

30/04/2024

TOPICS COVERED

1. NCW says 'no information' on the political affiliation of its Chairperson, Members (30 April) (GS Paper II: Statutory Bodies)
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NCW says 'no information' on the political affiliation of its Chairperson, Members (30 April) (GS Paper II: Statutory Bodies)

National Commission for Women (NCW)

- **Statutory Body:** Established in 1992 under the National Commission for Women Act, 1990, the NCW is a statutory body of the Indian government. It works as the apex national body to protect and promote the rights of women in the country.

Mandate

The NCW has a broad mandate that includes:

- **Review of Laws:** Examine existing constitutional and legal safeguards for women, recommend amendments, and suggest new legislation.
- **Complaint and Investigation:** Address cases of rights violation and atrocities against women, conduct inquiries and facilitate redressal processes.
- **Policy Recommendations:** Advise the government on policy matters affecting women.
- **Awareness and Sensitization:** Promote social awareness about women's rights through workshops, seminars, training programs, and campaigns.

Composition

- **Chairperson:** A woman of standing, committed to the welfare of women, appointed by the Central Government.
- **Members:** Nominated by the Central Government, including experts on women's issues from various fields, as well as representatives from social welfare organizations.
- **Member Secretary:** An officer who heads the administrative functions of the Commission.

Key Focus Areas

- **Legal Reforms**

- **Violence Against Women**
- **Economic Empowerment**
- **Political Participation**
- **Education and Training**
- **Health and Nutrition**

How to Approach the NCW

- **Complaints:** Women facing rights violations can file complaints directly with the NCW via post, email, or online form on the NCW website.
- **Research and Resources:** The NCW website provides information on various laws, schemes, and reports related to women's issues.

- The National Commission for Women (NCW) stated it has no information on whether its Chairperson and Members are members of any political party.
- This response came in reply to a query under the Right to Information Act, 2005.
- The NCW is a statutory body established under the NCW Act, 1990, by the Ministry of Women and Child Development, with members nominated by the government of India.
- Specific questions about the participation of Chairperson and Members in political meetings and potential legal consequences received the same response: "No such information is available."
- Petitioner Raj Kapil observed an NCW Member attending BJP political events while serving on the NCW, having previously been a member of the BJP's national executive committee.
- Kapil believes NCW members should not be affiliated with any political party during their term to maintain neutrality and unbiased service.
- The NCW's response of "no information available" raises questions about transparency and accountability, casting doubt on the decisions made by the commission and whether they are politically biased.

The physics and maths of keeping elections fair and representative (30 April) (GS Paper II: Elections in India)

While mathematical analysis helps sharpen an algorithm for the election, a physics perspective can diagnose if it is fairly implemented in practice. The science of elections has a long way to go but for millions across the world, the elections of 2024 provide hope that the future is in their hands

- There are approximately 60 national elections in 2024, involving two billion people, including India's ongoing national elections and the U.S. presidential election.
- Elections worldwide are characterized by emotions, aspirations, competing ideologies, and sometimes violence.
- Despite the chaos, there is a scientific basis behind the election process.

- Around 2,500 years ago, ancient Athens had an early form of elections where candidates were chosen randomly, depending on luck.
- Campaigning or influence couldn't help candidates since the winning criterion was based on random selection.
- Tenth-century Chola inscriptions in Uthiramerur, Tamil Nadu, reveal the 'Kudavolai' system for selecting village representatives.
- The final choice was made by randomly selecting one candidate among those voted for by the people.

The 'first past the post' system?

- Social choice theorists and mathematicians studying elections call the ancient Athens approval voting system followed by random choice.
- However, this process fails to truly reflect the will of the people, leading to criticism.
- There is no simple answer to the question of the right way to elect candidates, according to mathematics.
- The first-past-the-post (FPTP) system, followed in India, the U.S., the U.K., and other countries, has drawbacks.
- Critics highlight the disproportionate difference between popular vote share and seat share in many Parliaments.
- For instance, in the 2015 Delhi Assembly elections, the Aam Aadmi Party won 54% of the popular vote but secured 96% of the seats, while the Bharatiya Janata Party won 32% of the vote and only 4% of the seats.
- Winners in the FPTP system often secure less than 50% of the vote share, leading to minority governments.
- No government in India has ever surpassed 50% vote share, and only once in 1931 did a government in the U.K. command more than 50%.
- Despite criticism, the FPTP system continues to be widely used for its simplicity.

Condorcet and Borda systems

- Mathematical analysis for better electoral systems dates back to the 13th century by Ramon Llull in his book *De Arte Eleccionis*.
- Llull's algorithm ensures that the winner, when compared against each other contender, receives more than 50% of the votes and is the most preferred candidate.
- This method, now called the Condorcet system, was rediscovered by French mathematician Nicolas de Condorcet in the 18th century.
- While better than FPTP, the Condorcet system can be complex and is not used in national elections due to its potential for candidate manipulation.
- Some smaller organizations use the Condorcet system for electing leaders and board members.
- The Borda electoral process, proposed by French mathematician Jean-Charles de Borda in 1784, is another alternative.
- This system is similar to rank-based voting seen in sporting tournaments like the Indian Premier League.

- Voters rank each candidate on the ballot paper, and through vote redistribution, the winner is guaranteed to have at least 50% of the vote.
- Vote redistribution can involve adding second and third preference votes until a candidate crosses the 50% threshold.

Are there problems with RVS?

- The President of India is elected using the Rank-based Voting System (RVS).
- In 1969, V.V. Giri won the presidency after none of the candidates secured 50% of the first-preference votes.
- After adding second preference votes, Giri reached 50.8% and defeated Neelam Sanjeeva Reddy.
- The original Borda method, like Condorcet, is complex and challenging to implement in large elections such as those in India.
- Kenneth Arrow, an American economist and Nobel laureate, proved in 1951 that RVS can conflict with certain fairness criteria required in elections.
- In an RVS election with three candidates (A, B, and C) and nine voters ranking their preferences, outcomes may not be fair.
- Arrow's theorem asserts that in RVS elections, outcomes where the most popular candidate fails to get elected are unavoidable.
- For example, if candidate B withdraws from the election, the result may change despite the same vote distribution, leading to unfair outcomes.

How can maths, physics help?

- Mathematics analyzes election processes, while physics approaches seek universal patterns regardless of electoral systems.
- In physics, order can emerge from disorder at larger scales, similar to how molecules inside a balloon create pressure.
- Statistical physics shows that emergent patterns in election data are robust and independent of specific details.
- These patterns can diagnose electoral malpractices and indicate fairness or lack thereof in elections.
- Mathematical analysis sharpens election algorithms, while a physics perspective assesses if the algorithm is implemented fairly.
- The science of elections is evolving, and the elections of 2024 offer hope for millions worldwide, empowering them for the future.

Matters of heartland (30 April)

- The Hindi heartland often determines the government in Delhi.
- 71 out of 189 Lok Sabha seats in Bihar, Chhattisgarh, Madhya Pradesh, Rajasthan, U.P., and Uttarakhand have already voted in the first two phases.
- In Chhattisgarh, Madhya Pradesh, and Rajasthan, where BJP won the Assembly polls last year, there is a direct contest between the two main national parties.

- Prime Minister Narendra Modi set a target of 400 seats for BJP and its allies to win before the poll notification on March 16.
- Modi also asked the Cabinet to draft the plan for the first 100 days of the next government, showing confidence in forming it.
- The Opposition started campaigning from a weaker position with less enthusiasm.
- The INDIA bloc constituents were still disputing over the seat-sharing formula.
- Recent events like the Supreme Court's directive to disclose electoral bond data and the arrest of Delhi Chief Minister Arvind Kejriwal by the ED energized the Opposition's campaign, focusing on economic issues like economic downturn, inflation, and unemployment.
- BJP is countering Opposition with a strong emphasis on nationalism and Hindu consolidation.
- It labels the Opposition as 'anti-Santana dharma' and accuses Congress of having a manifesto influenced by the Muslim League.
- The BJP's '400-plus' slogan has raised fear among Hindu subaltern segments, leading to defensive actions.
- Statements suggesting BJP's intention to rewrite the Constitution have been perceived as threats by OBCs, Dalits, and tribal communities.
- Prime Minister Narendra Modi assured voters that the Constitution would not be tampered with in his speeches ahead of polling.
- BJP campaigns to reassure voters that caste reservations are not threatened by them and accuses Congress of planning reservations for Muslims.
- In the heartland, where caste and communal identities are intertwined, BJP's success relies on religious mobilization overshadowing caste issues.
- Congress focuses on policies promoting economic and social justice, aiming to mobilize the poor and subaltern castes.
- BJP attempts to instill fear of a socialist dictatorship by addressing concerns about redistribution of wealth, creating a paradox in targeting the poorest segments of the country.

Trying for a repeat (30 April) (Prelims)

India is looking to defend its astonishing title win in men's badminton

- The ongoing Thomas & Uber Cup in Chengdu, China, is a significant badminton tournament leading up to the Olympics.
- The Thomas Cup is considered the 'World Cup' of badminton.
- Indian men's team won their maiden Thomas Cup crown in 2022, boosting their confidence.
- The strong Indian team, including players like H.S. Prannoy, Lakshya Sen, Satwiksairaj Rankireddy, and Chirag Shetty, sees this as an opportunity to test their skills before the Paris Olympics.
- The victory in 2022 acted as a springboard for Satwiksairaj and Chirag, leading to their success in the Asian Games and becoming the first Indians to be ranked No.1 in doubles.
- Prannoy, India's No.1 singles player, aims for inspiration after a challenging year, while Lakshya prepares for his first-ever Olympics.

- The women's Uber Cup roster does not include Olympics-bound players like P.V. Sindhu, Ashwini Ponnappa, and Tanisha Crasto, who prioritize training.
- Young players like Anmol Kharb, Isharani Baruah, and Ashmita Chaliha are expected to shine in the tournament.
- The tournament is crucial for restocking India's women's singles talent as players like Saina Nehwal near retirement.
- Despite missing key players, India's women's team has shown promise by defeating Canada and Singapore convincingly, qualifying for the quarterfinals.
- The performance of the women's team in the Uber Cup can potentially lead to the emergence of new stars.

The EVM-VVPAT case judgment is disappointing (30 April)

- In 1897, the U.S. State of Indiana considered a bill to legislatively establish the value of pi (π) as 3.20.
- The bill was introduced by Edward Goodwin, who claimed to have solved a geometrical problem, "squaring the circle," with a divine revelation.
- The proposed value of pi was incorrect and would have led to embarrassment for Indiana.
- Mathematician C.A. Waldo's efforts in the Indiana Senate prevented the bill from passing.
- This anecdote highlights that scientific truths cannot be established through legislative or judicial actions.
- Similarly, the Supreme Court of India's mandate for a uniform sample size of "5 EVMs per Assembly Constituency" for VVPAT-based audit of EVMs lacks conformity to statistical sampling theory.
- Voter verification of VVPAT slips ensures that votes are "recorded as cast," but doesn't guarantee they're "counted as recorded."
- There's a small risk of EVM malfunction or manipulation, so manual counting of VVPAT slips should be done for a statistically significant sample size of randomly selected EVMs.

A typical case

- The VVPAT-based audit of EVMs follows a statistical quality control technique called "lot acceptance sampling."
- In this technique, if the number of defective items found in a random sample is less than or equal to a specified "acceptance number," the entire lot is accepted; otherwise, it's rejected.
- A "defective EVM" is one with a mismatch between the EVM count and the VVPAT count due to malfunction or manipulation.
- The Supreme Court and the Election Commission of India (ECI) didn't specify the "population" of EVMs and the next steps if a defective EVM is found in a sample.
- If defective EVMs are found in a sample, the entire population from which the sample was drawn should be rejected, and manual counting of VVPAT slips should be done for all remaining EVMs.

- Statistical sampling theory indicates that the mandated sample size has a 95% probability of failing to detect a defective EVM if "EVMs deployed in an Assembly Constituency" are defined as the population, and a 70% probability if "EVMs deployed in a Parliamentary Constituency" are defined as the population.
- This undermines the purpose of introducing VVPATs for ensuring election integrity.

Reasons behind the ECI's claim

- The Election Commission of India (ECI) claimed that there were no instances of mismatch between EVM count and VVPAT count, which is not entirely true.
- Possible reasons for the few mismatches include: EVMs are functioning properly, the prescribed sample size is inadequate, or both reasons.
- The correct reason likely involves both factors: EVM functionality and inadequate sample size.
- The Supreme Court's judgment in the Association for Democratic Reforms vs Election Commission of India case (2024) did not address crucial issues regarding sample size and audit protocol transparency.
- The Court didn't compel the ECI to define the "population" for the sample size or clarify next steps in case of mismatches.
- Critics, including the ADR, demanded a return to paper ballots or 100% verification of VVPAT slips, which the Court rightly rejected.
- Other critics demanded arbitrary "percentage samples" for EVM audits, but these demands were also rejected by the Supreme Court.
- The Court's prescribed uniform sample size in 2019 was criticized for being arbitrary, non-statistical, and incorrect.

What needs to be done

- It's unnecessary to know all the ways EVMs can fail or be manipulated.
- What's essential is to implement a statistically sound VVPAT-based audit system for EVMs.
- This system should have a high accuracy rate of 99% or 99.9% in detecting mismatches.
- The matching process should occur at the start of the counting day, not towards the end.
- If there's a perfect match between EVM count and VVPAT count, results should be based on the EVM count.
- Manual counting of VVPAT slips for all remaining EVMs should only happen if there's a mismatch, with results based on VVPAT count.
- This approach, based on statistical sampling and "management by exception," strikes a balance and is considered optimal.

Court's nudge on hospital charges, a reform opportunity (30 April) (GS Paper II: Health Sector)

- The Supreme Court of India addressed a PIL in February, directing the central government to regulate hospital procedure rates in the private sector.

- High procedure rates and significant variations prompted this directive.
- The Court highlighted the issue by comparing cataract surgery costs: around ₹10,000 in government facilities versus ₹30,000 to ₹1,40,000 in private hospitals.
- The directive referred to Rule 9 of the Clinical Establishments Act, 2010, which mandates charging rates within government-determined ranges.
- If the government fails to regulate rates, the Court suggested using Central Government Health Scheme rates temporarily.
- India's healthcare delivery relies heavily on private providers with market-driven prices, leading to inefficiencies and inequities.
- While the proposed solution oversimplifies the issue, it's a step in the right direction to initiate discussion and action.
- Key considerations for addressing these challenges include understanding the complexities of healthcare markets and developing comprehensive regulatory measures.

Benchmark for pricing

- In an unregulated market-driven healthcare scenario, providers prioritize profit through higher prices and potentially unnecessary care.
- "Yardstick competition" is a potential solution, where regulatory authorities set benchmark prices based on market observations.
- Challenges in India include diverse patient profiles, unreliable price data, and weak regulatory frameworks.
- Relying solely on competition from government hospitals is inadequate due to long wait times and perceived quality issues.
- Standard Treatment Guidelines (STGs) can establish clinical needs, care extent, and total input costs for procedures, ensuring clinical autonomy.
- STGs address confounders in care variation while valuing healthcare resources accurately.
- Implementation of STGs requires tying provider revenues to fewer payers, with reimbursements covering most of the population's expenses.
- However, this could be hindered if providers access markets with out-of-pocket payments as an alternative.
- Coordinated health purchasing reforms are necessary, as pricing issues are systemic challenges, not just legal problems.
- Over half of India's health expenditure is out-of-pocket, posing a significant barrier to standardized pricing implementation.
- The private sector, mainly composed of small-scale providers, may resist standardized rates, challenging enforcement mechanisms.
- Questions remain regarding the feasibility of regulatory measures if providers do not adhere to prescribed rates.

Weak implementation

- Command-and-control regulations, like price caps, can quickly influence behavior by forcing compliance, but weak enforcement leads to temporary effects.

- Enforcement challenges are significant, with only 11 States and seven Union Territories implementing the Clinical Establishment Act effectively.
- Implementation weaknesses are also evident in the National Pharmaceutical Pricing Authority's efforts to cap stent and implant prices since 2017.
- Directives requiring doctors to prescribe generic medicines have also faced implementation hurdles.
- Price standardization may not address the root issue of misaligned incentives among stakeholders.
- A comprehensive health financing reform strategy is needed, informed by ongoing research on the formulation and adoption of Standard Treatment Guidelines (STGs).
- Without STGs, hospitals with lower average revenue may manipulate pricing by claiming better care quality, making objective verification difficult.

Limited data

- The Pradhan Mantri Jan Arogya Yojana and the Department of Health Research have worked on developing Standard Treatment Guidelines (STGs) for common conditions and a comprehensive costing framework.
- Efforts are underway to create an Indian version of Diagnostics-Related Groups (DRGs).
- The insurance industry began implementing STGs for hospitals in 2010, but progress was limited due to a lack of accurate costing data from private hospitals.
- The recent judgment presents an opportunity to develop effective processes for addressing health system challenges.
- Rate standardization policies should be feasible, easily implementable, and based on established price discovery practices.
- Future efforts should build on existing health financing reforms, address anticipated challenges, and involve broader stakeholder participation.

Poultry industry (30 April)

- The current H5N1 outbreak was anticipated by experts due to unsafe conditions in industrial livestock production.
- Alarm bells about these conditions have been ringing for over a decade.
- This situation emphasizes the urgent need to discuss the welfare of farmed animals from an Indian environmental and legal perspective.
- India's environmental laws and regulations should reflect the connection between animal welfare, public health, ecosystem health, and biodiversity conservation.
- This connection underscores the importance of the One Health principle, which recognizes the interdependence of human, animal, and environmental health.

Scale of the biosecurity issue

- The first H5N1 infection from chickens to humans occurred in Hong Kong in 1997.
- In India, the first H5N1 case was reported in Maharashtra in 2006.
- An outbreak in December 2020 and early 2021 affected 15 Indian states.

- H5N1 has caused mortality among polar bears in the Arctic and seals and seagulls in Antarctica.
- The World Health Organization (WHO) estimates the fatality rate for H5N1 at 52%.
- Most human infections with avian influenza A (H5N1) occur through close contact with infected birds or contaminated environments.
- Contaminated environments are often created by overcrowded conditions in poultry farms, known as "battery cages."
- These conditions lead to air quality and waste problems, contributing to odour, particulate matter, and greenhouse gas emissions.
- Poultry units with more than 5,000 birds are classified as polluting industries by the Central Pollution Control Board (CPCB).
- Some poultry units have received closure notices from the CPCB for violating regulations.
- Poultry farmers face challenges such as large debts, specialized skills, market volatility, and industry practices.
- Antibiotics are commonly used in poultry farming for prophylactic and growth-promoting purposes.
- Experts predict an increase in antibiotic use in livestock due to rising protein demand.
- Antibiotics classified as critically important and highly important by the WHO are widely sold to farmers for preventative use in poultry farming.
- This practice involves administering antibiotics to day-old chicks to reduce disease and mortality risk.
- Overcrowded and unsanitary conditions in poultry farms have detrimental effects on animal welfare and food safety.
- Emissions, effluents, and solid waste generated by these farms impact humans, animals, and the environment.
- Urgent monitoring and enforcement of legal and regulatory mechanisms are needed to address these issues.
- Faecal matter from these farms, collected for use as fertilizer, exceeds land capacity and becomes a pollutant.
- Farmers complain of crop damage and disease vectors such as flies breeding in waste piles.
- Residents resort to measures like spraying insecticides indoors, leading to health issues.
- Intensive confinement of animals violates the Prevention of Cruelty to Animals (PCA) Act, 1960.
- Operational activities at these facilities cause unnecessary pain and suffering to animals, violating the PCA Act.

Path to legal reform

- The 269th Law Commission of India Report in 2017 highlighted concerns about antibiotic resistance due to non-therapeutic antibiotic use in poultry farming.
- It emphasized that improved living conditions for animals could reduce the need for constant antibiotics, making eggs and meat safer for consumption.
- Recommendations were made for draft rules aimed at enhancing the welfare of chickens in the meat and egg industries.

- These rules included guidelines for animal care, waste management, and antibiotic use, aligning with existing laws and international best practices.
- However, the Draft Rules for the egg industry released by the Ministry of Agriculture and Farmers' Welfare in 2019 were deemed weak and tokenistic.
- There is a need for strict oversight to ensure compliance and enforcement of environmental regulations, especially with the poultry industry being reclassified as a highly polluting 'orange category' industry by the CPCB.
- Addressing the bird flu public health crisis and the climate emergency requires urgent action in this regard.

Rising share of personal income tax and indirect tax (30 April)

- During the recent election campaign, the Congress party's manifesto and focus on social justice and welfare gained attention.
- Prime Minister Narendra Modi responded by framing the Congress's proposals, such as a caste census and distribution of surplus government land, as communal.
- The Congress defended its manifesto, highlighting the need to address rising wealth inequality and dismissing accusations of favoritism toward any religious group.
- Sam Pitroda, Chairman of the Indian Overseas Congress, suggested the idea of an inheritance tax, which is not currently implemented in India and is not part of the Congress's manifesto.
- Meanwhile, the Finance Ministry released provisional data indicating an increase in net tax collections, particularly driven by higher personal income tax and securities transaction tax collections.
- Net corporate tax collections saw a slight decrease, while revenues from personal income tax and securities transaction tax grew at nearly double the pace of corporate tax revenues last year.
- These numbers provide context to the ongoing political debate and the recent tax data release.

Chart 1 illustrates the trend of corporate tax and personal income tax as a share of gross tax revenue, with data collected as of February each year.

- The chart indicates a decreasing trend in the share of corporate tax over time, while the share of personal income tax has been increasing.
- As of February 2024, there has been a notable increase in the gap between the two tax shares, with income tax forming 28% of the gross tax revenue, reaching a new peak.
- The significant decline in corporate tax share after FY19 is attributed to the corporate tax cuts implemented by the Bharatiya Janata Party-led government in September 2019.
- Additionally, the data reveal a decline in the share of direct taxes and an increase in the share of indirect taxes.
- Direct taxes, such as those imposed on the incomes of corporations and individuals, are considered "progressive" because they are based on income levels, resulting in higher taxes for higher incomes and vice versa.

- In contrast, indirect taxes, including union excise duties and the Goods and Services Tax (GST), are viewed as "regressive" because they apply uniformly to all consumers, irrespective of their income levels.
- **Chart 2** displays the proportion of direct and indirect taxes in the total tax revenue collected by both the Centre and the States over the years.
- The chart reveals that the share of indirect taxes, which had been decreasing steadily since the 1980s, has started to rise again in the past decade.
- Conversely, the share of direct taxes, which had been on an upward trajectory, has experienced a consistent decline in recent years.
- **Chart 3** illustrates that the majority of individuals who file personal income tax fall within the income bracket of ₹1 lakh to ₹5 lakh annually.
- Conversely, individuals earning more than ₹50 lakh annually are relatively rare.
- A comparison with BRICS economies indicates that India has one of the highest effective personal income tax rates, as depicted in **Chart 4**.
- Overall, the data suggests that lower-income citizens and those in the middle-class bear a larger portion of the tax burden.
- This trend is driven by the increasing share of personal income tax and indirect taxes in total tax revenue.

Unclassed forests (30 April) (GS Paper III: Environment)

Forest (Conservation) Act Amendment (FCAA) 2023

- In February 19, 2024, the Supreme Court issued an order.
- The Ministry of Environment, Forests and Climate Change (MoEFCC) complied with this order.
- **The order required the MoEFCC to upload various State Expert Committee (SEC) reports on its website.**
- This action was taken in April, following the Supreme Court's directive.
- The order was related to a public interest litigation challenging the constitutionality of the Forest (Conservation) Amendment Act (FCAA) 2023.
- One of the main concerns raised in the petition was regarding the **status of unclassified forests.**
- **The SEC reports were expected to identify these unclassified forests, but there were doubts regarding whether they had been identified or not.**

What does the FCAA stipulate?

- The Forest (Conservation) Amendment (FCAA) Act was enacted.
- Unclassed forests, previously protected under the **T.N. Godavarman Thirumalpad case (1996)**, would lose their protection under the FCAA.
- This loss of protection could lead to the diversion of these forests for other purposes.

- State Expert Committee (SEC) reports were required to be prepared as per a Supreme Court order.
- These reports aimed to identify forests according to their dictionary meaning, regardless of ownership or notification status.
- All categories of forests, including unclassified or deemed forests, would fall under the ambit of the Forest (Conservation) Act, 1980.
- If a project proponent wanted to use unclassified forests for non-forest purposes, they would need approval from the Central government.
- Unclassified forests could belong to various entities, including government bodies, communities, or private owners, but they were not formally notified as forests.

Have these forests been identified?

- The status of the State Expert Committee (SEC) reports regarding unclassified forests was unclear from 1996 until they gained attention again.
- The Ministry of Environment, Forests and Climate Change (MoEFCC) informed a Joint Parliamentary Committee that the SECs had identified unclassified forests, which had been recorded.
- This response came amidst concerns that the proposed Forest (Conservation) Act Amendment could undermine the Godavarman judgment and exclude unclassified forest land from its scope.
- The MoEFCC assured the Committee that the amended Act would apply to the SEC-identified unclassified forests.
- However, in response to an RTI application filed on January 17, the MoEFCC stated that it did not have the required reports.
- The MoEFCC has now uploaded the SEC reports on its website, revealing that no State has provided verifiable data on the identification, status, and location of unclassified forests.
- Seven States and Union Territories, including Goa, Haryana, Jammu & Kashmir, Ladakh, Lakshadweep, Tamil Nadu, and West Bengal, appear not to have constituted the SEC at all.
- Among the States that have shared their reports, only 17 are in line with the Court's directives.
- Many States cited the short duration provided by the Supreme Court and the voluminous nature of the work as reasons for not conducting physical cadastral surveys or demarcation of unclassified forest lands.

What do the reports say?

- Only nine States have provided information on the extent of unclassified forests, while most states and Union Territories (UTs) shared data on different types of forest areas specified in the order.
- Geographic locations of forests were generally not specified by States or UTs in their SEC reports. When geographical information was provided, it was often limited to reserve or protected forests, which is redundant as this information is already available with Forest Departments.

- The SEC reports question the accuracy of data provided by the Forest Survey of India, the sole government agency responsible for surveying and assessing forests. For instance, Gujarat's SEC report indicates a much smaller area of unclassified forests compared to the Survey's reported figure.
- The lack of on-ground verification by SECs may have led to significant deforestation, as forests that should have been identified, demarcated, and protected 27 years ago remain at risk.
- Without baseline data from 1996-1997, it is impossible to determine the extent of loss of unclassified forests over the years. For instance, Kerala's SEC did not include the Pallivasal unreserve, an ecologically fragile area in Munnar, which was also affected during the 2018 floods.

What would be the effects of FCAA?

- The loss of unclassified forests is likely widespread across all States and warrants investigation.
- The SEC reports appear hastily compiled, relying on incomplete and unverified data from readily available records to fulfill their obligations to the Supreme Court.
- The failure to implement the Godavarman order of the Supreme Court is a missed opportunity to achieve the targets set by the Indian Forest Policy, which aims for 33.3% forest cover in plains and 66.6% in hills.
- The enactment of the FCAA without proper examination of the SEC reports reflects a lack of diligence on the part of the Ministry of Environment, Forests and Climate Change (MoEFCC) and could have adverse consequences for India's ecosystems and ecological security.
- Those responsible for the incomplete SEC reports need to be held accountable, and the national government should take corrective action to re-identify, retrieve, and protect forest areas in line with the 1996 judgment.

Why is Venice charging an entry fee for tourists? (30 April) (GS Paper III: Environment)

- On April 25, Venice, a city in Italy, implemented an entry fee for visitors.
- The purpose of the entry fee is to manage overtourism in the city.
- Visitors who come to Venice will now have to pay a fee to enter the city.
- The fee is aimed at controlling the large influx of tourists and reducing overcrowding in Venice.
- Overtourism has been a significant issue in Venice, leading to overcrowding, environmental concerns, and strain on local infrastructure.
- The entry fee is expected to help regulate the number of visitors and alleviate the negative impacts of overtourism on the city.

What is the Venice access fee?

- Day-trippers visiting Venice between 8:30 am and 4 pm must pay a fee of €5.

- Overnight visitors are exempt from the fee, as well as residents, commuters, students, and children under 14.
- The entry fee is part of a trial period and applies only to enter Venice's historic center.
- The fee is implemented on 29 peak days from April 25 to July 14.
- Visitors can pay the fee online.
- Failure to pay the fee may result in fines ranging from €50 to €300.

What has been the response?

- Some locals criticize the entry fee, fearing it will turn Venice into a "theme park" and won't deter tourists from visiting key attractions like St. Mark's Square and the Rialto Bridge.
- Residents' associations have protested, seeing the fee as a political move unlikely to address overcrowding issues.
- On the first day, 5,500 people bought tickets, generating €27,500, possibly covering operational costs.
- Mayor Luigi Brugnaro sees it as an experiment to reduce overcrowding, encourage longer stays, and improve locals' quality of life.
- The initiative aims to establish a new balance between residents and visitors while gathering data and managing visitor flows.
- Privacy concerns have also been raised regarding the collection of visitor data.

Is overcrowding an issue in Venice?

- The tourist tax is implemented following Venice's efforts to avoid being listed on UNESCO's danger list due to overtourism.
- Overtourism has harmed Venice's fragile ecosystem, leading to concerns about the city's sustainability.
- Venice has experienced a significant decline in its resident population, with over 1,20,000 residents leaving since the 1950s, reducing to 50,000.
- The historic center of Venice hosted 3.2 million overnight guests and over 30 million day-trippers in 2022, causing congestion.
- When the number of day-trippers approaches 30,000-40,000, congestion becomes a significant issue in Venice.
- Day-trippers are perceived to contribute minimally to the local economy compared to overnight guests.

What about sustainability?

- Venice aims to establish a more sustainable relationship with tourists in response to pressure from UNESCO and environmentalists.
- As part of this effort, big cruise ships have been banned from passing through the Giudecca canal and past St. Mark's Square to mitigate environmental damage.
- The introduction of the Venice entry tax is expected to have positive effects, including reducing the number of unauthorized Airbnbs in the city.
- Operators of illegal rentals will need to register legitimately and pay taxes since overnight visitors will be required to disclose their accommodation information.

What about other popular spots?

- Overtourism is a significant issue in several European cities, such as Amsterdam, Barcelona, and London.
- Recently, tens of thousands of Spanish citizens protested in the Canary Islands, calling for a cap on the number of tourists allowed to visit.
- Seville's main Plaza de España now requires an entry fee.
- The trend of charging admission fees for tourist destinations is increasing. For example, the Italian town of Bagnoregio implemented a fee in 2018 to collect funds for its rescue efforts due to collapsing infrastructure.
- Portmeirion in north Wales, one of the most visited places in Wales, is among the few British towns that charge admission for entry.

Can India follow suit?

- India boasts numerous tourist attractions that attract visitors from around the world.
- Implementing entry fees or tourist taxes could help India generate significant revenue from tourism.
- Such measures could also deter tourists who contribute little to the local economy.
- By managing tourist flows and revenue more effectively, India can maximize the benefits of tourism while mitigating negative impacts like overcrowding and environmental degradation.

The paradox of thrift: does a rise in savings cause a fall in investment? (30 April) (GS Paper III: Economy (saving and investment))

- The paradox of savings suggests that while increasing individual savings may seem beneficial, it can actually lead to negative consequences for the overall economy.
- Contrary to common belief, a rise in individual savings rates may cause a decrease rather than an increase in the total savings of an economy.
- This concept challenges the notion that higher personal savings translate directly into greater overall savings for the economy.
- It is associated with under-consumption theories of the business cycle, which suggest that economic downturns result from low consumer spending and excessive savings.
- In essence, the paradox of savings highlights the complex relationship between individual financial behavior and broader economic outcomes.

Origins of the theory

- The paradox of savings was popularized by British economist John Maynard Keynes in his 1936 book "The General Theory of Employment, Interest, and Money."
- Before Keynes, economists William T. Foster and Waddill Catchings discussed similar ideas in works such as "Business without a Buyer" and "The Dilemma of Thrift."

- Keynesian economists argue that higher savings can be detrimental to the economy because it reduces consumer spending.
- They believe that consumer spending drives economic growth by encouraging investment and production.
- According to Keynesian theory, if consumers save more and spend less, it can lead to reduced profits for businesses and discourage further investment.
- This reduction in consumer spending can result in a decrease in overall savings and investment in the economy.
- Keynesian economists recommend government intervention, such as increasing government spending, to stimulate consumer demand during economic downturns.
- They believe that fluctuations in consumer spending are a primary driver of the business cycle, and government policies should aim to stabilize and stimulate consumer spending to support economic growth.

Criticisms of the idea

- Critics of the paradox of savings argue that saving more is not detrimental to the economy.
- They contend that a decrease in consumer spending doesn't necessarily lead to a decrease in investment.
- According to critics, money not spent on consumer goods is typically saved and then invested, leading to an increase in investment.
- Higher savings can increase demand from capitalists for factors of production, offsetting any decrease in consumer demand.
- Critics suggest that lower consumer spending prompts capitalists to invest more in longer-term projects that were previously deemed unviable.
- This reallocation of savings towards future-oriented investments can lead to higher economic output in the long run.
- In a free economy, capitalists adjust investment decisions based on consumer preferences for goods in the distant future.
- Critics argue that the paradox of savings overlooks the dynamic nature of investment allocation in response to changes in consumer behavior.

G-7 Ministers agree to phase out coal-fired power plants by 2030s (30 April)

- G-7 Energy Ministers have agreed on a timeline to phase out coal-fired power plants.
- This agreement comes after the world pledged to transition away from coal, oil, and gas at the UN's COP-28 climate summit in December.
- The agreement was reached during the Group of Seven meeting in Turin.
- According to British Nuclear and Renewables Minister Andrew Bowie, there is an agreement to phase out coal in the first half of the 2030s.
- A European source confirmed that the G-7 is likely to commit to closing the plants by the first half of the 2030s.

- The latest G-7 draft commits to phasing out existing unabated coal power generation during the first half of the 2030s or in a timeline consistent with keeping a limit of 1.5°C temperature rise within reach.
- Italian Environment and Energy Security Minister Gilberto Pichetto Fratin described the timeline as a hypothesis, indicating ongoing political discussions.
- A French political source stated that there is movement towards an ambitious agreement, particularly on the effective phase-out of coal.
- UN climate chief Simon Stiell urged highly industrialized countries to leverage their political clout, wealth, and technologies to end fossil fuel use.
- Stiell criticized the notion that the G-7 cannot lead bolder climate actions, emphasizing the importance of their leadership in addressing climate change.

NCAER

- **India's Premier Economic Think Tank:** NCAER is India's oldest and largest independent, non-profit economic policy research institute. Established in 1956, NCAER maintains a strong reputation nationally and internationally.

NCAER building

- **Key Focus:** Conducts rigorous research and policy analysis on a wide range of economic and social issues relevant to India's growth and development.
- **Data-Driven Approach:** Employs a distinctive combination of large-scale data collection capabilities (particularly household surveys) with in-depth economic analysis.

Activities & Services

- **Economic Research:** Covers areas like macroeconomic modeling, agriculture, industry, infrastructure, human development, public finance, and international trade.
- **Policy Recommendations:** Provides evidence-based recommendations to government, policymakers, and the private sector to shape economic policies in India.
- **Data Collection:** Undertakes significant household surveys, including well-respected studies like the India Human Development Survey (IHDS).
- **Publications:** Disseminates research findings via reports, working papers, books, and the journals "Margin" and "Artha Vijnana".
- **Capacity Building:** Offers training, workshops, and other skill development programs for officials and researchers.

Governance & Leadership

- **Status:** Registered as a Society under Indian law, recognized by the Indian government as a Scientific and Industrial Research Organization (SIRO)
- **President:** Nandan Nilekani (Co-founder of Infosys, architect of India's Aadhaar program)
- **Director-General:** Poonam Gupta
- **Funding:** Receives support from the Government of India, state governments, the private sector, and international organizations

Collaboration & Outreach

- **NCAER-NBER Neemrana Conferences:** Hosts an annual high-profile conference in collaboration with the National Bureau of Economic Research (NBER), attracting top academics and policymakers from India and the US.
- **Public Events:** Organizes seminars, workshops, and conferences to engage with the public, stakeholders, and the media on key economic issues.

- **Founded:** 1944 (Began operations in 1945)
- **Purpose:** The IMF works to foster global monetary cooperation, ensure financial stability, promote international trade, facilitate high employment and sustainable economic growth, and reduce poverty around the world.
- **Membership:** 190 member countries
- **Headquarters:** Washington D.C., United States
- **Key Functions**
 - **Surveillance:** The IMF monitors the economic and financial health of its member countries and the global economy, highlighting potential risks and advising on policies.
 - **Lending:** Provides financial assistance to member countries facing balance-of-payments problems, helping them restore stability and economic growth.
 - **Capacity Development:** Offers training, technical assistance, and policy advice to member countries to strengthen their institutional capacity and economic management.

World Trade Organization (WTO)

- **Founded:** 1995
- **Purpose:** The WTO is the primary international organization regulating global trade among nations. It aims to ensure a smooth, predictable, and free flow of trade.
- **Membership:** 164 member countries
- **Headquarters:** Geneva, Switzerland



- **Key Functions:**
 - **Negotiating Trade Agreements:** Serves as a forum for WTO members to negotiate and establish multilateral trade rules and agreements.
 - **Settling Trade Disputes:** Provides a dispute settlement mechanism to help member countries resolve trade conflicts in a fair and transparent manner.
 - **Monitoring Trade Policies:** Reviews member countries' trade policies to ensure they adhere to WTO rules and principles.
 - **Capacity Building:** Assists developing and least-developed countries in strengthening their ability to participate in the global trading system.