

POINTS OF DIVERGENCE BETWEEN INDIAN AND CHINESE ECONOMY

Context

- As per Moody's, the Indian economy has recently crossed \$3.5 trillion in size. The IMF expects it to exceed \$3.7 trillion this year.
- Currently, Indian economy's size is about that of China in 2007. But without a spur to manufacturing, it will be extremely difficult for India to follow China's growth trajectory.

Different Drivers of Growth

- **Investments and Exports**
 - China's meteoric rise has been driven by **investments and exports**.
 - Between 2003 and 2011, the country's investment to GDP ratio (gross fixed capital formation) averaged 40 per cent.
 - In comparison, even during this high growth phase, **the investment ratio in India averaged only around 33 per cent**. Worryingly, **the gap between the two countries has widened since**.
 - In the years from 2012 to 2021, as the Chinese economy pulled further away, its investment ratio climbed even higher, averaging almost 43 per cent. **In India, it fell** to around 29 per cent as the investment momentum tapered off.
 - **In 2022-23, India's exports** of goods and services surpassed **\$770 billion**, while imports were around \$890 billion.
 - In 2007, when the Chinese economy was of comparable size, the country's exports had crossed **\$1.2 trillion, driven by exports of goods not services**, while imports stood at \$950 billion, signalling its deeper integration with the global economy.
- **Tariff Rates**
 - China's emergence as the epicentre of global supply chains over the decades has been facilitated in part by the lowering of tariffs.
 - The country's tariff rate (simple mean) fell from 10.69 per cent in 2003 to 8.93 per cent in 2007, declining further to 5.32 per cent in 2020.

- In comparison, while India's tariff rate fell from 25.63 per cent in 2003 to 8.88 per cent in 2017, it has risen thereafter.
- **High Participation of Female Labour Force**
- China also had and continues to have a considerably higher labour force participation rate.
- In 2007, its labour force participation stood at almost 73 per cent (ages 15 and above). It has since declined to 67 per cent.
- In India, the participation rate is estimated at around 50 per cent in 2022.
- As the male labour force participation rate in both countries is roughly the same, **the difference is largely due to female participation.**
- In China, the female labour force participation rate stood at 66 per cent in 2007. By 2022, it had declined to 61 per cent.
- In India, it was **considerably lower at 30 per cent in 2007**, and has since **fallen even further to 24 per cent in 2022.**

Challenges for Indian Economy

- **Employment Generation for Agriculture Dependent Labour Force**
- **Semi-Skilled Employment in Manufacturing Sector**
- **Export of Goods**
- Though exports, especially of services, have picked up over the past few years whether this momentum be sustained is a question.
- Goods exports also need to pick the pace of services exports. This will have implications for job creation and the broader economy.

WHY ARE INDIAN DRUG MAKERS UNDER THE LENS?

Why in News?

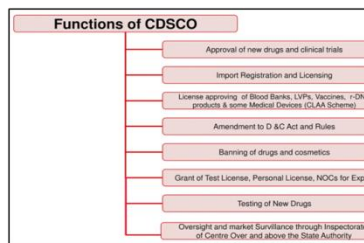
- Nigerian health agency has flagged off two drugs — oral paracetamol and another cough medicine — manufactured by companies based in Mumbai and Punjab for being “**sub-standard or found to be containing toxins**”.

Background:

- Since October last year, Indian pharma companies have been under constant international scrutiny for exporting allegedly contaminated drugs, which have led to deaths of children.
- Apart from **Nigeria**, **Cameroon** also sounded an alarm over another cough syrup reportedly made in India when several children died.
- **Sri Lanka** called out two drugs manufactured in India linking them to adverse reactions in several patients.
- Most recently, **Gambia** has declared that from July 1, it is running strict quality control checks on all pharma products shipped into the country, before they leave Indian shores.
 - Gambia had reported deaths of at least 70 children related to a contaminated cough syrup made in India, in December last year.
- **Uzbekistan** had reported death of at least 18 children after consuming cough syrup contaminated with high amounts of diethylene glycol (DEG) or ethylene glycol poured in.
- The complaints from across the world on quality of Indian drugs does not seem to stop.
- Soon after the deaths of children in Gambia and Uzbekistan, the **Central Drugs Standard Control Organisation (CDSCO) had cancelled the licence of a pharma company named Marion Biotech.**

About Drug Controller General of India (DCGI):

- Drugs Controller General of India is the head of department of the Central Drugs Standard Control Organization (CDSCO).



- The CDSCO is the Central Drug Authority for discharging functions assigned to the Central Government under the **Drugs and Cosmetics Act, 1940.**

- **Nodal Ministry** – Ministry of Health & Family Welfare
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PANGONG TSO LAKE

Three years after the violent clash between Indian and Chinese forces in Galwan both countries ramp up infrastructure on north bank of Pangong Tso.



About Pangong Tso lake:

- It is one of the most famous lakes in Leh Ladakh, derives its name from the Tibetan word, “Pangong Tso”, which means “**high grassland lake**”.
 - It is also known as Pangong Lake which is a long narrow, **endorheic (landlocked) lake** situated at a height of more than 14,000 ft (4,350 meters) in the Ladakh Himalayas.
 - It is the world's **highest saltwater lake**.
 - India holds one-third of the 135 km-long boomerang-shaped Pangong lake.
 - One-third of the Pangong Lake lies in India and the other two-thirds in China.
 - It is also **known to change colours**, appearing blue, green, and red at different times.
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DIVERSITY FOR RESTORATION (D4R) TOOL

Recently, researchers have devised Diversity for Restoration (D4R) tool that enables appropriate agroforestry and aids systematic ecosystem restoration.



About Diversity for Restoration (D4R) tool:

- It is developed with information on 237 **socio-economically important native trees** from the Western Ghats.
- It is devised by **Bioversity International**.
- The team from Ashoka Trust for Research in Ecology and the Environment (ATREE), with the help of Bioversity International, modified it to promote restoration programmes in India.

Features

- The researchers have claimed the tool will help improve the **effectiveness of restoration programmes** by providing manifold benefits to interested stakeholders while promoting sustainable development.
- The online tool precisely aims to **help better decision-making** and bring the best outcome for those plantation programmes.
- It could improve socio-ecological perspectives and help stakeholders in decision-making.
- The tool helps the user in **identifying species** that match their restoration objectives.
- It further helps identify species that can resist local stresses and adapt to evolving environmental conditions.
- It also helps pinpoint areas and regions to procure the seeds for the required species.
- The tool has **information about 100 plant functional** traits that have been considered to offer the best possible solution.
- Functional traits include information on economic and ecological uses from the tree species chosen for plantation.
- The tool informs the user whether the tree species offers timber, fruit, manure or other commercial benefits.
- It also informs if the **tree is resilient to physiological stresses** such as extreme high or low temperatures, salinity or acidity tolerance in the soil among others.
- The tool could also identify windbreakers - the trees can act as a barrier against high winds.
- The user can also know if the species offers better nitrogen fixing and whether it serves as a good pollinator for birds and bees.
- This tool is already being used in countries such as Malaysia, Ethiopia, Columbia, Peru, Burkina Faso, Cameroon etc.

WILDLIFE CRIME CONTROL BUREAU

Recently, the Wildlife Crime Control Bureau (WCCB) has issued a ‘red alert’ directing the authorities to visit all tiger reserves.



About Wildlife Crime Control Bureau:

155/22, Vikas Nagar, Behind Huda City Park, Rohtak 9215649666

- It is a statutory **multi-disciplinary body** established by the Government of India to combat organized wildlife crime in the country.
- It was constituted by amending **the Wild Life (Protection) Act, 1972**.
- **Nodal Ministry:** The Ministry of Environment and Forests.
- **Headquarter:** New Delhi

Mandate: Under the Wild Life (Protection) Act, 1972 it is mandated to

- To **collect and collate** intelligence related to organized wildlife crime activities and to disseminate the same to State and other enforcement agencies for immediate action so as to apprehend the criminals.
- To establish a **centralized wildlife crime data bank**.
- To assist foreign authorities and international organization concerned to facilitate co-ordination and universal action for wildlife crime control.
- In **capacity building of the wildlife crime enforcement** agencies for scientific and professional investigation into wildlife crimes and assist State Governments to ensure success in prosecutions related to wildlife crimes;
- It advises the Government of India on issues relating to wildlife crimes having national and international ramifications, relevant policy and laws.
- It also assists and advises the Customs authorities in inspection of the consignments of flora & fauna as per the provisions of **Wild Life Protection Act, CITES and EXIM Policy governing** such an item.
- It has developed an online **Wildlife Crime Database Management System** to get real time data in order to help analyse trends in crime and devise effective measures to prevent and detect wildlife crimes across India.
- This system has been successfully used to analyse trends, helping put in preventive measures as well as for successfully carrying out operations such as **Operation SAVE KURMA, THUNDERBIRD, WILDNET, LESKNOW, BIRBIL, THUNDERSTORM, LESKNOW-II**

WHY ADR (ASSOCIATION FOR DEMOCRATIC REFORMS) HAS APPROACHED THE ECI SEEKING ACTION AGAINST POLITICAL PARTIES

Why in news?

- Recently, the Association for Democratic Reforms (ADR), wrote to the Election Commission seeking action against parties that fail to publish details of criminal antecedents of candidates as per orders of the Supreme Court and the poll panel.
 - ADR is an electoral watchdog established in 1999 by a group of professors from the Indian Institute of Management (IIM) Ahmedabad.
- For years, activists and independent electoral watchdogs like ADR have been raising concerns over political parties fielding candidates with criminal antecedents.
- After the 2019 Lok Sabha elections, according to ADR, 43% of the newly-elected MPs had pending criminal cases against them.

Criminalization of politics

- **About**
 - The criminalization of politics refers to the phenomenon where individuals with criminal backgrounds, including those charged or convicted of criminal offenses, actively participate in politics.
 - Several politicians with criminal records have managed to secure positions in legislative bodies, ranging from local municipalities to the national Parliament.
 - This trend cuts across party lines and affects politicians from various political parties.
- **Factors contributing to the criminalization of politics**
 - There is a **nexus between politicians and criminal elements**, where politicians seek support from individuals involved in criminal activities in exchange for political patronage.
 - This connection often leads to the backing of candidates with criminal backgrounds during elections.
 - Additionally, **socio-economic factors**, such as poverty, illiteracy, and lack of opportunities, contribute to the entry of individuals with criminal backgrounds into politics.
 - For some, politics becomes a means to gain power, wealth, and immunity from legal prosecution.

- Moreover, the **slow judicial process** and the **inadequate enforcement of election laws** also provide opportunities for politicians with criminal records to thrive.

Impact

- It undermines the democratic fabric of the country, erodes public trust, and compromises the integrity of the political system.
- It hampers good governance and hinders the enactment of effective policies for the welfare of the people.
- Additionally, the presence of politicians with criminal backgrounds can lead to increased crime, corruption, and the misuse of power.

NATIONAL POPULATION REGISTER (NPR)

- The NPR is a register of usual residents of the country. It is mandatory for every usual resident of India to register in the NPR.
 - According to the Citizenship (Registration of Citizens and issue of National Identity Cards) Rules, 2003, a usual resident is:
 - a person who has resided in a local area for the past 6 months or more; or
 - a person who intends to reside in that area for the next 6 months or more.
 - It includes both Indian citizens as well as a foreign citizen.
- The objective of the NPR is to create a comprehensive identity database of every usual resident in the country.
- The first National Population Register was prepared in 2010 and updating this data was done during 2015 by conducting door to door survey.
 - The next National Population Register shall be held along with the Census 2021.
 - Due to the outbreak of Covid-19 pandemic, the work of NPR updation and other related field activities got postponed.
- NPR is conducted by the Office of the Registrar General of India (RGI) under the Home Ministry.

Legal basis of NPR

- NPR is prepared under Rule 3 of the Citizenship (Registration of Citizens and Issue of National Identity Cards) Rules, 2003.
 - These rules were framed under the Citizenship Act, 1955.
 - The NPR is different from the National Register of Citizens (NRC) which excludes the foreign citizens.
 - NRC is a register containing details of Indian Citizens living in India and outside India.
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