradicate such species. Andaman and Nicobar Islands, Andhra Pradesh, Assam, Dadra and Nagar Haveli, Daman and Diu, Goa, Kerala, Ma- nipur, Meghalaya Mizoram, Nagaland, Odisha, Pondicherry, Tamil Nadu, Tripura and West Bengal fall in 'high risk' category.

# Salinity ingress

Inland salinity in ground water is prevalent mainly in the arid and semi arid regions of Rajas- than, Haryana, Punjab, Gujarat, Uttar Pradesh, Delhi, Andhra Pradesh, Maharashtra, Karnataka and Tamil Nadu. Inland salinity is also caused due to practice of surface water irrigation without consideration of ground water status. The gradual rise of ground water levels with time has re-sulted in water logging and heavy evaporation in semi arid regions leading to salinity problem in command areas. The western and eastern coastline is also encountering problem of saline water overlying fresh water aquifer, fresh water overlying saline water and alternating sequenceof fresh water and saline water aquifers.

#### Natural disasters

In India, vulnerability to natural hazards is exacerbated by high population density and growth in urban and coastal areas. They cause massive losses of life and property. Droughts, flash floods, cyclones, avalanches, landslides brought by torrential rains, and snowstorms pose the greatest threats in the country. The main natural disasters bothering

the country arefloods, earthquakes, tsunamis and cyclones.

The National Disaster Management Authority (NDMA) is currently the nodal government agency dealing with disaster management in India.

#### **Encroachment of forest land**

Between October 1980 and July 2016, India has diverted almost 900,000 hectares of forest land for non-forest purposes. This amounts to 1.2% of India's total forest area as of 2015. According to the Ministry of Environment and Forests (MoEF), forest land diverted during this period stands at 1.49 million hectares, which is 1.9% of total forest area in 2015. Madhya Pradesh has the highest share at over 27%. Chhattisgarh ranked second at 9.4%, followed by Gujarat (7.1%), Punjab (7.1%), Maharashtra (6.7%) and Odisha at 5.4%. In Madhya Pradesh and Chhattisgarh, huge areas of land have been used up for coal and iron ore mining. Arunachal Pradesh, which accounts for 3.6% of the country's total forest land diverted, has used the land for hydel power generation. Rapid urbanization, building of roads, bridges, defence installations, etc. are responsible for this drastic erosion.

# **Groundwater Depletion**

Rapidly depleting levels of groundwater is one of the biggest threat to food security and live- lihood in the country. Accessing the groundwater has become increasingly difficult over the decades. According to news reports, excessive exploitation of limited groundwater resources for irrigation of cash crops such as sugarcane has caused a 6 percentage point decline in the availability of water within 10 metres from ground level. Low rainfall and drought are also reasons for groundwater depletion.

#### **Use of Plastics**

Unrestrained use of plastics is another major concern for the country. According to available data, India's demand for polymers is expected to go up from 11 million tonnes in 2012-13 to about 16.5 million tonnes in 2016-17. India's per capita plastic consumption went up from about 4 kg in 2006 to some 8 kg in 2010. By 2020 end, this is likely to shoot up to about 27 kg.

# **Garbage Disposal and Sanitation**

The country is facing massive waste management challenge. Over 377 million urban people live in 7,935 towns and cities and generate 62 million tonnes of municipal solid waste per annum. Only 43 million tonnes (MT) of the waste is collected, 11.9 MT is treated and 31 MT is dumped in landfill sites. Ancient practices such as manual scavenging are still in vogue in the country. Lack of safe garbage disposal systems in the country make India one of the most unhygienic countries in the world.

# **Loss of Biodiversity**

There are two main reasons India's environmental challenges are assuming gigantic proportions. Firstly, the exploding population and the needs of billions makes environmental sustain-ability a very difficult issue. The other big challenge is lack of environmental awareness and conservation. Despite the efforts of government and environmental agencies, there is a lack of substantial efforts from the masses.



#### 14.3 INDIAN POLICIES

The Ministry of Environment and Forests (MOEF) is the nodal agency in the administrative structure of the Central Government, for the planning, promotion, co-ordination and over- seeing the implementation of environmental and forestry programmes. The Ministry is also the Nodal agency in the country for the United Nations Environment Programme (UNEP).

The Central Pollution Control Board (CPCB), statutory organisation, was constituted in Sep- tember, 1974 under the Water (Prevention and Control of Pollution) Act, 1974. Principal functions of the CPCB, as spelt out in the Water (Prevention and Control of Pollution) Act, 1974, and the Air (Prevention and Control of Pollution) Act, 1981, is to promote cleanliness of streams and wells in different areas of the States by prevention, control and abatement of water pollution, and also to improve the quality of air and to prevent, control or abate air pollution in the country.

# **National Environment Policy**

The National Environment Policy of India aims at mainstreaming environmental concerns into all developmental activities. It emphasises conservation of resources, and points that the best way to aid conservation is to ensure that people dependent on resources obtain better liveli- hoods from conservation, than from degradation of the resources. It highlights the principles underlying the policy that emphasise

- Important role of human beings in the sustainable development processes
- The non-negotiability and incomparable value of environmental resources
- Right to development for all

- Equity in the use of environmental resources and
- The need for the decentralised and multi-sectoral approach in dealing with environmentalissues.

# Water (Prevention & Control of Pollution) Cess Act, 1977, amended 1992 & 2003

This was enacted to provide for the levy and collection of a cess on water consumed by persons operating and carrying on certain types of industrial activities. This cess is collected with a viewto augment the resources of the Central Board and the State Boards for the prevention and con-trol of water pollution constituted under the Water (Prevention and Control of Pollution) Act, 1974. The Act was last amended in 2003.

## Air (Prevention and Control of Pollution) Act 1981, amended 1987

This is an Act to provide for the prevention, control and abatement of air pollution in the coun-try so as to preserve the quality of air. Central and State Boards constituted under section 3 and 4 of Water (Prevention and Control Pollution) Act, 1974 were deemed also as Central and StateBoards for Prevention and Control of Air Pollution.

#### Environment (Protection) Act, 1986, amended 1991

As per this Act, the Central Government shall have the power to take all such measures for the purpose of protecting and improving the quality of the environment and to prevent environ- mental pollution. Further, it shall have the power to give directions in writing to any person or officer or any authority for any of the purposes of the Act, including the power to direct the closure, prohibition or regulation of any industry, operation or process. No person carrying on an industry, operation or process shall discharge or emit any environmental pollutant in excess of standards prescribed by the Government.

# Wildlife (Protection) Act, 1972, amended 1993, 2002 and 2006

This was enacted with the objective of effectively protecting the wild life of this country and to control poaching, smuggling and illegal trade in wildlife and its derivatives. Punishment and penalty for offences under the Act have been made more stringent. Specifically it provides for creation of a network of Protected Areas consisting of National Parks, Wildlife Sanctuaries, Tiger Reserves, Conservation Reserves and Community Reserves. The Wildlife Crime Control Bureau (WCCB) was constituted to monitor and control the illegal trade in wildlife products.

#### 14.4 CLIMATE CHANGE

# An Indian perspective on international treaties and its position, COP etc

Climate change is no more a foreign issue in the country. Like most other countries, India is highly prone to climate related catastrophes like floods, droughts, heat waves and cyclones. Climate change can be closely linked with the economic growth and development of a nation. The key areas where the impact of climate change has proved to be calamitous in Indian sub-continent are:

Forests, agriculture, water, biodiversity and climate change.

India's stance on climate change has blended genuine concern for the issue with a resolute re- fusal to consider limiting its own emissions. India began formulating policies to support renew- able energy in its 2008 National Climate Change Action Plan. Successive Indian governments have maintained that poverty reduction and expanding access to energy, not reducing emis- sions, must be the country's chief priorities. India repeated its stance at the UN Climate Summitin 2014 that India would not limit its emissions for at least thirty years.

Five defining periods can be identified in climate change negotiations – from Rio in 1992 to Kyoto in 1997, the second from Montreal (2005) to Bali (2007), third from Copenhagen (2009) to Cancun (2010), and fourth from Durban (2011) to Paris (2015) which was a period for ne- gotiations for post 2020 climate agreement. The fifth period (post 2015) has focused on the implementation of Paris Agreement. Each of these periods has been marked by India's strong position on negotiations.

Since 1992, Indian negotiators have demanded that developed countries take more responsibility for carbon emissions, adhering resolutely to the provisions of the UNFCCC. The COP meetings in Copenhagen, Cancun and Durban demonstrated that India's political leadership can be more willing to give up entrenched positions than the professional negotiators.

# The Paris Agreement

• The earlier defensive Indian negotiation line has given way to a much more proactive ap- proach. An example is India's initiative to form an alliance of 120 countries pursuing greater utilisation of solar power at the 2015 Paris summit. India strongly supports the Paris Agree-ment, highlighting the need for collaboration between countries to develop eco-friendly technologies, and to strengthen the 2009 Green Climate Fund to help developing countries achieve their goals.

The US administration's decision to withdraw from the Paris Agreement was a discourage-ment, but it only strengthened the resolve of Indian policymakers to go above and beyond the Intended Nationally Determined Contributions (INDCs) as agreed in the 2015 Paris summit. With the new ambitions to "Make in India", the country has emerged as more self-confident in future climate change negotiations.

→ SECTION 4

#### 14.5 WILDLIFE PROTECTIONACT



India is one of the 17 mega diversities in the world and is home to 7.6% of all mammal, 12.6% of bird, 6.2% of reptile, and 6.0% of flowering plant species. The country also has some of the most biodiverse regions on the planet and it comprises of four of 35 biodiversity hotspots of the world like the Western Ghats, the Eastern Himalayas, Indo-Burma and Nico-bar Islands in Sundaland. So far, the country's wildlife is preserved in 120+ national parks,515 wildlife sanctuaries, 26 wetlands, and 18 Bio-Reserves, out of which 10 are part of the World Network of Biosphere Reserves. Evidently, this large biodiverse land needs protection, and inarguably conservation is a mandatory measure.

The Government took effective initiatives to conserve wildlife in the country, and amongst it, most commendable initiatives is the Wildlife Protection Act of 1972, which provides forprotection to listed species of flora and fauna and establishes a network of ecologically important protected areas.

The Act empowers the central and state governments to declare any area a wildlife sanctuary, national park or closed area. It provides for authorities to administer and implement the Act, regulate the hunting of animals, protect specified plants, sanctuaries, national parks, and closed areas.

## 14.6 NATIONAL GREEN TRIBUNAL

National Green Tribunal is a specialised body set up under the National Green Tribunal Act(2010) for effective and expeditious disposal of cases relating to environmental protection and conservation of forests and other natural resources. With the establishment of the NGT, India became the third country in the world to set up a specialised environmental tribunal, only after Australia and New Zealand, and the first developing country to do so. NGT is mandated to make disposal of applications or appeals finally within 6 months of filing of thesame.

NGT is a statutory body that has replaced National Environment Appellate Authority. It draws inspiration from the India's constitutional provision of Article 21, which assures the citizens of India the right to a healthy environment. The Tribunal has jurisdiction over all civil cases involving substantial question relating to environment. Being a statutory adjudi-catory body like Courts, NGT also has appellate jurisdiction to hear appeal as a Court (Tri-bunal).

Over the years NGT has emerged as a critical player in environmental regulation, passing strict orders on issues ranging from pollution to deforestation to waste management. It offers a path for the evolution of environmental jurisprudence by setting up an alternative dispute resolution mechanism. It helps reduce the burden of litigation in the higher courts on envi- ronmental matters.

NGT is less formal, less expensive, and a faster way of resolving environment related dis- putes. It plays a crucial role in curbing environment-damaging activities. Its chairperson and members are not eligible for reappointment, hence they are likely to deliver judgements independently, without succumbing to pressure from any quarter.



# 14.7 ALTERNATIVE SOURCE OF ENERGY AND SOLAR POWER

The rapid increase in the demand of energy has caused worry about its supply. The main sources of energy are conventional sources. They are non-renewable and exhaustible sources. By the year 2030-35 if alternative sources of energy do not substitute or supplement them, sources of energy like Petroleum and Natural gas are under threat of

vanishing. There is need to con- centrate on alternative and non-conventional and renewable energy sources. Main alternative source of energy are as follows:

**Compressed Natural Gas (CNG):** It is a mix of hydrocarbon found under-ground in which there is 80% to 90% methyl gas. It produces very low pollution in comparison to petrol and diesel this is the most important benefit of CNG.

**Gasohol:** It is another alternative fuel in which petrol is mixed in the alcohol obtained from sugarcane juice. Increasing loss in petroleum in India and pollution can be checked by using Gasohol.

**Bio-diesel:** It is ultra low Sculpture diesel, which is also an alternative fuel produces even low pollution comparing to CNG. Solar power is an importan alternative source of energy.

Alternative fuels have many advantages. They are generally renewable and non-exhaustible, are available domestically and don't require to depend on imports. These fuels are less expen- sive comparatively and produce less pollution.

However, technological up gradation is required besides huge investment.

# Solar power

Debate of global warming and climate change is compelling the world to move from fossil based energy towards clean and green energy. India facing problems in fulfilling its energy demand, solar energy can play an important role in providing energy security. The radiationthat is received from the sun and utilized in the form electricity and thermal energy by using various available technologie like photovoltaic panels, solar heater etc.

India being a developing economy needs proper electricity for industrial growth and agricul-ture. India also needs self sufficiency and minimal cost in power generation, assured regular supply, which will boost industries and economy.

Lying in the tropical belt, India has an advantage of receiving peak solar radiation for 300 days, amounting 2300-3,000 hours of sunshine equivalent to above 5,000 trillion kWh. In- dia's current installed solar power capacity, according to Central electricity authority, is 34% of total renewable energy sources till February 2019.

#### 14.8 CENTRAL POLLUTION CONTROL BOARD

The Central Pollution Control Board (CPCB) of India is a statutory organisation under the Min-istry of Environment and Forests (MoEF). It was established in 1974 under the Water (Preven-tion and Control of pollution) Act, 1974. CPCB is also entrusted with the powers and functionsunder the Air (Prevention and Control of Pollution) Act, 1981. It serves as a field formation and also provides technical services to the Ministry of Environment and Forests under the provisions of the Environment (Protection) Act, 1986. It co-ordinates the activities of the State Pollution Control Boards by providing technical assistance and guidance and also resolves disputes among them. It is the apex organisation in country in the field of pollution control, as a technical wing of MoEF.

# Functions of CPCB Air quality/ pollution



CPCB runs nationwide programs of ambient air quality monitoring known as National Air Quality Monitoring Programme (NAMP). The network consists of 621 operating stations covering 262 cities/towns in 29 states and 5 Union Territories of the

country. Under NAMP, four air pollutants viz., Sulphur Dioxide (SO2), Oxides of Nitrogen as NO2, Suspended Particulate Matter (SPM) and Respirable Suspended Particulate Matter (RSPM/ PM10) have been identified for regular monitoring at all the loca- tions. The monitoring of meteorological parameters such as wind speed and wind direction, relative humidity (RH) and temperature were also integrated with the monitoring of air quality. This information on Air Quality at ITO is updated every week.

#### Water quality/ pollution:



Fresh water is a finite resource essential for use in agriculture, industry, propagation of wildlife & fisheries and for human existence. India is a riverine country. It has 14 major rivers, 44 medium rivers and 55 minor rivers besides numerous lakes,

ponds and wells which are used asprimary source of drinking water even without treatment. Most of the rivers be-ing fed by monsoon rains, which is lim- ited to only three months of the year, run dry throughout the rest of the year often carrying wastewater discharges from industries or cities or towns endangering the quality of our scarce water resources.

#### Urban area programs

CPCB programs for urban areas, also known as EcoCity Program, aims to improve environment through implementation of identified environmental improvement projects in the selected towns and cities.

#### **Solid Waste**

Every municipal authority comes under the Municipal Solid Wastes (Management & Handling) Rules, 2000 (MSW rules,2000) and responsible for collection, segregation, storage, transportation, processing and disposal of municipal solid. CPCB collects necessary information form municipal authorities and provide them technical assistance.

#### **Noise Pollution**

Various sources like industrial activity, construction activity, generator sets, loud speakers, public address systems, music systems, vehicular horns and other mechanical devices have deleterious effects on human health. CPCB has the responsibility to regulate and control noise producing and generating sources with the objective of maintaining the ambient air quality standards.



#### 14.9 INDIAN METEOROLOGICAL DEPARTMENT(IMD)

Indian Meteorological Department (IMD) established in 1875. It is the principal government organization in matters relating to Meteorology, Seismology and allied subjects. Its main objective is to provide meteorological information for weather sensitive activities like avia-tion, shipping, agriculture, off shore fishing and oil exploration and industries. It also issues warning against severe weather conditions like cyclone, dust storm, heavy rainfall, cold and heat waves. The department records earthquakes and conducts research.

IMD participates in various international research which studies monsoon mechanism. Var-ious forecasting helps farmers to plan their agricultural activities. IMD has installed many digital receivers on east and west coast to disseminate information on cyclone and other oceanic phenomena.

Thus IMD through its various activities certainly plays a significant role in creating aware- ness about importance of climate and weather in life and economy of India. IMD has certain-ly played vital role in India



#### ⇒ SECTION 9

#### 14.10 PROTECTED AREAS AND SPECIES

Protected areas were formed after the Wildlife Protection Act, 1972 was passed. There are four protected areas: National parks, Wildlife sanctuaries, Community reserves and Conser-vation reserves. As of 2016 they covered 4.9% of India's area. Currently, Madhya Pradesh and Andaman and Nicobar islands have maximum numbers of national parks (nine each); followed by Kerala, Maharashtra and Uttarakhand and West Bengal (six each). Maximum numbers of wildlife sanctuaries are present in the Andaman and Nicobar Islands (96) fol-lowed by Maharashtra (41) and Tamil Nadu (29).

National parks and sanctuaries are areas of significant ecological, floral, faunal or natural significance. Hunting of wild animals, encroachment and/or destruction of habitat, construction of tourist lodges and other such activities are prohibited in protected areas.

#### Wildlife Sanctuaries and National Parks

Both of these are declared by Central and respective state governments under provisions of the WLPA. Wildlife sanctuaries are present in all states. Both these areas are of ecological significance. National parks enjoy higher degree of protection as certain activities like grazing which is regulated in sanctuaries, isn't permitted in national parks. Sanctuaries are formed for particular species but not national parks which may be for multiple species. Boundaries of national parks and sanctuaries are be fixed by a notification.

However no alterations can be made except on recommendation of the National Board of Wildlife. Certain national parks and wildlife sanctuaries which support a good tiger population have been re-designated as tiger reserves, and these PAs enjoy a special status with the highest level of protection. At present, there are a total of 49 tiger reserves in our country.

# **Community and Conservation reserves**

They can be setup under Wildlife Protection Act, 1972 amendment. They want a flexible system without compromising the community needs. This was conservation of landscape, seascape and habitat. Community reserves are setup in private land with consent of owners by a notification of the state government. The tradition, customs are protected and also habitat of flora and fauna.

#### **Coastal Protection Areas**

These are formed to protect and conserve marine ecosystems in pristine conditions. Marine protected areas are for conservation of mangroves, lagoons, corals, sea grass beds and estuaries.

#### **Biosphere Reserves**

UNESCO came with the functions and concept of Biosphere reserve. These are areas where community and environment can co-exist while respecting each other's needs. Such sites are recognised under UNESCO's Man and Biodiversity program. The scientific work carried out inBR's is shared with the global community to share best practices on sustainable development. BR's are maintained by State or UT's with financial support of the Union. India has three bio-diversity hotspots namely Eastern Himalayas, Western ghats and Indo Burma.

India's biogeographic zones possess an exemplary diversity of ecological habitats like alpine forests, grasslands, wetlands, coastal and marine ecosystems, and desert ecosystems. India has four out of thirty-four global biodiversity hotspots, which is an indicator of high degree of en-demism (of species) in India. About 5,150 plant species and 1,837 animal species are endemic to India. Many endangered species are being bred in zoos, to boost populations and reintroducethem into the wild. But this is worthless if there is not adequate habitat left in the wild.

#### 14.11 TRIBALS AND THEIR ISSUES

What draws India closer to an obscure and indifferent picture are the indigenous tribes. Far from the contemporary trend and economical development, they own their personal identity as Adivasi having their own language, religion, festivals, cuisine, dance and music. They also significantly hold a contrasting patriarchal and matriarchal society.



Total population of Scheduled Tribes in India is 10,42,81,034 persons, constituting 8.6 per cent of the population of India. The tribal population in India represents an enormous diversity of groups. They vary among themselves in respect of language and linguistic traits, ecological settings in which they live, physical features, size of the population, the extent of acculturation, dominant modes of making a livelihood, level of development and social stratification.

Some of the major tribes of India are: Gond, Bhil, Santhal, Great Andaman tribes, Khasi, Garo, Angami, Munda, Bhu- tia, Chenchu, Kodava, Toto, Irulas, Bodo, Nyishi, Siddis, Soliga, Kurumban, Toda and Warli tribes.

A majority of the ST population is con- centrated in the eastern, central and western belt covering the nine States of Odisha, Madhya Pradesh, Chhattisgarh, Jharkhand, Maharashtra, Gujarat, Rajas- than, Andhra Pradesh and West Bengal.

More than half the country's 104 million tribal population now resides outside In- dia's 809 tribal majority blocks. India's tribal population is over-dependent on agriculture and forest-related livelihood sources.

Poverty and indebtedness is another prob- lem that the tribals face. Most of their oc- cupation falls into the primary category of hunting, gathering, and agriculture. The technology they use for these purposes are of the

most primitive kind. Hence their per capita income is much less than the Indian average. Tribal population also suf-fers from chronic infections and diseases. They suffer from deficiency diseases. The Himalayan tribes suffer from goiter due to lack of iodine. Leprosy and tuberculo- sis are also common among them. Infant mortality is very high among some of the tribes.

Besides, the Criminal Tribes Act which the British introduced gave an impression that the tribals were either criminals or anti socials. Tribal groups such as Kolis, Mundas, Khasis and Santhals who fought against the British, were branded as daco- its and robbers. The British also promot-ed missionary activities especially in the Central and North Eastern hills. All these activities alienated tribals which continues even today.

## 14.12 CHECK YOUR PROGRESS

- 1: Most polluted river in the world is
- A: Yamuna
- B: Cauvery
- C: Chenab
- D: Ganga
- Ans: (D) Ganga
- 2: What is the result of Air pollution
- A: Global warming
- B: Respiratory problems
- C: Soil erosion
- D: None of these

#### **Ans: (B) Respiratory problems**

- 3: Pollution of water is responsible for
- A: Oil refineries
- B: Paper factories
- C: Sugar mills
- D: All

#### Ans: (D) All

- 4: Excess of fluoride in drinking water causes:
- A: Lung disease
- B: Intestinal infection
- C: Fluorosis
- D: None of the above

#### Ans. (C) Flurosis

- 5: What is Air Quality Index?
- A: It tells about the sound pollution
- B: It measures air pollution mainly sulphur content in the air

C: It measures ozone levels in your area

D: It checks the colour of the air

## Ans. (C) It measures ozone levels in your area

6: What does Ozone layer absorb?

A: g-rays

B: x-rays

C: Infrared rays

D: Ultraviolet rays

#### Ans: (D) Ultraviolet rays

7: Kyoto Protocol, an agreement signed by various countries, is associated with

A: International trade

B: Deep sea oil and mineral exploration

C: Clean environment and climate change

D: Building common food stock to save human beings from any natural disaster

## Ans: (C) Clean environment and climate change

8: Which of the fuels causes minimum environmental pollution?\

A: Coal

B: Hydrogen

C: Diesel

D: Kerosene

#### Ans: (B) Hydrogen

9: Which are the sources of arsenic pollution?

A: Coal and petroleum

B: Detergents and pesticides

C: Mine tailings

D: All of the above

#### Ans: (D) All of the above

10: The country is facing massive waste management challenge True or

False

**Ans: True** 

# 14.13 KEYWORDS

**Environment** Environmental pollution, deforestation, endangered

species, growth, economy.

**Pollution** Air, water, sewage discharge.

**Natural disasters** Population density and growth in urban and coastal

areas. Droughts, flash floods, cyclones, avalanches,

landslides brought by torrential rains, and

snowstorms.

**Sanitation** The country is facing massive waste management

challenge.

#### **14.14 TO SUM IT UP**

Growth has come at a severe cost to the country's environment in the form of deforestation, pollution and threats to endangered species.

Rapidly depleting levels of groundwater is one of the biggest threats to food security andlivelihood in the country.

Nearly half of India's geographical landmass is prone to invasion by alien plant species.

Unrestrained use of plastics is another major concern for the country.

National Environment Policy of India aims at mainstreaming environmental concerns into all developmental activities.

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# યુનિવર્સિટી ગીત

સ્વાધ્યાયઃ પરમં તપઃ સ્વાધ્યાયઃ પરમં તપઃ સ્વાધ્યાયઃ પરમં તપઃ

શિક્ષણ, સંસ્કૃતિ, સદ્ભાવ, દિવ્યબોધનું ધામ, ડૉ. બાબાસાહેબ આંબેડકર ઓપન યુનિવર્સિટી નામ; સૌને સૌની પાંખ મળે ને સૌને સૌનું આભ, દશે દિશામાં સ્મિત વહે, હો દશે દિશે શુભ-લાભ.

અભણ રહી અજ્ઞાનના શાને, અંધકારને પીવો ? કહે બુદ્ધ આંબેડકર કહે, તું થા તારો દીવો; શારદીય અજવાળાં પહોંચ્યાં ગુર્જર ગામે ગામ ધ્રુવતારકની જેમ ઝળહળે એકલવ્યની શાન.

સરસ્વતીના મયૂર તમારે ફળિયે આવી ગહેકે અંધકારને હડસેલીને ઉજાસનાં ફૂલ મહેંકે; બંધન નહીં કો' સ્થાન સમયનાં જવું ન ઘરથી દૂર, ઘર આવી મા હરે શારદા દૈન્યતિમિરનાં પૂર.

સંસ્કારોની સુગંઘ મહેંકે,મન મંદિરને ધામે સુખની ટપાલ પહોંચે સૌને પોતાને સરનામે; સમાજ કેરે દરિયે હાંકી શિક્ષણ કેરું વહાણ, આવો કરીએ આપણ સૌ ભવ્ય રાષ્ટ્રનિર્માણ... દિવ્ય રાષ્ટ્રનિર્માણ... ભવ્ય રાષ્ટ્રનિર્માણ

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