

UPSC Daily Current Affairs 18 Jun 2021

1. Peace Index 2021

(Topic- GS Paper II – IR, Source- The Hindu)

Why in the news?

- The 15th edition of the **Global Peace Index (GPI)** has been released by the **Institute for Economics and Peace (IEP)**.

About Global Peace Index



- The GPI was founded by Steve Killelea, an Australian technology entrepreneur and philanthropist.
- It is released by Australian think tank **Institute for Economics & Peace**.
- The index ranks **163 independent states and territories** according to their level of **peacefulness**.
- The GPI covers 99.7 per cent of the world's population, **using 23 qualitative and quantitative indicators from highly respected sources, and measures the state of peace across three domains:**
 - a. The level of societal safety and security.
 - b. The extent of ongoing domestic and international conflict.
 - c. The degree of militarisation.
- Possible effects of climate change on peace are newly included in this research.
- The report points out that the average level of global peacefulness declined by 0.07 percent marking the 9th deterioration in the last thirteen years.

Findings of the Report

Most peaceful

- Iceland remains the most peaceful country in the world, a position it has held since 2008.
- Other countries at top of the Global Peace Index (GPI) are New Zealand, Austria, Portugal, and Denmark and Slovenia.
- **India has moved up two notches from its previous year's ranking to become the 135th most peaceful country in the world and the 5th in the region.**
- The largest improvement in peacefulness in South Asia occurred in **Pakistan**, which ranked 150th globally and 6th in the region, by moving up two notches from the previous year's ranking.
- The Index placed Bangladesh at 91st position compared to 98th last year.
- **Bangladesh** has scored an overall score of 2.68 making it the third most peaceful country in South Asia placed behind Bhutan and Nepal.

Least Peaceful

- Afghanistan is the least peaceful country in the world for the fourth consecutive year, followed by Yemen, Syria, South Sudan, and Iraq.
- All, except Yemen, have been ranked amongst the five least peaceful nations since at least 2015, with Afghanistan having been ranked amongst the three least peaceful nations since 2010.

Top GPI Countries

- Eight of the ten countries at the top of the GPI are located in Europe.
- This is the most European countries to be ranked in the top ten in the history of the index.
- Singapore fell out of the top ten, replaced by Ireland which improved by three places.
- Only three of the nine regions in the world became more peaceful over the past year.
- The largest improvement occurred in the Middle East and North Africa (MENA), followed by Europe and South Asia. However, MENA still remains the least peaceful region in the world.

North America

- The largest regional deterioration occurred in North America, which deteriorated across all three GPI domains.
- The primary driver of this fall in peacefulness was deterioration on the Safety and Security domain, especially in the United States, where growing civil unrest led to increasing perceptions of criminality and political instability, and more violent demonstrations.

Military expenditure

- US, China, Saudi Arabia, Russia and India are the top five countries with the largest total military expenditure.
- The Militarisation domain has improved by 4.2 per cent since 2008, the only GPI domain to record an improvement in the last 15 years.
- The armed service rate has fallen in 111 countries, and military expenditure as a percentage of GDP fell in 87.

Economic impact of violence

- The economic impact of violence to the global economy in 2020 was \$14.96 trillion in purchasing power parity (PPP) terms which is equivalent to 11.6 percent of the world's economic activity.

2. Rules regulating cable TV network amended

(Topic- GS Paper II – Governance, Source- The Hindu)

Why in the news?

- Recently, the Information and Broadcasting Ministry amended the rules regulating cable television networks, providing for a “statutory” mechanism for complaints raised by citizens regarding any content broadcast.

Highlights of the new rule

- The Cable Television Networks (Amendment) Rules, 2021, provides for a three-level grievance redressal mechanism - self-regulation by broadcasters, self-regulation by the self-regulating bodies of the broadcasters, and oversight by an Inter-Departmental Committee at the level of the Centre.

Complaint

- A viewer could file a complaint directly to the broadcaster, who would have to respond within 15 days.
- If the complainant was not satisfied with the response, the complaint could be escalated to the self-regulating bodies set up by TV channels, which should deal with the case in 60 days.

Right to appeal

- If the complainant is not satisfied with the decision of the self-regulating body, he may, within 15 days of such decision, prefer an appeal to the Central government for its consideration under the Oversight Mechanism.
- Such appeals would be dealt with by the Inter-Departmental Committee set up under the Oversight Mechanism.
- The Committee would be headed by the Additional Secretary in the Ministry of Information and Broadcasting, and have members from-
 - Ministry of Women and Child Development,
 - Home Ministry, ○ Ministry of Electronics and Information Technology,
 - Ministry of External Affairs,
 - Ministry of Defence,
 - Representatives of other Ministries and organisations, including experts, as the Centre may decide.
- This third tier was not only kept aside to hear the appeals, it could take up complaints that come directly to the Centre.

3. Section 79 of the Information Technology (IT) Act

(Topic- GS Paper II –Governance, Source- The Hindu)

Why in the news?

- Recently, Micro-blogging platform Twitter is facing fresh heat from the Ministry of Electronics and Information Technology (MeitY) for failing to adhere to norms while appointing executives in the roles of Resident Grievance Officer, Nodal Officer and Chief Compliance Officer.
- This, according to the government, means that the protection under Section 79 of the Information Technology (IT) Act, accorded to Twitter for being a social media intermediary, now stands withdrawn.

What is the protection accorded to intermediaries under Section 79 of IT Act?

- Section 79 says that any intermediary shall not be held legally or otherwise liable for any third party information, data, or communication link made available or hosted on its platform.
- This protection, the Act says, shall be applicable if the said intermediary does not in any way initiate the transmission of the message in question, select the receiver of the transmitted message, and does not modify any information contained in the transmission.
- This means that as long as a platform acts just as the messenger carrying a message from point A to point B, without interfering with its content in any manner, it will be safe from any legal prosecution brought upon due to the message being transmitted.

Impact on Twitter

- In the short run, since the protection accorded to Twitter under Section 79 of the IT Act is now gone, it opens up the platform to the possibility of any and all penal action that is likely to be taken against it as a publisher of content.
- This means that if someone puts out any content on Twitter that leads to some form of violence, or violates any Indian law with respect to content, not only the person that has put out the tweet will be held responsible, even Twitter will be legally liable for the content as it no longer has the protection.

4. Federal Reserve interest rate increase

(Topic- GS Paper III –Economics, Source- Indian Express)

Why in the news?

- Recently, the US Federal Reserve has hinted at the possibility of two rate hikes by 2023, leading to a fall in market indices.

More on the news

- In a deviation from what it said in March, the Fed signalled that there could be at least two rate hikes by 2023 as economic activity indicators have strengthened and inflation has firmed up. Some members were also in favour of raising rates at least once in 2022.
- In March, the Fed signalled that they would hold the rates near zero through 2023.

Reaction on markets

- The Dow Jones Industrial index in the US fell 0.77% and treasury yields rose after the Federal Reserve indicated that there could be two rate hikes by 2023.

Effect on India

- In India, the benchmark Sensex fell marginally and the rupee lost over 1% against the dollar.
- The wholesale price index-based (WPI) inflation scaled a record high of 12.94% in May, pushed by higher fuel and commodity prices, and a low base effect.
- The timing and pace of the US interest rate hikes and tapering of the bond buying programme, too, will be critical for equity markets in India, which may witness an outflow of funds following the announcement.

Impact of an early hike in interest rates

- News of a hike in interest rate in the US leads not only to an outflow of funds from equities into US treasury bonds, but also to an outflow of funds from emerging economies to the US.
- The rupee is also expected to come under pressure as the dollar strengthens.
- Experts say a rise in yields leads to a situation where they start competing with equities, and this impacts market movement.

What are domestic inflation concerns?

- Wholesale inflation has been rising for five months, and is expected to rise further as the impact of high crude prices and surging commodity prices feed in.
- For a large number of commodities, their global prices are now getting reflected in their domestic prices.
- For instance, petrol, diesel and LPG witnessed inflation of 62.3%, 66.3% and 60.9%, respectively, in May 2021.
- The food inflation component for retail inflation rose significantly higher to 5.01% in May from 1.96% the preceding month.
- Some of the items that pushed retail inflation were fuel, which recorded inflation of 11.6% (the highest since March 2021), transport and communication at 12.6%, edible oil at 30.8% and pulses at 9.3%.

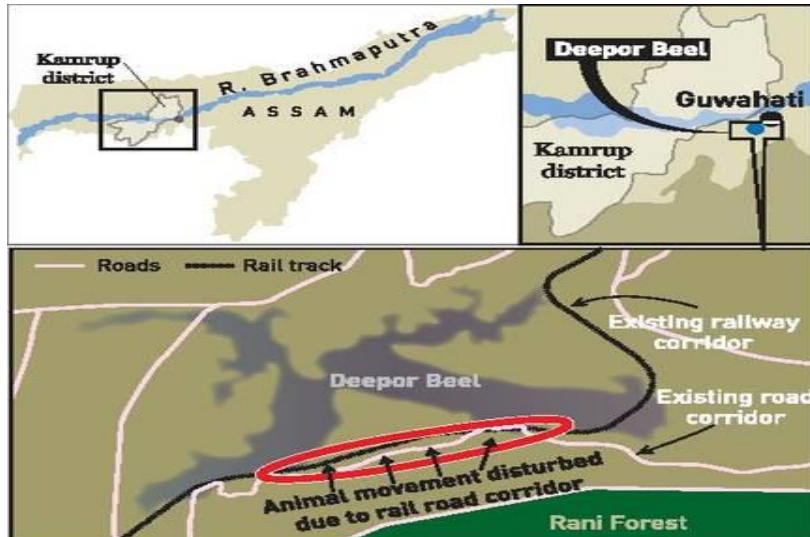
5. Deepor Beel

(Topic- GS Paper III –Environment, Source- The Hindu)

Why in the news?

- Recently, the Assam government has proposed the realignment of a broad gauge railway line through the Deepor Beel, an 'Important Bird Area' designated under the Ramsar Convention of Wetlands.

About Deepor Beel



- It is a permanent freshwater lake, in a former channel of the Brahmaputra River, to the south of the main river.
- It is a wetland under the Ramsar Convention which has listed since November 2002, for undertaking conservation measures on the basis of its biological and environmental importance.

Location

- It is located to the south-west of Guwahati city, in Kamrup district of Assam, India.

Significance

- It is considered as one of the largest beels in the Brahmaputra valley of Lower Assam, it is categorised as a representative of the wetland type under the Burma monsoon forest biogeographic region.
- It is also an important bird sanctuary habituating many migrant species.

6. World Competitiveness Index

(Topic- GS Paper III –Economics, Source- ET)

Why in the news?

- Recently, the Institute for Management Development (IMD) has released the World Competitiveness Index that examined the impact of COVID-19 on economies around the world this year.

About IMD World Competitiveness Ranking

- It ranks 64 economies and assesses the extent to which a country promotes the prosperity of its people by measuring economic well-being through hard data and survey responses from executives.
- This year, the rankings expose the economic impact of the pandemic across the globe.
- The ranking, produced annually by the IMD World Competitiveness Center, measures the prosperity and competitiveness of 64 nations by examining four factors
 - a. economic performance
 - b. government efficiency
 - c. business efficiency
 - d. Infrastructure.

Key highlights

- Switzerland tops in the Index.

Top Performing Asian Economies

- The top-performing Asian economies are, in order, Singapore (fifth), Hong Kong (seventh), Taiwan (eighth) and China (16th).
- Taiwan reached the top-10 for the first time since the ranking began 33 years ago (moving up from 11th last year).
- The UAE and the USA remain in their same spots as last year (9th and 10th, respectively).

Among BRICS

- Among the BRICS nations, India is ranked second after China (16), followed by Russia (45th), Brazil (57th) and South Africa (62th).

India and Index

- India maintains 43rd rank on IMD's World Competitiveness Index.
- India has maintained its position for the past three years but this year, it had significant improvements in government efficiency.
- India's improvements in the government efficiency factor are mostly due to relatively stable public finances (despite difficulties brought by the pandemic, in 2020 the government deficit stayed at 7 per cent) and to the positive feedbacks we registered among Indian business executives with respect to the support and subsidies provided by the government to the private companies.

7. Recovery takes more than reforms

(Topic- GS Paper III – Economics, Source- The Hindu)

Why in the news?

- Recently, the most recent growth estimates of the National Statistical Office show that after a steep contraction in the first quarter of last year, growth accelerated steadily afterwards.

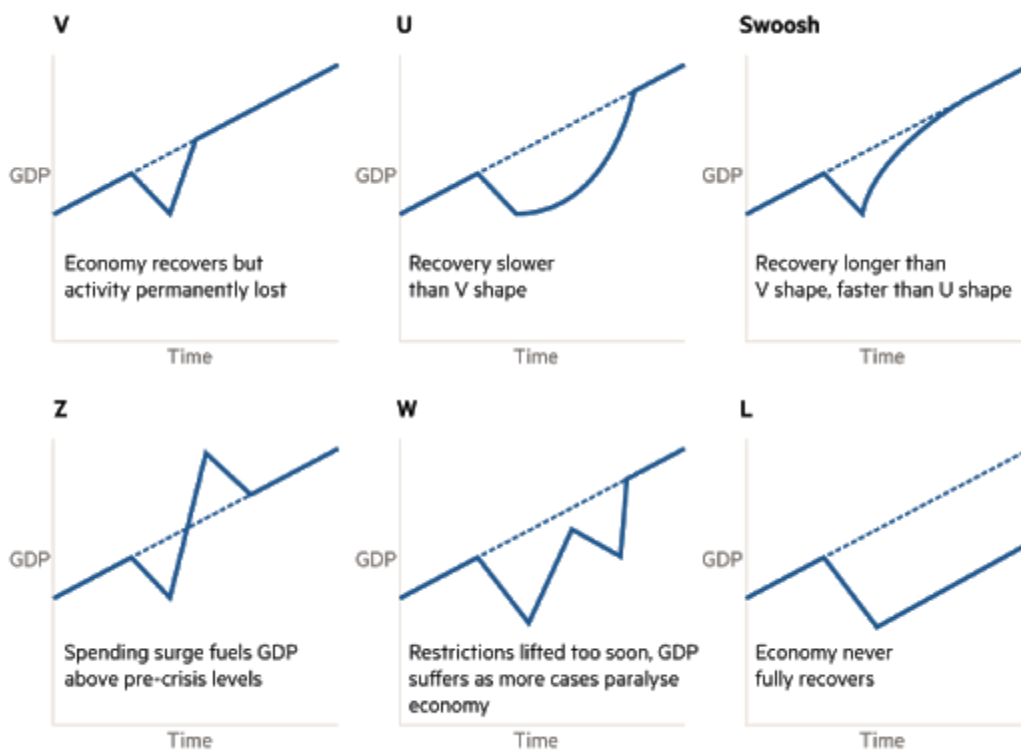
More on the news

- The output may well have contracted in the beginning of this year.
- So, though recovery will eventually come, it could be W-shaped rather than V-shaped.

Shapes of Economic Recovery

- Economic recovery can take many forms, which is depicted using alphabetic notations.
- The different type of shape of the economic recovery are Z-shaped recovery, V-shaped recovery, U-shaped recovery, elongated U-shaped recovery, W-shaped recovery, L shaped recovery, Swoosh and Inverted square recovery.
- The alphabets generally denote the graph of growth rate, which resembles the shape of the letter.
- The fundamental difference between the different kinds of recovery is the time taken for economic activity to normalize.

Shape of recovery



Source: Brookings Institution
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V-shaped recovery

- In V-Shaped recovery, the economy quickly recoups lost ground and gets back to the normal growth trend-line.

U-shaped recovery

- It resembles a bathtub, in which the economy, after falling, struggles and muddles around a low growth rate for some time, before rising gradually to usual levels.

W-shaped recovery

- It is a dangerous creature — growth falls and rises, but falls again before recovering yet again, thus forming a W-like chart.
- The double-dip depicted by a W-shaped recovery is what some economists are predicting if the second wave of Covid comes along and the initial rebound flatters to deceive.

L-shaped recovery

- It is the worst-case scenario, in which growth after falling, stagnates at low levels and does not recover for a long, long time.

Swoosh shaped recovery

- It is similar to the Nike logo — in between the V-shape and the U-shape. Here, after falling, growth starts recovering quickly but then, slowed down by obstacles, moves gradually back to the trend-line.

J-shaped recovery

- In this, the growth rises sharply from the lows much higher than the trendline and stays there. Inverted square root shaped recovery.
- In this scenario, while there could be a rebound from the bottom, the growth slows and settles a step-down.

Inverted square root shaped recovery.

- In this scenario, while there could be a rebound from the bottom, the growth slows and settles a step-down.

8. National Maritime Heritage Complex (NMHC)

(Topic- GS Paper III – Environment, Source- The Hindu)

Why in the news?

- Recently, the Ministry of Culture (MoC) and Ministry of Ports, Shipping and Waterways (MoPSW) signed a Memorandum of Understanding (MoU) for ‘Cooperation in Development of National Maritime Heritage Complex (NMHC) at Lothal, Gujarat’.

About the National Maritime Heritage Complex (NMHC)

- The foundation stone for the project was laid by Prime Minister Narendra Modi in March 2019.

Significance

- It will showcase and preserve India’s rich and diverse maritime heritage.
- It will display objects relating to ships and travel on large bodies of water.
- It also intends to highlight the ancient shipbuilding and navigational technologies developed by India.
- NMHC would be developed as an international tourist destination, where the maritime heritage of India from ancient to modern times would be showcased and an edutainment approach using the latest technology would be adopted to spread awareness about India’s maritime heritage.

Implementing agencies

- The project is being implemented by the Ministry of Shipping through its Sagarmala programme, with the involvement of the Archaeological Survey of India (ASI), the State government and other stakeholders.

National maritime heritage museum

- India and Portugal will cooperate in the setting up of a national maritime heritage museum at Lothal in Gujarat.
- The Portuguese Navy has agreed to assist with their experience of administering the maritime museum in Lisbon.