

16th Aug, 2024

1. PM's speech on 78th Independence Day Recent events of importance

• Why in News:

- Prime Minister Narendra Modi, in his speech from the ramparts of the Red Fort on the occasion of the 78th Independence Day, laid out a roadmap for the country for the coming years.
- From hosting the 2036 Olympics to championing a Secular Civil Code, PM Modi emphasised India's collective progress and empowerment of every citizen.

• Key highlights of PM Modi's speech

- **On Viksit Bharat**
 - The vision for a developed Bharat by 2047 hinges on the collective resolve of 140 crore citizens.
 - The goal is to build a 'Viksit Bharat' by embracing modernization, innovation, and technology across all sectors, from tourism to agriculture.
 - A key aspect is **reducing government interference in citizens' lives**.
 - Additionally, **mandating at least two annual reforms** in each of the 3 lakh institutions across the country could result in 25-30 lakh reforms annually.
 - This will boost public confidence and driving progress towards a 'Swarnim Bharat' by 2047.
- **On defence**
 - India is becoming self-reliant in this sector. It has gradually emerged and is establishing itself as an exporter and manufacturer of various Defence Equipment.
- **On financial sector, economy**
 - India has successfully doubled per capita income and made significant progress in employment and self-employment.
 - Reforms in the banking sector have strengthened our banks, making them a crucial support for the poor, middle-class families, and MSMEs.
 - Despite the global COVID-19 pandemic, India has swiftly improved its economy, with a focus on **modern infrastructure** and Ease of Living driving economic growth.
 - The aim is to make India the third-largest economy, with a commitment to work three times harder, faster, and on a larger scale to realize the nation's dreams sooner.
 - All elected representatives are urged to ensure Ease of Living on a mission mode.
- **On farmers**
 - To strengthen the nutrition of the world & also support the small farmers of India.
 - India and its farmers have the potential to create a global food basket of organic food.
 - 60,000 'Amrit Sarovars' (ponds) have been revived and replenished.
- **On world affairs**
 - G-20 was never held in such a grand manner before.
 - Bharat has the capability to organize major international events and possesses unparalleled hospitality. Bharat does not mean a threat to anyone.
 - He expressed hope that the situation in Bangladesh soon returns to normalcy.
 - The primary concern of our 140 crore citizens is to ensure the safety of Hindus, the minorities in Bangladesh.

PM calls for 'secular civil code' in Independence Day speech

In his 11th successive address to the nation from the Red Fort, Modi seeks to do away with a 'communal civil code' and end discrimination on the basis of religion, he flags issue of women's safety, says forces of anarchy want to destabilise country

Nandini Hebbar
NEW DELHI

In his 11th successive Independence Day address from the ramparts of the Red Fort, Prime Minister Narendra Modi on Thursday gave a renewed push to the BJP's ideological aim of a Uniform Civil Code (UCC), re-framing the idea as a "secular civil code" enshrined in the Constitution and a way of ensuring equality before the law for all.

"The Supreme Court has repeatedly discussed a Uniform Civil Code in India. A large section of the country believes, and it is true that in the civil code, what we have is a communal civil code. The need of the hour is a secular civil code. Only then will we be free of discrimination on



National narrative: Prime Minister Narendra Modi addressing the nation at the Red Fort on 15th Independence Day. ANI/VOX/AN

the basis of religion. It is our duty to fulfil the vision of our Constitution makers," the Prime Minister said.

Besides the UCC, a large part of the PM's customary address touched on several contemporary issues that packed a strong criticism of the Opposition. Without naming the West Bengal

government and the rape and murder of a doctor in Kolkata, Mr. Modi flagged the issue of women's safety.

"Our mothers, sisters and daughters are being tortured. There is anger among the people and I can tell it. The country, society and State governments need to take this se-

riously. There must be quick investigation and conviction of the perpetrators of such crimes," he said.

Mr. Modi also referred to forces of anarchy that wanted to destabilise the country, especially economically, again an unnamed reference to the report by Hindenburg

NDA allies strike a cautious note

NEW DELHI: The Janata Dal (U) and Telugu Desam Party (TDP), key allies of the ruling NDA, struck a cautious note on Prime Minister Narendra Modi's proposal for a "secular civil code". Both parties have not supported the idea in the past. > PAGE 15

Gahlot hoists flag in Delhi
NEW DELHI: Delhi Home Minister Kalish Gahlot on Thursday hoisted the national flag at the Delhi government's 15th Day ceremony at Chhatra Stadium, and questioned the "meaning of independence" when the CM has been "jailed without evidence". > PAGE 2

Research on the Adani Group, which BJP spokespersons have termed an attempt to destabilise Indian markets.
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- Bharat has always desired that our neighbouring countries pursue a path of contentment and peace.
 - **Our commitment to peace is deeply rooted in our culture.**
- **On empowerment and development**
 - We chose reforms to uplift the poor, middle class, underprivileged, urban population, and youth by empowering them and addressing their aspirations.
 - Last-mile connectivity has ensured access to education and healthcare in remote areas, fulfilling the mantra of "Sabka Saath, Sabka Vikas."
 - Lifting 25 crore people out of poverty affirms our momentum toward achieving our dreams.
 - Inclusive initiatives like Indian sign language, Sugamya Bharat, and support for the transgender community ensure dignity and equality for all.
 - The '**Trividh Marg**' (**three-way route**) embodies the spirit of service to all, with a duty to uplift and empower neglected regions, marginalized communities, small farmers, tribals, women, laborers, and workers.
- **On education**
 - 75,000 new seats will be introduced in the medical sector in the next 5 years.
 - The spirit of ancient Nalanda University will be revived, positioning India as a global education hub by promoting higher learning and research.
 - To develop an education system so that the youth of our country don't need to go abroad.
 - To create such institutions that attract people from abroad.
 - India's talent should not be hindered because of language. The strength of the mother tongue empowers even the poorest child in our country to fulfil their dreams.
 - **National Research Foundation** was created, providing it with a legal framework to develop a permanent system that continuously strengthens research.
 - The govt has decided to allocate **one lakh crore rupees for research and innovation** in the Budget so that the ideas of our country's youth can be realized.
- **On women safety, empowerment**
 - In the last decade, 10 crore women have joined self-help groups (SHGs), becoming key agents of social transformation through financial empowerment.
 - One crore mothers and sisters joined women self-help groups and are becoming 'lakhpati didis'.
 - Funds allocated to women SHGs will be increased from 10 lakhs to 20 lakhs.
 - Till date, a total of nine lakh crore funds has been channeled via banks to these SHGs.
 - The government extended paid maternity leave from 12 to 26 weeks. Women are increasingly taking on leadership roles in sectors like defense and space.
 - Society must address crimes against women seriously, ensuring swift investigations and harsh punishments to create a deterrent and restore trust in the government, judiciary, and civil society.
- **On developing industry**
 - **Vocal for Local** has become a new mantra for economic development.
 - **One District One Product** is the new wave now.
 - Bharat will become an industrial manufacturing hub and the world will look up to it.
 - **We must embrace the call of "Design in India" and move forward with the dream of "Design in India and Design for the World."**
 - India's commits to become a global leader in semiconductor production.
 - India must leverage its rich ancient legacy and literature to come up with **Made in India gaming products**.
 - Indian professionals must lead the global gaming market, not just in playing but also in producing games.

- Bharat's contribution to global growth is substantial, **our exports are continuously rising, our foreign exchange reserves have doubled, and global institutions have increasingly placed their trust in Bharat.**
- We are proud that our toy industry has also become a name to reckon with in the global market. We have **started exporting toys.**
- India has a large hub of manufacturing ecosystem of mobile phones and we **have started exporting them all over the world.**
- **On railways**
 - Government is committed to make its railways a net-zero carbon emitter by 2030.
- **On renewable energy**
 - India has achieved more in the renewable energy sector than G 20 Nations collectively. India is working hard to become self-reliant in the energy sector.
 - The PM Surya Ghar Free Electricity Scheme is set to provide new strength.
 - Those who generate electricity from solar energy under the PM Surya Ghar Yojana, can also reduce their fuel costs.
 - The demand for electric vehicles is on the rise.
- **On Youth Affairs & Sports**
 - **1 lakh youth should be inducted into the political system, specifically those with no history of politics in their families.**
 - The goal is to host the 2036 Olympics in India, and preparations are actively progressing toward this ambition.
- **On law and justice**
 - The current Civil Code resembles a Communal Civil Code, one that is discriminatory.
 - Laws that divide our nation based on religion and foster discrimination have no place in modern society.
 - After 75 years of a Communal Civil Code, it is crucial to **move towards a Secular Civil Code.**
 - India should come forward to embrace the concept of **"One Nation One Election"**.
 - Over 1,500 laws were eliminated to ensure citizens are not trapped in a web of legal complexities.
 - We have replaced the centuries-old criminal laws with new criminal laws known as Bharatiya Nyaya Sanhita, whose idea at core is to ensure justice for citizens as against British ideology of reprimand and punishment.
- **On housing**
 - 4 crore pukka homes have given a new lease of life to the poor.
 - 3 crore new homes have been promised to further this national agenda.

2. AI-based National Pest Surveillance System (NPSS) GS 3 (Science and Tech)

- **Why in News:** The Government launched the AI-based National Pest Surveillance System (NPSS) to integrate advanced technology into agriculture and to reduce farmers' reliance on pesticide retailers by promoting a more scientific approach to pest management
- **What is NPSS?**
 - The National Pest Surveillance System (NPSS) is an AI-based platform designed to assist farmers by connecting them with agricultural scientists and experts for pest control and management.
 - It aims to improve the accuracy and effectiveness of pest management through technology.

Centre launches new AI-based surveillance system to manage pests, connect scientists with farmers

The Hindu Bureau
NEW DELHI

The Union government on Thursday launched the National Pest Surveillance System (NPSS) powered by artificial intelligence to help farmers to connect with agriculture scientists and experts by mobile phones on controlling pests.

Launching the programme, Agriculture Minister Shri Raj Singh Choudhary said the aim was to reduce the dependence of farmers on pesticide retailers and to inculcate a scientific approach among them towards pest management. The NPSS will analyse latest data using AI tools to help farmers and experts in pest control and management.

Releasing the system at an event at the Indian Council of Agricultural Research, Mr. Choudhary said, "All new developments in



Tech solution: The AI-based system will help in identifying pests and controlling them. A.I. Ranjani

the field of agriculture should be beneficial for the farmers." He added that increasing yield was a priority for the Modi government. "Farmers need better seeds for increasing productivity. Our scientific community is working along with the farmers to wards this," he said.

He said technology should reach the fields and

NPSS is such an effort. "If we get to know about the pest attack at the beginning of the attack, it will help in a fast cure. This system will help in identifying pests and controlling them. The benefit of this technology must go to farmers," the Minister said. The Ministry said the NPSS would help about 14 crore farmers in the coun-

try. The Centre envisages connecting scientists with farmers using it. Farmers can take photos of the infested crops or the insect using the system on their phones and this will reach scientists and experts.

'Help cure diseases'
"Using the correct quantity of correct pesticide at the correct time is the chal-

lenge and this system will help farmers to address this challenge," Union Agriculture Secretary Devendra Chaturvedi told *The Hindu*. He said it will also help in addressing the problem of using excessive pesticides.

"This system can help cure diseases at the proper time using technology. It will help in accurate diagnosis and accurate treatment. This will build confidence among farmers and production will also increase. This can save the soil too. It is a technological platform and needs no additional funding," he said.

Mr. Chaturvedi added that the technology will be sent to the States and they can propagate this using their outreach programmes. "We have successfully done pilot schemes on this system and it was released based on proper trials," he said.

- **Functionality:** Farmers can use the NPSS platform to take and upload photos of pest-infested crops or insects. These images are analyzed using artificial intelligence tools, which then provide insights and recommendations for pest control.
- **Benefits:**
 - **Accurate Diagnosis:** NPSS helps in the accurate identification of pests and diseases.
 - **Efficient Pest Management:** Provides data-driven recommendations for the appropriate use of pesticides.
 - **Reduction in Pesticide Dependence:** Encourages a scientific approach to pest management rather than reliance on pesticide retailers.
 - **Improved Connectivity:** Facilitates direct communication between farmers and agricultural experts.
- **Impact:** NPSS is intended to support approximately 14 crore farmers in India, improving pest management practices, increasing crop yields, and promoting sustainable agricultural practices.
- **Current Dependence on Pesticide**
 - Pesticides (insecticides, fungicides, herbicides/weedicides, plant growth regulators) are used in India for agriculture, public health, household use, industrial/construction sector uses.
 - India's farmers use pesticides to treat around 40% of their cultivated land, with 65–70% of that land being irrigated.
 - This dependency often leads to the indiscriminate use of pesticides, which can result in over-application, environmental harm, and the development of pesticide-resistant pests.
 - The lack of personalized, accurate pest management advice from scientific sources exacerbates these issues.
 - **Regulation:** India enacted pesticide regulation in 1968 (Insecticides Act of 1968). The present law is to be replaced by the **Pesticide Management Bill (2020)**.

3. An obstinate refusal to focus on welfare GS 3 (Budget)

- **Why in News:** The recent Union Budget has been criticized for its inadequate allocation to key welfare schemes and social support programs. Despite high levels of poverty and malnutrition, budgetary provisions for welfare have been reduced, drawing sharp criticism from various quarters.
- **Budget Allocations and Welfare Schemes**
 - **Underfunding of Major Schemes:** The budget for the Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) and the National Food Security Act (NFSA) has decreased as a share of GDP since 2014-15. MGNREGA allocation is down to 0.26% of GDP, and NFSA expenditure has fallen to 0.63% of GDP.
 - **Ignoring Vulnerable Groups:** Allocation for this program remains unchanged in nominal terms, while its share of GDP has halved since 2014-15. Support for widows, the elderly, and disabled individuals has stagnated despite increasing needs.
 - **Decline in Nutrition Schemes:** Budget for Saksham Anganwadi and Poshan 2.0 has dropped to 0.06% of GDP from 0.13% in 2014-15. Similarly, funding for the mid-day meal (MDM) program has halved, impacting the nutritional and educational outcomes for schoolchildren.
- **Fiscal Policies and Health**

An obstinate refusal to focus on welfare

The Union Budget has drawn stern criticism from several quarters of the populace for a variety of reasons. On the welfare front, the government has, yet again, failed to increase expenditure on critical welfare schemes that support the marginalised in the country. The government's obstinate refusal to focus on welfare is perplexing to say the least, in a country where, according to the government's own data, about 34% of the population survives on less than 100 a day and over 80 crore people require free foodgrains to get by. The National Democratic Alliance (NDA) now, or NDA 3.0, appears to continue the trend the alliance set in its two previous terms by reducing welfare allocations – as shown in the analysis below based on Budget papers.

Key welfare schemes, an underfunding
Two of the government's biggest welfare schemes, the Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) and the National Food Security Act (NFSA) (Food subsidy) have seen their Budget allocations continuously fall as a share of GDP since 2014-15, except for the COVID-19 pandemic years when the government had to rely on these two schemes to avert a major disaster. MGNREGA guarantees every rural household 100 days of employment whereas the Food Subsidy is responsible for providing free foodgrains to about two-thirds of the population. The NFSA had an expenditure of 0.7% of GDP last year, whereas this year, it has fallen to 0.63% of GDP. A truly bizarre decision in a country where over 80 crore people cannot afford a healthy diet and where just about 50% have three meals a day. Similarly, the allocated budget for MGNREGA this year is 0.26% of GDP as compared to the 0.29% allocated last year. As a share of GDP, these two schemes today have a 28% lower combined Budget allocation than they did in 2014-15 when the NDA first assumed power. With stagnating rural wages and systematic underfunding of MGNREGA, it is no wonder that rural distress is spreading across the country. Vulnerable groups such as widows, the elderly, and disabled individuals below the poverty line too were ignored in the Budget. The National Social Assistance Programme, which provides



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monetary support to the groups mentioned as well as families who have lost their breadwinner, saw no increase in its allocation in the Budget. Its Budget allocation this year is exactly the same as last year in nominal terms, its expenditure as a share of GDP has halved since 2014-15, from 0.06% to 0.03%.

The scheme provides poultry pensions of ₹200 a month to the elderly and ₹500 a month to widows – an amount that has not increased since 2006 despite repeated requests from dozens of economists. Even at a poverty line of ₹30 a day, these vulnerable groups would be living at least 66% below the poverty line if left solely to the devices of the state.

Welfare and nutrition schemes
Recently, the Women and Child Development Minister admitted in Parliament that more than 50% of children under the age of five in India suffer from chronic malnutrition. Moreover, anaemia rates in Indian women and children are 20% and 45% higher, respectively, than the global average. Saksham Anganwadi and Poshan 2.0 is a welfare scheme which aims to tackle child malnutrition and hunger. The Anganwadi programme was merged with the Prime Minister's Overarching Scheme for Holistic Nourishment (POSHAN) Abhiyan and a nutrition scheme for adolescent girls in 2020-21. However, even with additions, the Budget allocated for the same has declined by more than half since 2014-15 – from 0.13% of GDP then to 0.06% of GDP in the recent Budget.

To address malnutrition and hunger among school-going children, the government runs the mid-day meal (MDM) programme. The MDM programme covers about 12 crore children in the country. Despite the programme's many successes in increasing class attendance, and educational as well as nutritional outcomes, the funds meant for it have halved since 2014-15 as a share of GDP. Further, the Ministry of Finance rejected a plan for breakfast at school in 2020 citing a lack of funds despite the promise it has shown in Tamil Nadu.

In the face of an acute malnutrition crisis facing our children, it is imperative that we increase the coverage of these programmes and provide more nutritious food to our children.

The share in GDP of central expenditure on education (primary and secondary) has also declined this year to 0.22% from 0.25% last year. Although primary education enrolment rates are high, we still have a long way to go when it comes to education quality and basic infrastructure among other things. Thus, it is concerning when education's share in GDP falls from 0.37% in 2014-15 to 0.22% today.

The only saving grace here seems to be the Budget allocation for health, which saw a slight increase. Since 2014-15, the share of the Budget allocated to the Health Ministry in terms of GDP has increased from 0.25% then to 0.28% this year. The increase, however, is far from enough in a country where out-of-pocket expenditure on health remains very high and pushes millions into poverty every year.

The Budget allocation for all the mentioned schemes/departments has gone down from 2.8% as a share of GDP in 2014-15 to just 1.52% this year. The fact that the same was nearly three times what it is today – 4.3% of GDP – in the COVID-19 pandemic year of 2020-21, underlines the vitality of these schemes.

According to one estimate, the government has forgone tax revenue of over 10 lakh crore since it slashed corporate tax rates in 2008. It appears that it is the poor and the vulnerable who have been sacrificed to accommodate the resulting reduction in fiscal space due to tax cuts.

It is no wonder then that India has a poor Human Development Index rank of 132, and that today it is more unequal than it was during British rule, according to a new report by the 'World Inequality Lab'.

In contrast, the UPA era
If the NDA government is serious about its Viksit Bharat dreams then it must realize that the way to a developed society is through the structure and pains of its poorest citizens. No civilized society could be considered developed if a large portion of its population is unable to afford a life of dignity. Perhaps, the NDA government would do well to follow the example of the United Progressive Alliance governments which not only saw the introduction of new welfare schemes but also a steady increase in their Budget allocations over time.

- **Overall Welfare Expenditure Decline:** Central expenditure on welfare schemes has decreased from 2.1% of GDP in 2014-15 to 1.53% this year. This reduction contrasts with the higher allocations during the COVID-19 pandemic.
- **Corporate Tax Cuts vs. Welfare:** The government's decision to cut corporate tax rates has led to a loss of over ₹8 lakh crore in tax revenue, affecting the fiscal space available for welfare programs.
- **Health Budget Increase:** The budget for health has seen a marginal increase, from 0.25% of GDP in 2014-15 to 0.28% this year. However, this increase is considered insufficient given the high out-of-pocket health expenses and related poverty issues.

4. Reshape the governance structures of AI companies GS 2 (Governance)

- **Why in News:** Recent debates in corporate governance have intensified as companies involved in advanced technologies, particularly Generative AI, struggle to balance profit motives with social responsibility. Alternative governance models, such as public benefit corporations, have emerged but face challenges in reconciling financial and societal objectives.
- **Data Privacy and Bias Issues**
 - **Privacy Concerns:** AI development raises significant privacy issues, exemplified by Meta's delay in using public data due to regulatory concerns.
 - **Algorithmic Bias:** AI systems, such as those used by Amazon and Princeton University's research, have demonstrated how biases can be perpetuated, impacting fairness and equality.
 - **Responsibility for AI Creators:** These issues underscore the need for responsible AI governance to mitigate risks related to privacy and bias.
- **Governance Structures and Conflicts**
 - **Public Benefit Corporations:** Companies like OpenAI and Anthropic have adopted governance models focused on public good, such as the Long-Term Benefit Trust and hybrid non-profit structures.
 - **Profit vs. Purpose:** Conflicts arise when financial interests overshadow social objectives, as seen in OpenAI's recent governance crisis involving the firing and reinstatement of its CEO.
 - **Future Directions:** There are indications that some companies may revert to for-profit structures, questioning the effectiveness of current public benefit models.
- **Strategic Considerations for AI Governance**
 - **Incentivizing Social Purpose:** Strategies need to be developed to ensure that pursuing social benefits also contributes to long-term financial gains for companies.
 - **Managerial Compliance:** Incentives should be aligned to encourage managers to adhere to public benefit goals alongside profit objectives.
 - **Reducing Compliance Costs:** Streamlining regulations and compliance costs can facilitate the adoption of social benefit objectives without compromising financial viability.

Reshape the governance structures of AI companies

The modern corporate governance regimes in capitalist and neo-capitalist economies have traditionally focused the theory of shareholder primacy. This means that in modern corporations, the objective of profit generation and wealth creation for the shareholders and investors take primary over other objectives of the business including the objective of public good. In contrast, there have been proponents of a stakeholder benefit approach of corporate governance, which seeks to maximise the benefits of all stakeholders. In recent years, corporations with ostensibly alternative governance models, leaning towards stakeholder capitalism have become more common. Corporations are increasingly getting involved in products, technologies and services that cannot be driven solely on the objective of profit making and have a greater social objective. Generative Artificial Intelligence (AI) is one such instance, where corporations are seeking alternative governance structures to balance the objective of generating profit with that of greater social responsibility.

Data access issues
The development of AI technologies requires access to data, which may, in turn, accelerate the ability to utilise personal information to undermine privacy. For instance, Meta was asked to pause its plans to train its large language models using public content shared on Facebook and Instagram in the European region over concerns raised by the Irish privacy regulator. In addition to this, it has been noted that human prejudices may find their way into AI systems and lead to algorithmic biases with harmful results. Recently, Amazon discontinued using a recruiting algorithm after it discovered that it was plagued with gender bias. Moreover, researchers at Princeton University conducted an experiment where they used AI software to analyse and link words and found that European names were perceived as more pleasing than their African-American counterparts. These examples

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demonstrate how AI can perpetuate existing biases and create inequality with respect to opportunities, and access. It is important for the creators of AI to act responsibly towards all stakeholders. These considerations have prompted several companies to alter their corporate governance structures. To counter the risks posed by AI, advancements, OpenAI, and Anthropic, have resorted to structures with public good and developing responsible AI as core objectives leading to creation of public benefit corporations. For instance, Anthropic is governed by a structure called Long-Term Benefit Trust. This trust is composed of five financially disinterested members who have the authority to select and remove a portion of Anthropic's board. Similarly, OpenAI was incorporated as a non-profit, but it transitioned into a hybrid design by incorporating a capped profit subsidiary to support its capital intensive innovation.

Purpose versus profits
While these companies started out with alternative models, when there was a clash between the company's goals of purpose and its profit-generating machinery, the monetary interests won. OpenAI, the creator of ChatGPT, found itself embroiled in a corporate governance debate last year when the non-profit board of the company fired the CEO of the company, Sam Altman, due to concerns about the rapid commercialisation of AI products at the cost of compromising user safety. The dismissal was strongly criticised by Microsoft, OpenAI's largest investor, which was supported by about 50% of the employees, leading employee stock options in OpenAI. Consequently, Mr. Altman was reinstated, and the existing board was replaced. This debate has raised questions on the viability of public benefit corporate structures in the technological industry, which rely on capital infusion from shareholders and investors with deep pockets, to fund research and innovations. Recently, there

are rumours that OpenAI may be considering a move to a for-profit governance structure. In 1970, Milton Friedman famously asserted that businesses have a social responsibility to generate profits for their shareholders. From these recent events, it is evident that even in this new age of public benefit corporations, the purported public benefit may be nothing more than disguised profits seeking. Pursuing social interest at the cost of financial considerations may not be feasible merely through adopting creative governance structures. Further, these governance structures further reinforce the shareholder primacy, especially in such companies where even the employees hold stock-based incentives.

Workable strategy
The present accountability structure is based on appointing an independent board and adopting a social benefit objective for the business. These measures are not sufficiently strong to protect against this moral drift, where the social objectives of a corporation are often subsumed by the broader profit-driven goals as the market enables unrestricted corporate control. Policymakers need to employ innovative methods of regulating corporations involved in developing AI-based products which balance these conflicting interests. From a strictly economic perspective, this can be done by targeting three key areas: enhancing long-term profit gains of corporations from adopting a public benefit purpose; incentivising managerial compliance of such purposes, and reducing compliance costs of adopting such purposes. This would require framing ethical standards for the governance of AI product companies, along with providing adequate regulatory backing through reforms in corporate governance norms. With the increasing involvement of AI in multiple spheres of life, it is imperative that governance models promoting the ethical development of AI for generating profits need to be adopted.

5. Japan's Prime Minister Fumio Kishida announces Resignation

GS 2 (International Relations)

- Why in News:** Japan's Prime Minister Fumio Kishida announced his resignation effective next month amid a series of scandals and a significant drop in public support. Kishida's government has been marred by issues such as corruption allegations related to illegal slush funds, controversies involving the Unification Church, and ineffective economic policies amid rising living costs. His resignation is intended to address the erosion of public trust and to signal a potential shift within the ruling Liberal Democratic Party (LDP).

Impact on Japan's Domestic and Foreign Policy

- Political Reforms:** Kishida's departure may prompt the LDP to reassess and potentially reform its internal policies and leadership approaches to restore public confidence.
- Economic Strategies:** The incoming leader may need to address ongoing economic issues such as the weak yen, inflation, and income inequality, and implement more effective policies to stimulate growth and address demographic challenges like the declining birth rate.
- Continuity vs. Change:** While Japan's foreign policy is likely to remain stable given the LDP's long-standing dominance, a new leader may bring subtle shifts in Japan's international stance or diplomatic priorities, particularly in dealing with major powers like the US and China.
- Implications for Regional Stability in East Asia**
 - Regional Relations**
 - China and North Korea:** Japan's strategic posture towards China and North Korea may be influenced by the new leadership. The incoming Prime Minister might adjust Japan's defense and diplomatic strategies in response to regional security dynamics.
 - US-Japan Alliance:** The strong alliance with the US is expected to continue, but there may be adjustments in trade policies or defense cooperation based on the new leader's approach.
 - Regional Influence**
 - Economic Integration:** Japan's role in regional economic partnerships, such as the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP), may see a new emphasis or strategic direction under the new leadership.

India-Japan Relations

- Special Strategic and Global Partnership:** India and Japan's relationship has evolved into a "Special Strategic and Global Partnership," driven by personal diplomacy, shared values, and strategic alignment.
- Increased Investments:** Japan has significantly increased its investments in India, with pledges rising from 3.5 trillion yen in 2014 under Abe to 5 trillion yen (\$42 billion) by Kishida in 2023.
- Japan is the fifth-largest investor and source of Foreign Direct Investment (FDI) in India, with Japanese businesses making significant investments and looking to invest about USD \$42 billion by 2027.**
- India is also the highest recipient of Japanese Official Development Assistance (ODA) loans over the past decade.**
- Minilateral and Multilateral Cooperation:** The **Quadrilateral Security Dialogue (Quad)**, involving **India, Japan, Australia, and the US**, exemplifies their joint strategic efforts to address security concerns related to China. Their collaboration extends to third countries and involves emerging trilateral partnerships to counter China's regional influence.

Why did Japan's Prime Minister step down?

Since coming to office in October 2021, Kishida has struggled to overcome dire approval ratings. His party has been dogged by revelations of ties to the Korean-based Unification Church, as well as a political fundraising scandal uncovered last November.

EXPLANER

Crisis Mode

In a surprise announcement, Japanese Prime Minister Fumio Kishida said on August 14 he would step down as leader of the ruling Liberal Democratic Party (LDP) next month, leaving the premiership to an early end.

Since coming to office in October 2021, Kishida has struggled to overcome dire approval ratings. His party has been dogged by revelations of ties to the Korean-based Unification Church in the wake of the assassination of former Prime Minister Shinzo Abe in July 2022, as well as a political fundraising scandal uncovered last November.

Kishida described his own powerful faction in the party and presented the largest conservative faction. Formerly headed by Shin, it dominated the value of the yen. Up to 80 LDP members of the Shin faction were implicated, and four cabinet ministers resigned. Public prosecutors investigating the scandal declined to prosecute any individuals against Kishida and several other senior LDP figures, due to lack of evidence.

Just three months ago, Kishida vowed he would not step aside, instead pledging to push anti-corruption measures and other reforms. To try to stem the damage, the LDP passed the Diet last June to reform its political funds, but the opposition called it inadequate.

The chief of the Maritime Self-Defense Force, who was implicated in the scandal, alleged he misappropriated national security information, making things even tougher for the Kishida government, he said in his July 2022 resignation and they did not want Kishida to step on as party leader after the LDP leadership election in September.

With his public unpopularity continuing unchecked, he was unlikely to receive the

backing of a majority of LDP Diet members to next month's vote.

Wakida considered a transition to foreign policy postures. Kishida had a series of strong diplomatic appearances in recent months. He attended G77-150 anniversary summit in Singapore, followed by an official visit to Germany. He then returned to Tokyo to host the Pacific Island Leaders meeting last month. He had been due to embark on a tour of Central Asia last week, but cancelled due to a flu after a makeshift 72-hour quarantine in Tokyo.

Standards are already emerging. Kishida's rivals have already started to position themselves for next month's

leadership election – and to become Japan's next prime minister.

Shigeru Ishiba, a former defense minister and LDP secretary-general, regularly polls as the public's preferred candidate. He has already announced his exit race, with the backing of Kishida's proteges. Wakida says.

LDP Secretary-General Tadamasa Yamaga, who refused to disavow his faction in the wake of the fundraising scandal, is also considered a potential contender. Digital Minister Taro Kono, one of Kishida's supporters in the 2021 leadership race, is another. Economic Secretary Minister Naoto Tanaka and Foreign Minister Koizumi Shigeru could also enter the contest. If either of them

won, Japan would have its first female prime minister.

Challenges remain. Kishida's resignation in September will leave the LDP without a clear electoral mandate before the next national election, due in October 2023. And to this will be compounded by Japan's sluggish growth, which has slowed the regional growth of Kishida's "new capitalism" policy to revive the economy.

The weak yen has boosted export earnings and profits for some of Japan's largest corporations, but in addition to helping the tourism industry exceed pre-pandemic levels, the higher inflation targets have further dampened consumption among ordinary Japanese, particularly those on fixed incomes and in irregular, low-paid, casual work. Japan's declining labour force also contributes to economic and social strains.

And just days after the decision by the head of Japan's main economic union to resign, the Nikkei stock index fell 0.25% following a wave of stock market volatility. The Nikkei had suffered its biggest drop since 2017, although it has largely recovered since then.

Despite Kishida's considerable efforts to boost Japan's image and to secure the LDP's electoral victory before the next national election, due by October 2023.

THE GIST

Japan's Kishida's resignation is a surprise announcement. He is expected to step down as party leader after the LDP leadership election in September.

Since coming to office in October 2021, Kishida has struggled to overcome dire approval ratings. His party has been dogged by revelations of ties to the Korean-based Unification Church, as well as a political fundraising scandal uncovered last November.

6. WHO declares monkeypox a public health emergency of global concern

GS 2 (Health)

• Why in News:

- The WHO has declared monkeypox a public health emergency of international concern, with the Democratic Republic of the Congo and other African countries being severely affected.
- Since 2022, there have been 99,176 cases and 208 deaths reported from 116 countries. What seems to be worrisome is the spread of a new sexually transmissible strain of the virus.

• World Health Organisation

○ About:

- Founded in 1948, it is the UN agency responsible for global public health. It has 194 member states.
- It is based in **Geneva, Switzerland**.
- It is involved in vaccination campaigns, health emergencies and supporting countries in primary care.
- It is funded by a combination of members' fees based on wealth and population and voluntary contributions.

○ India & WHO:

- India became a party to the WHO in January 1948. India is a member state of the South East Asia Region at the WHO.
- The first regional director for South East Asia was an Indian, Dr Chandra Mani, who served between 1948-1968.
- Currently, the post has again been occupied by an Indian appointee, Dr Poonam Khetrpal Singh, who has been in office since 2014.
- Dr Soumya Swaminathan served as WHO's chief scientist (2019-2022).

• What does declaration as a PHEIC mean?

- A PHEIC is declared for an extraordinary event which is determined to constitute a public health risk to other States through the international spread of disease.
- PHEIC label by WHO is designed to **trigger a coordinated international response** and could unlock funding to collaborate on sharing vaccines and treatments.

• Monkeypox:

○ About

- It is a rare zoonotic viral disease belonging to the Orthopoxvirus genus in the Poxviridae family, the same virus family as smallpox.
- Zoonotic diseases are those disease that spread from animals to humans.
- It was first discovered in animals in 1958 when two outbreaks occurred in captive monkey colonies kept for research purposes. Hence, the name 'monkeypox'.

○ Treatment

- There is currently no specific treatment for monkeypox. However, the Vaccinia vaccine, which was used against smallpox, had shown 85% efficacy in monkeypox prevention.

• What is the reason for the current concern?

- The spread of **clade Ib of the mpox virus (MPXV)**, primarily transmitted through sexual contact, is causing concern.
- Historically, clade I infections, which are deadlier than clade II, spread through zoonotic events, but sexual transmission of clade I was previously unreported.
- Over 100 cases of clade Ib have emerged in countries neighboring the DRC—Burundi, Kenya, Rwanda, and Uganda—where mpox was not previously reported.
- This, alongside a rise in total mpox cases to over 15,600 and 537 deaths this year, underscores the urgency of a coordinated international response.

Why latest mpox outbreak is 'emergency of international concern'

ANONCA DUTT
NEW DELHI, AUGUST 18

THE WHO's Health Organization, sounding the highest level of alarm, declared today as a Public Health Emergency of International Concern monkeypox. This is the second time the infection has received the designation in as many years — the first outbreak between July 2022 and May 2023 was also declared as PHEIC.

The decision to sound the alarm was taken after an upsurge of cases reported from the Democratic Republic of Congo (DRC) and neighboring countries. At least 99,176 cases and 208 deaths due to mpox have been reported from 116 countries since 2022, according to data from the WHO.

What is monkeypox?
Monkeypox is a rare zoonotic viral disease, a self-limiting viral infection caused by mpox virus (MPXV). The most common symptoms of mpox include fever, headache, muscle aches, back pain, low energy, and swollen lymph nodes, along with pus-like rashes that last for two to three weeks. It is a self-limiting disease but can lead to death, especially among children and those with weak immune systems.

What is the current concern?
The current concern stems from the spread of clade Ib of the MPXV, which is predominantly transmitted through sexual contact. Organisms belonging to a clade share common ancestors. When it comes to mpox, there are two different clades: clade I and clade II, with the former deadlier than the latter.

Sexual transmission of clade I infections has been reported previously, according to a paper published last January in the journal Emerging Infectious Diseases. Historically, clade I infections have spread through zoonotic spillover events — contracted from animals

to humans in close proximity. Clade I infections that spread this way continue to affect parts of DRC, where the disease was endemic. Now, over 100 cases of clade I infections have been reported in four countries neighboring DRC — Burundi, Kenya, Rwanda, and Uganda — that have not reported mpox before. The numbers are likely to be higher as many with symptoms might not have been tested. This coupled with an increase in the total number of mpox cases, more than 15,600 cases and 537 deaths have been reported so far this year alone.

The emergence of a new clade of mpox, its rapid spread to western DRC, and the reporting of cases in several neighboring countries are very worrying. In up to half of cases of clade Ib mpox in DRC and other countries in Africa, it's clear that a coordinated international response is needed to stop these outbreaks and save lives," WHO Director-General Dr. Tedros Adhanom Ghebreyesus said on Wednesday.

Research published in the journal Nature last year indicates that recent cases are being driven by human-to-human transmission, and that the virus has diversified

into several distinct lineages in the human population, where it is far acquiring many new mutations.

Is India at risk?
The first case of the more contagious clade II mpox infection outside Africa was reported from Sweden on Thursday. With intensified global travel, the cases may reach other countries as well.

During the 2022 global outbreak, India too reported cases of mpox, albeit of the less deadly clade II type. Initially, infections were reported among some people from Kenya who had a history of international travel, but later even those without a history of international travel got infected in Delhi. At least 27 laboratory-confirmed cases and one death were reported in India, according to the WHO data.

Are there vaccines for mpox?
There are at least two vaccines currently in use for mpox, which have been recommended by the WHO's Strategic Advisory Group of Experts on Immunisation.

Last week, an emergency live-attenuated mpox vaccine was triggered by the WHO, which will accelerate vaccine access for lower-income countries which have not yet issued their own national regulatory approval. This listing also enables bodies such as GAVI and UNICEF to procure vaccines for distribution in these countries.

WHO is working with countries and vaccine manufacturers on general vaccine donations, and coordinating with partners through the interim Medical Countermeasures Network to facilitate rapid access to mpox vaccines, therapeutic diagnostics and other tools, the organisation said.

During the previous outbreak in 2022, India too had called on companies to manufacture vaccines and diagnostics.

- WHO Director-General Dr. Tedros emphasized the need to control these outbreaks, as recent research shows the virus is now spreading human-to-human and rapidly mutating into new lineages.
- **Risk for India**
 - The first case of the more contagious clade Ib mpox infection outside Africa was reported in Sweden, **raising concerns that it could spread to other countries through global travel.**
 - During the 2022 outbreak, India reported 27 cases and one death, primarily from the less deadly clade II, with infections initially linked to international travel but later spreading locally.
 - Experts emphasized that the current surge of mpox in Africa, coupled with the spread of a new sexually transmissible strain, is a global emergency.

7. Geneva Conventions

GS 2 (International events of importance)

- **Why in News:** August 12 marked 75 years since the adoption of the Geneva Conventions in 1949.
- **About Geneva Conventions:**
 - They are a **set of four treaties** which include more than 400 articles, setting out detailed rules for the **treatment of prisoners, protecting hospitals and medical staff, allowing humanitarian aid** and prohibiting torture, rape and sexual violence.
 - It was **formalised in 1949 by the United Nations.**
 - There are **three additional protocols**, the first two of which were **formalised in 1977 and the third in 2005.**
 - The focus of the Conventions is the **treatment of non-combatants and prisoners of war** and not the use of conventional or biological and chemical weapons, the use of which is governed respectively by The Hague Conventions and the Geneva Protocol.
- **List of conventions:**
 - **The First Geneva Convention:**
 - It protects **wounded and sick soldiers on land** during war.
 - It is also applicable on medical and religious personnel, medical units and medical transports.
 - **The Second Geneva Convention:**
 - It protects **wounded, sick and shipwrecked military personnel at sea during war.**
 - This Convention replaced the Hague Convention of 1907 for the Adaptation to Maritime Warfare of the Principles of the Geneva Convention.
 - **The Third Geneva Convention**
 - It applies to **prisoners of war.**
 - The Convention establishes the principle that prisoners of war shall be released and repatriated without delay after the cessation of active hostilities.
 - **The Fourth Geneva Convention**
 - It protects **civilians, including those in occupied territory.**
 - It contains a short section concerning the general protection of populations against certain consequences of war, without addressing the conduct of hostilities.

MCQ Current Affairs
16th Aug, 2024

1. Consider the following statements regarding Canine Distemper disease:

- A. It is a contagious and serious viral disease that mainly infects dogs.
- B. There is no cure and no antiviral drugs have been approved to combat the infection.

Which of the statements given above is/are correct?

- a) A only
- b) B only
- c) A and B
- d) Neither of two

2. Tungabhadra Dam is located in which one of the following states?

- a) Maharashtra
- b) Andhra Pradesh
- c) Gujarat
- d) Karnataka

3. INS Arighat, recently seen in the news is a:

- a) torpedo launch and recovery vessel
- b) Shivalik- class stealth multi-role frigate
- c) nuclear-powered ballistic missile submarine
- d) Kiev-class aircraft carrier

4. Gotipua dance, recently seen in news, is mainly performed in:

- a) Andhra Pradesh
- b) Odisha
- c) Karnataka
- d) Gujarat

5. Consider the following statements regarding the National Institutional Ranking Framework ranking:

- A. It was launched in November 2015 by the Ministry of Education.
- B. It is given to State Public Universities and Open Universities.

Which of the statements given above is/are correct?

- a) A only
- b) B only
- c) A and B
- d) Neither of two

Answers Current Affairs
16th Aug, 2024

1. c
2. d
3. c
4. b
5. c

