



YOJNA IAS

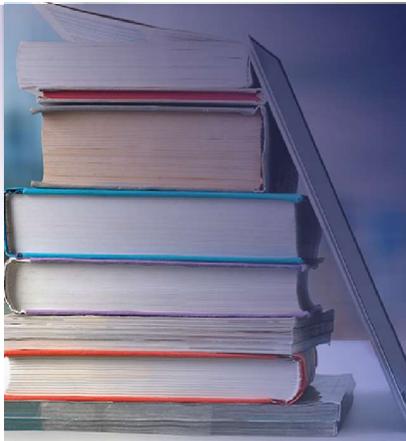
WEEKLY CURRENT AFFAIRS

YOJNA IAS WEEKLY CURRENT AFFAIRS

12/09/2022 TO 18/09/2022

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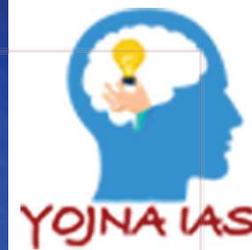


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CURRENT AFFAIRS

SEPTEMBER 2022



Social accommodation is needed for Kashmiri people: Necessity for the relocation of Kashmiri Pandits

Source: The Hindu (Editorial)

Context: Kashmiri pandits have been protesting for their safety for the last several days. Many Kashmiri Pandits are targeted and killed by the militants. After the 1990s the first time, once again the targeted killing of the Kashmiri pandits have been begun

Introduction :

A new phase of the communal insurgency started in Kashmir valley in the 1990s when the militants targeted the Hindu residents of the Kashmir Valley and many Hindu families had to escape from the valley and finally wander to different parts of the country. In the Modi government, the Kashmiri pandits have high expectations of their relocation, therefore they are protesting against the government for their relocation in the valley

The UPA government, under the Prime Minister's return and rehabilitation of Kashmir migrants scheme, in government employments, migrant pandits were appointed and relocated by the government in the Valley but these migrants are residing in the high-security zone of the valley. but their workplaces are not in the safety zone. all the employees use to come outside from the most secured regions and after the targeting killing by the militants, other employees were scared and they demanded the assurance of their security

Why does this targeted killing resume?

The incidents of the targeted killing started in the valley in September 2021. It may be the result of the reaction against the hate speeches given by some religious priests. The

communal and hateful atmosphere in the country encourages such type of incidents.

A realistic approach should be adopted for the relocation of the Kashmiri Pandits

There is no top-down solution to the complex question of return. Government should take the help of the civil societies in the relocation. It has also been observed that there are very few civil societies exist and work in the Kashmir Valley. Civil societies can create the ground for the relocation of the Pandits through public participation. The Harmonious atmosphere should be made not only in the Valley but also in the entire country. Pandit and Muslims should be for the coalition societies and committees. Maximum participation of the public in these activities would increase the possibility of the relocation of the Kashmiris. The dialogue series coincided with the launching of the Prime Minister's job scheme. These dialogues created a social environment that enabled Kashmiri Pandits to take up government postings in the Valley.

In fact, Muslims of Kashmir felt that the Kashmiri pandits are not with them on the issue of autonomy and the pandits are with the suppressive policies of the central government. However, Kashmiri Muslims are not against the Kashmiri Brahmins not because of their religion but because of their emotional attachment to the policies of the central government

The issue of "apology" was also discussed. The suppression of the voice of the Kashmiri is not the act of the Pandits. But the picture of the Kashmiris was as painted that they

Support the suppressive measures because of their religion. The communal atmosphere of the rest of the countries also influences the atmosphere of Kashmir. Government should ensure communal harmony for the relocation of the Kashmiri pandits in Kashmir. Communal harmony is the only solution to the maximum problems of India.

Conclusion

The relocation of the Kashmiri Pandits is a big issue and should not be resolved through the communal spirit. It should be resolved through the Muslim and Kashmiri Pandit dialogues. The maximum participation of the Kashmiri people in the governance of Kashmir would maximize the possibility of the relocation of the Kashmiri people and minimize the local insurgency. The cross-border militancy should be countered through power. But the discontent of the Kashmiri people should be addressed through the political institutions of the Kashmiris as well as civil societies

Anshul

Editorial: India has lost its way in the use of international law

India has lost its way in the use of international law.

GS-2: Important International Institutions, agencies and fora – their Structure, Mandate.



India's achievement in International law sphere:

- India's Constitution makers in **Article 51** provided that the state shall foster respect for international law.
- India organized the **first Asian-African Conference at Bandung in 1955**, for the end of colonialism and for the principle of self-determination in international law.
- India proposed **Comprehensive Convention on International Terrorism (CCIT)** that shaped international law on terrorism.
- India tried to influence international environmental law through **International Solar Alliance (ISA)**.

Issues in India's engagement with international law:

- **Euro-centric** nature of international law.
- **Marginal use of International law and vocabulary** in articulating its national interests internationally.

- **Generalist diplomats and policy-makers** failed to extensively employ the international law vocabulary unlike their western counterparts. **For Example:** India failed to use the international law vocabulary to call out Chinese transgressions of India's sovereignty.
- **Even in dealing with Pakistan's aggression** India did not mention international law except in Kulbhushan Jadhav case where it sued Pakistan at the International Court of Justice.
- **Barring a few initiatives such as the CCIT and ISA** India failed to develop and contribute new international law doctrines, interpretations, and principles that suit its national interests.
- **Institutional bottlenecks due to generalist diplomats and understaffed legal and treaties (L&T) division:** Parliamentary Standing Committee report on External Affairs, 2021 points out that the L&T division has a strength of 13 offices as opposed to an approved strength of 23.
- **Fragmented decision-making** in international law due to involvement of several Ministries.
- **Poor state-capacity due to neglect of international law discipline:** International law academics have failed to popularize international law.

Way forward:

- The Law Ministry should create an international law department under its wing.
- MEA through proper funding should establish chairs for research in international law in universities through Indian Council of World Affairs (ICWA).

Sharad

Slide in Global oil prices

News: Brent crude prices have fallen sharply over the last ten days, in a major relief to the Indian economy. This decline in Brent Crude prices has been very sharp as Brent Crude is now trading at \$90 per barrel from \$110 per barrel in July end.

Impact due to rise in global oil prices:

- **Doubling of oil import bill:** Since, India imports almost 85% of its oil and with rise in oil prices its import bill doubled to \$119 billion at the end of March 2022.
- **Change in global oil prices creates a chain of events:** Like rise in oil prices leads to inflation, weakening rupee against the dollar and hurting stock market sentiment.

- **Indirect impact of price rise** is rise in edible oil prices, coal prices and also fertilizer prices as in manufacturing of fertilizer gas is used that accounts for 80% of all fertilizer production costs.
- **Enhanced import burden** leading to reduction in demand in the economy and that finally hurts or dampen growth.
- **Rise in current account deficit and fiscal deficit** as in most cases the government chooses to bear the burden of oil price rise by way of subsidies.

Global impact of softening in crude oil prices:

- **It points towards expectations of global slowdown:** Future demand for crude oil may dip due to fears of recession in Europe and decline in demand from China as there are fresh Covid lockdown measures leading to weakening of factory activity. Concerns over slowing demand gets further aggravated due to surprise rise in interest rates and inventories in U.S. For 2023, slightly higher demand and tighter supply forecasted by the US energy watchdog. OPEC also decided to cut production indicating an expectation of decline in demand.

Impact on India:

- Government, Consumers and even the corporate will get big relief due to the sharp decline in crude oil prices.
- **Potential of higher Indian economic growth through revival in demand in the economy** due to lower inflation levels and higher disposable incomes if oil continues to trade at lower levels.
- **Impact on equity and debt markets:** Softening crude oil price will affect the index of companies across sectors, especially companies that are sensitive to crude oil prices. These companies have witnessed a rise in their share prices due to decline in oil prices.

Conclusion or Way forward:

- **Apprehensions:** Decline in Oil prices may benefit oil marketing companies (OMCs), but it may not soften retail inflation as retail prices of fuel may continue to stay high. To get any meaning from decision on RBI policy rate crude oil prices must be sustained for a longer period of time.
- Economic environment of India continues to remain challenging and interest rates by the RBI could continue to rise further.
- Equity markets investors should invest with a long term focus in the Indian Economy even if decline in crude oil prices is positive for the Indian economy.

- High interest rates are likely to peak over the next few months, so Debt investors should prepare themselves to lock into high interest rates.

Source: Indian Express.

Article: Express Explained: In sharp slide in global oil prices, hope for easing of inflation in India

Sharad

Subhas Chandra Bose

News: PM Modi unveiled the statue of Subhas Chandra Bose at India Gate, along with inauguration of Kartavya Path (renewed version of Rajpath).

Early Life of Subhas Chandra Bose:

- Subhas Chandra Bose was born as the ninth child of Janakinath (a well-known lawyer) and Prabhavati Bose in 1897 in Cuttack.
- His family was upper-class Bengali family and his mother Prabhavati, was a devout Bengali Hindu well versed in Bengali Hindu customs and pujas.
- During his childhood he had to attend all the pujas performed by his mother.
- His father Janakinath sent all of their sons to an English-medium so that they could become perfect in English and assimilate into English society.
- After Schooling, Bose went to Presidency College in Calcutta in 1913 to study philosophy where he was expelled for beating Professor of History E F Oaten for his remarks on England's civilizing mission in India. Thereafter, Bose resumed his studies at the Scottish Church College in Calcutta.
- He joined the Cambridge University to prepare for the Indian Civil Services (ICS) exam in 1920
- In his determination to join India's freedom struggle he resigned from Indian Civil Services (ICS) to join the Mahatma Gandhi-led national movement. .

Early Influence on Subhas Chandra Bose:

- Teachings of Ramakrishna and his disciple Swami Vivekananda; Themes of novel **Ananda Math** written by Bankim Chandra Chatterjee.

Ideological stance of Bose:

- **During the National Movement:** Uncompromising anti-imperialism.
- **After Independence of India:** Undiluted socialism.

Ideological divide between Subhas Chandra Bose and Mahatma Gandhi:

- In 1921, at Mumbai then Bombay he met Gandhi but left the meeting after unsatisfactory discussion with Gandhi.
- Despite tensions between Bose and Gandhi, Bose respected Gandhi a lot and was well aware of Gandhi's significance.
- In his address from the **Azad Hind Radio** from Singapore in July 1944, Bose was the first to call Gandhi the "**father of the nation**".

Comparison between Mahatma Gandhi and Subhas Chandra Bose:

Mahatma Gandhi	Subhas Chandra Bose
1. Gandhi was willing to wait a long time for Independence.	1. Bose's focus was on immediate action, if not immediate results.
2. Gandhi was hostile towards modern technology and anti-materialistic.	2. In Bose's world view technology and mass production are essential for survival and dignity.
3. Gandhi opposed the modern state and his focus was on decentralized society.	3. According to Bose, a modern state and strong central government was necessary for strong India.
4. Means to achieve independence: Non-Violence.	4. Bose was not averse to violent means to achieve independence.

Bose's role in Congress party:

- Bose's devotion towards the national movement made him one of the most powerful political leaders in the Congress party.
- During the **Haripura Congress session in 1938**, he was elected as Congress president. During his presidency, he opposed the idea of an Indian federation under British rule and pushed for swaraj as a "National Demand".
- He defeated **Dr Pattabhi Sitaramayya (Gandhi-backed candidate)** in his re-election bid in 1939. Gandhi took this defeat as a "personal defeat" and 12 of the 15 members of the Working Committee resigned from their roles including Jawaharlal Nehru, Vallabhbhai Patel and Rajendra Prasad.
- Bose tried to setup another working committee but after being unable to set up an-

other working committee, he was forced to resign and replaced by Rajendra Prasad.

- He created the “**Forward Bloc**” within the **Congress Party**, to bring the radical-left elements of the Congress party together and to provide Indian people with an alternative political leadership.
- He was arrested in 1940 before launching a campaign against a monument dedicated to **Black Hole** victims of Calcutta (In Black Hole tragedy, a number of imprisoned European soldiers died in 1756).
- He escaped from prison and reached Nazi Germany through Soviet-controlled Kabul via the northwest of India.
- During his stay in Germany, he started the **Azad Hind Radio** and was provided with a few thousand Indian prisoners of war captured by Germany.
- Soon Bose’s focus turned towards South East Asia, specifically Singapore that had been taken over by Japan from the British. He left Germany with his aide Abid Hasan at the peak of World War II and reached Tokyo after traveling down the Atlantic Ocean, crossing the Cape of Good Hope in Africa and entering the Indian Ocean past Madagascar.

Formation of Indian National Army (INA) and World War II

- **In 1942, Indian National Army (INA)** was formed, supported by Japanese troops and consisting of Indian prisoners of war (PoW) captured by the Japanese.
- In INA women were also recruited for the **Rani of Jhansi regiment**.
- **In October 1943 at Singapore**, the provisional government of the Azad Hind was formed. Thereafter, **In January 1944**, headquarters of the provisional government was moved to Rangoon.
- INA, after fighting at the **Arakan Front**, crossed the Indo-Burma border and marched towards Imphal and Kohima in March, 1944.
- However, this “**Chalo Dilli**” campaign ended at Imphal due to the defeat of Japanese forces by the British and British Indian armies, with the help of American air support.
- **In April-May 1945**, INA soldiers faced incessant enemy fire and soldiers along with Bose were forced to retreat on foot to Thailand.
- **In August 1945**, after atomic bombs were dropped on Hiroshima and Nagasaki by USA war comes to an end leading to surrender of Japanese forces on August 16.
- After that Bose left South East Asia on a Japanese plane and headed toward China where his plane got crashed.

Source: Indian Express.

Article: 5 things about life and times of Subhas Chandra Bose

Sharad

Swiggy's moonlighting policy

Source: Indian Express; Times of India

News: Recently, a new “moonlighting” policy announced by Food delivery start-up Swiggy allowed its employees to take up gigs or projects outside their regular employment after working hours.

Concept of moonlighting:

- Side jobs that are mostly at night time or on weekends, are referred to as Moonlighting.
- Under Moonlighting, an employee works at an extra job beyond regular working hours, mostly without the knowledge of the employer.
- This term Moonlighting became popular when workers in the US started seeking a second job beyond their regular 9-to-5 work for additional income.
- Simple meaning of Moonlighting is holding another job during the working hours of employment.

Various instances of Moonlighting:

- While tracking provident fund accounts of Bengaluru-based person HR found that he was working in seven different jobs.
- **Case of taking up another job without quitting one job:** In a Mumbai based IT firm, red flags were raised by juniors of an employee when official email was being used by an employee to send large files to another company.
- In an MNC firm in Bengaluru twelve of its coders were moonlighting, they were turned into contractual employees.

Reasons for increase in Moonlighting:

- COVID induced lockdown led to increase in **Work from home scenarios** given a possibility to employees to work two jobs. According to recent survey by **Kotak Institutional Equities in IT and ITeS space**, while working from home around 65

percent of people were pursuing part-time opportunities or moonlighting.

- **Financial insecurity during coronavirus** forced workers to take up multiple projects.
- **Greater legitimacy of the concept of gig economy** in recent years due to which moonlighting is considered as the future of work.
- **Work from Home opportunities** enabled some IT workers to do bare minimum at their jobs to juggle multiple responsibilities.
- **Reduction in productivity levels and loss of skilled employees** has increased moonlighting in the IT industry.
- **Shortage of skilled workers:** In India there is a huge gap in skills having 54% of employees strongly lag in skills.
- **IT & ITES sector is facing a challenge to retain employees:** Willis Towers Watson 'Reimagining Work and Rewards Survey' revealed India Inc is facing a challenge to retain the right talent. According to this survey 64% of the companies are finding it difficult to retain their talents.
- Employers are not focusing enough to train their workers for specialist skills hence employees are taking gigs to upskill themselves.
- Moonlighting allows a person to develop new skills, explore related domains and connect with more people as they work in different roles.

Concerns associated with Moonlighting:

- **Moonlighting may impact the workers productivity** on the full-time job as an employee is expected and required to spend his entire working time, efforts and energy for the employer.
- Most of the moonlight work was done during holidays and time-off and this time meant to rest a worker but this will become difficult due to another job.
- **Issues of conflict of interest due to moonlighting:** In certain roles serving one interest worked against another. In such roles moonlighting may become a problem.
- **Possibility of Insider trading:** where employees may share unpublished price-sensitive information (UPSI) knowingly or unknowingly that can affect the undisclosed stock price.
- **Apprehension in Industry:** Very few firms are open to moonlighting. Some Companies like Wipro termed the concept of moonlighting as pure cheating.
- **Confidentiality issues:** As moonlighting may lead to risk of leakage of data, confidential

information and intellectual property with competitors.

- **Moonlighting is shifting towards daylighting:** Earlier, moonlighting jobs were considered as side hustle mostly done at night time or weekends. But, now employees are focusing more on their gigs even during the office hours.
- **Trust Issues:** Most workers kept their second job discreet, even in countries like the US where double employment is not banned.
- **Ethical concerns:** There is debate going on ethics of secretly taking another job as these jobs are pursued without keeping full time employers in loop.
- There are cases that moonlight works are done using resources of full time jobs.

Legal status of Moonlighting in India:

- Holding multiple jobs is not allowed by private companies in India.
- Various states restrict double employment through **Shops and Establishment Acts** but its application varies when it comes to highly-specialised industries.
- Factories Act also restricts double employment but the law does not apply to IT companies in some states.

Way forward:

- If moonlighting starts impacting the company, management should take disciplinary action.
- Employees should comply with moonlighting policies of the company.
- Employers should take measures such as the introduction of the Moonlighting Clause keeping in mind the well being of the employees.
- Moonlight policy of the company must clearly classify the nature of works that can be taken as side hustle.

Short Summary:

- Coronavirus induced lockdown brought disruptions in the lives of people. New concepts such as gig economy and moonlighting are becoming part and parcel of life. But, these things have their own challenges beyond the current regulatory framework. Here in this article we discussed the concept of moonlighting, recent instances of moonlighting & its reasons and associated concern. Article ended with a possible way forward to deal with moonlighting.

Articles:

1. **Explained:** Swiggy's moonlighting policy that allows staff to take up gigs beyond reg-

ular job

2.Explained: What is moonlighting and if it's legal in India

Sharad

Global Water Crisis

Sources: The Hindu (Srikumar Chattopadhyay); Down to Earth (Mahesh Nathan)

News: Climate change has exacerbated water scarcity leading to rural-urban water disputes.

Reports showing growing water stress:

- **UNESCO's United Nations World Water Development Report of 2022** pointed toward impending water stress and water scarcity in different parts of the world due to a sharp rise in freshwater withdrawal from streams, lakes, aquifers, and human-made reservoirs.
- **Theme of World Water Day (observed on March 22) in 2007** was 'Coping with water scarcity.'
- **The Food and Agriculture Organization of the United Nations (FAO)'s new Water Report** sounded a note of caution that the world is moving towards the silent water crisis of a global dimension, depriving millions of people of water to live and sustain their livelihood.
- **An interactive web tool, Water Scarcity Clock**, shows that currently over two billion people are experiencing high water stress and this number is increasing day by day.
- **In the Global Drought Risk and Water Stress map (2019)** major parts of India, are highly water-stressed and experiencing water scarcity particularly west, central, and parts of peninsular India.
- The **Composite Water Management Index (2018) report by NITI Aayog** shows that India is facing the worst water crisis with approximately more than 600 million people facing acute water shortages.

Current Global response towards water shortage or water scarcity: Transfer of water from the hinterlands/upper catchments or drawing it from stored surface water bodies or aquifers.

Issues associated with the above response:

- **Sectoral and regional water competition** due to inter-basin and inter-State transfers of water.
- **Global concern of rural-urban transfer of water:** Leading to biophysical, socio-economic, and governance risks. In the **UN report on 'Transboundary Waters Systems – Status and Trend' (2016)**, India falls in the category of high biophysical and the highest socio-economic risks. In India, rural-urban transfer of water is a lose-lose situation as water is transported at the expense of rural areas and the agricultural sector.
- **Unmet demand of growing Urban water use:** Now India is urbanizing at a rapid pace and according to **World Urbanization Prospects, 2018** urban population component in India will cross the 40% mark by 2030 and the 50% mark by 2050 leading to a rise in per capita use of water in these centers due to improved standards of living.
- **Dependence shifts to surface water:** As in most cases to meet the growing demand of water, bulk of water supply is met through local sources of groundwater.
- **Water Pollution due to rural-urban water transfer:** Rural and urban areas use water from the same stock. But, in cities there is a lot of grey water without recovery or reuse, hence contributing to water pollution.

Way forward:

- Focus on ensuring water governance.
- Reallocation of water between urban and rural areas through catchment scale-based approaches.
- Adopting an integrated approach in water management through infrastructure investment,
- Fostering a rural-urban partnership to reduce water stress.
- Strengthening of institutions through adjustments in rapidly urbanizing regions.
- Water resource allocation at a regional level must be flexible.
- Ensuring gender equality in decision-making by involving women in designing, planning, and implementation of **Water, Sanitation and Hygiene (WASH)** programs.

Conclusion: The development process should not be jeopardized due to the state of India's water resources on the 75th anniversary of India's Independence.

Short Summary:

- Water stress or Water scarcity is a leading global concern and most policy respons-

es to address this concern is inter-basin and inter-state water mostly from rural-urban areas. But this policy has its own shortcomings like water pollution, regional competition for surface water and water disparity between urban and rural areas. Times call for new responses to deal with water stress and water scarcity.

Important facts for Prelims:

1. World Water Day is on March 22. Theme of world water day 2022 is “Groundwater – Making the invisible visible”.
2. United Nations World Water Development Report published by UNESCO on behalf of Un-Water.
3. International Day for the Preservation of the Ozone Layer or World Ozone Day is on 16 September 2022.

Sharad

Eastern Economic Forum & India's balancing act

Source: The Hindu; PIB

News: Eastern Economic Forum (EEF) is a four-day forum hosted by Russia from September 5 to 8 helping entrepreneurs to invest in Russia's Far East (RFE) Vladivostok. Recently, PM Narendra Modi also addressed the plenary session of the Eastern Economic Forum 2022.

During the address at the plenary session of the Eastern Economic Forum 2022 by PM Modi he focuses on the following points:

- India was the first one to open a Consulate in Vladivostok. India always believes in the ancient doctrine of “**Vasudhaiva Kutumbakam**”. He stressed the need to take the **path of diplomacy and dialogue** to resolve the Ukraine Conflict.
- Increase in India- Russia cooperation due to India's “**Act Far-East**” policy. Now, the Far-East policy has become a key pillar in the “**Special and Privileged Strategic Partnership**” between India and Russia.
- He emphasized the **role of connectivity** through the International North-South Corridor, the Chennai- Vladivostok Maritime Corridor, and the Northern Sea Route in the India-Russia relationship.
- **Other focus areas in the India-Russia partnership** are Arctic partnership; Energy cooperation; Indian investment in the pharma and diamond industry; Partnership with Russia for the supply of coking coal to the Indian steel industry.

Key features of the Far East Region of Russia:

- The Far East region encompasses one-third of Russia's territory.
- The region is rich in natural and mineral resources such as fish, oil, natural gas, wood, and diamonds.
- The population of Russia's Far East (RFE) is very sparse.
- Riches and resources of Russia's Far East (RFE) contribute to five percent of the Russian GDP.

About Eastern Economic Forum:

- To encourage foreign investments in Russia's Far East (RFE) Vladimir Putin (Russian President) established Eastern Economic Forum in 2015.
- Russia's Far East (RFE) Vladivostok is full of economic potential, suitable business conditions, and investment opportunities and Eastern Economic Forum (EEF) displays these potentials of the Far East.
- In 2021, a total of 380 agreements worth 3.6 trillion roubles were signed at the EEF an increase from 217 in 2017.
- In 2022, almost 2,729 investment projects are being planned in the far east region, and most of these investment projects/ agreements are focused on infrastructure, transportation projects, mineral excavations, construction, industry, and agriculture.

Aims and Objectives of Eastern Economic Forum(EEF):

- **Forum's aim for 2022:** Connecting the Far East with the Asia Pacific region.
- **Increasing Foreign Direct Investments** in Russia's Far East (RFE) by attracting the Asian economies to invest and develop the far east.
- **Ensuring availability of personnel** to procure and supply abundant materials available in the region.
- **Strategic geography of RFE acting as a gateway to Asia:** Through the far east Russian government aims to connect Russia to the Asian trading routes.
- **Eastern Economic Forum will help in the fast modernization** of various cities such as Vladivostok, Khabarovsk, Ulan-Ude, and Chita.
- **Russia is facing economic sanctions** due to the Ukraine invasion, so with the help of China and other Asian powers, it tried to survive the economic crisis and the sanctions.
- Also, through the Eastern Economic Forum(EEF) Russia tries to form an anti-sanc-

tions group in the international order with the help of countries like Myanmar, Armenia, Russia, and China.

Interests of major actors in the Eastern Economic Forum(EEF):

- **China:** Being the biggest investor(China accounts for 90% of the total investments in the far east region) china aims to promote its Belt and Road Initiative(BRI) and Polar Sea Route in the RFE. **Factors facilitating China-Russia Partnership in the far east:****1)**Since 2015, Russia has been welcoming Chinese investments, and now Russia became more open toward Chinese investments due to economic pressures caused by the Ukraine invasion.**2)**Construction of the Trans-Siberian Railway has further helped Russia and China in advancing trade ties.**3)**Long China- Russia border approximately 4000-kilometer, enabling them to assist each other in infrastructure and tap each other's resources.**4)**China tries to connect with RFE by developing its Heilongjiang province.**5)**Development of northeastern China and the RFE, through collaborations on connecting the cities of Blagoveshchensk and Heihe via a 1,080-meter bridge, supplying natural gas, and a rail bridge connecting the cities of Nizhneleninskoye and Tongjiang.
- **South Korea:** Far East region is witnessing a gradual increase in investments by South Korea. Shipbuilding projects, the manufacturing of electrical equipment, gas-liquefying plants, agricultural production, and fisheries are some of the major South Korean investments in the region. In collaboration with the Far East Development Fund, the Export-Import Bank of Korea announced its intention to inject \$2 billion into the RFE in a span of three years.
- **Japan:** **1)** In 2017, Through 21 projects Japanese investments in RFE amounted to \$16 billion.**2)**During Shinzo Abe's tenure, eight areas of economic cooperation were identified by Japan.**3)** For further development of the RFE Japan encouraged private businesses to invest in the far east.**4) Importance of Russia for Japan:** Dependency on Russian oil and gas resources japan and RFE as the potential market for its agro-technologies. **5)**There is some resistance in Japan – the Russia relationship due to the change in leadership and the Kuril islands dispute.
- **India:** Under Prime Minister Narendra Modi India tried to expand its influence in the RFE through expansion of trade, connectivity, and investments in Russia. In 2019, India offered a \$1 billion line of credit to develop infrastructure in the far east region. Major areas of cooperation between India and Russia are energy, pharmaceuticals, maritime connectivity, healthcare, tourism, the diamond industry, and the Arctic. India is also focusing on establishing a strong inter-state interaction with Russia through Eastern Economic Forum. The major initiative taken in this direction is the launch of an agreement between Gujarat and the Republic of Sakha in the diamond and pharmaceuticals industry.

India's balancing act between Indo-Pacific Economic Framework for Prosperity (IPEF) and Eastern Economic Forum(EEF):

- India tried to balance its involvement in both the EEF and the Indo-Pacific Economic Framework despite the current international conditions. IPEF and EEF are incomparable due to their different geographic coverage and different types of partnerships with the host countries.
- **Importance of IPEF for India:1)** IPEF will help India to strengthen its presence in the Indo-Pacific region. **2)** India can act in the Indo-Pacific region, without being part of regional groupings like the China-led Regional Comprehensive Economic Partnership or Comprehensive and Progressive Agreement for Trans-Pacific Partnership.**3)** IPEF will help India to get disengaged from supply chains dependent on China and will further help it build resilient supply chains through the global supply chain network.**4)** IPEF will help India to reduce its reliance on China for raw materials as the IPEF partners will act as new sources of raw materials and other essential products.

Short Summary:

- PM Modi recently addressed the plenary session of the Eastern Economic Forum 2022. This move is considered as balancing act between Russia and US-led western world. Both Eastern Economic Forum and Indo-Pacific Economic Framework for Prosperity (IPEF) are important for India. Russia's Far East region had gained prominence due to Russia's renewed effort to leap economic sanctions to put its economy back on track. In this effort, Russia is opening up its far east region Vladivostok for investment. India is sensing this opportunity to engage with Russia for expansion of trade, connectivity, and investments.

Articles:

1. The Hindu Explained: The Eastern Economic Forum and India's balancing act (Avishka Ashok)
2. PIB: Address by Prime Minister, Shri Narendra Modi at the plenary session of the Eastern Economic Forum 2022

Sharad

Inflation and its effect on economically weaker sections

Sources: The Hindu; Economic Times

News: Accelerating price gains or high retail inflation remains the single biggest challenge to policymakers.

Definition of Inflation from International Monetary fund: Inflation is the rate of increase in prices over a given period of time.

Recent retail inflation data published by National Statistical Office

- Acceleration in Consumer Price Index (CPI) inflation in August to 7%, from 6.7% in July.
- **The disproportionately higher burden on rural consumers compared to urban consumers:** In urban areas, month-on-month changes in both food prices and overall inflation is 0.50% and 0.46% while in rural areas inflation is at 0.88% and 0.57% respectively.
- Inflation in the prices of cereals surged to 9.57% in August from a 6.9% rate.
- **Sequential price upticks of CPI in eight of the 12 food items contributed to the faster inflation:** Inflation in the food and beverages category with vegetables having 13.2% year-on-year and 2.5% month-on-month inflation and dairy 6.39% and 0.9%, respectively.
- **The future outlook for inflation is not reassuring** as rice sowing in the Kharif season is less than last year's acreage due to uneven distribution of rainfall.
- The recent imposition of tariffs and curbs on the export of non-Basmati rice by the center made inflation in the 'heavyweight' food category far from reassuring.
- Gradual revival of demand in services categories including housing, health, education, recreation, and personal care led to increasing price gains.

Government's steps to curb inflation:

- An excise tax cut of Rs 8 per litre on petrol and Rs 6 per litre on diesel by the government.
- Reduction in state taxes by Kerala, Rajasthan, and Maharashtra to bring down logistics costs for the industry.
- Import duty reduction of key raw materials of steel and plastic industry.

- Further, the imposition of export duty on some steel products.
- Duty-free imports of 20 lakh tonnes of crude soybean & sunflower oil for the current and next financial year.
- Benefitting around nine crore beneficiaries through the Rs 200 per cylinder subsidy grant.
- Maintaining adequate stock of sugar by putting a limit of 100 lakh tonnes on sugar exports
- To maintain food security and cool prices, a ban on wheat exports slapped.
- Provision of an additional fertilizer subsidy of Rs 1.1 lakh crore to farmers in the current fiscal budget.
- In response to the Centre's steps prices had begun to ease in items such as oils, fats, and pulses. Ministry of Finance also asserts that there is a moderate increase in headline inflation.

Conclusion: Inflation is considered a tax on the poor as it disproportionately affects the economically weaker sections. Since the poor have no hedge against inflation containing the build-up of price pressures is the best anti-poverty program. Some segments of the economy are witnessing the revival but there is concern that price rise may dampen consumption.

Short Summary:

- Currently, every major or minor economy is facing high inflation due to uncertainties prevailing over the world. Although inflation in India is less compared to developed countries like the USA and European nations. But inflation's impact on the Indian economy and population is disproportionate due to the largely poor population and less per capita income. So, Indian policymakers are taking steps to curb the prices witnessing mixed results. Now, the sharp slide in global crude prices also came to the rescue of policymakers.

Articles:

1. The Hindu: Tax on the poor: On Inflation
2. Economic Times: Ten steps the government has taken recently to cool prices

Sharad