

4th Nov, 2024

1. The BRICS Summit boost to India-Iran ties GS 2 (International Relations)

- **Why in News:** The **16th BRICS Summit in Kazan (October 22-24, 2024)** featured a significant bilateral meeting between Indian Prime Minister Narendra Modi and Iranian President Masoud Pezeshkian, aimed at revitalizing the India-Iran partnership amid regional tensions, particularly concerning the Gaza conflict. Both nations seek to enhance their collaboration, acknowledging their historical ties and shared interests.
- **Strengthening Bilateral Relations**
 - **Potential for Cooperation:** During their meeting, both leaders recognized the untapped potential in their bilateral relationship, particularly in energy, trade, and infrastructure development, such as the **Chabahar port**. They discussed Iran's appreciation for India's role in facilitating its entry into multilateral organizations like **BRICS and the Shanghai Cooperation Organisation (SCO)**.
 - **Energy Security:** Iran's vast oil and natural gas reserves, essential for India's energy needs, were a focal point of discussion. Despite sanctions, Iran's crude production reached 3.4 million barrels per day in May 2024, indicating a resilient energy sector that India could potentially tap into to meet its energy demands.
 - **Strategic Projects:** The Chabahar port is pivotal for enhancing connectivity between **India, Iran, and Afghanistan**, allowing for streamlined humanitarian aid and trade. A railway link between **Chabahar and Zahedan**, along with a proposed gas pipeline to India, represents critical infrastructure projects that could bolster economic ties and regional stability.
- **Military and Counterterrorism Cooperation**
 - **Defense Collaboration:** Potential military cooperation was explored, emphasizing Iran's advancements in weapons technology, including ballistic and hypersonic missiles. The historical defense cooperation agreement from 2001 could be revitalized, fostering joint development in military technology and capabilities.
 - **Counterterrorism Synergy:** India and Iran could benefit from joint counterterrorism efforts, sharing intelligence to combat threats from groups operating in Pakistan. Joint exercises and collaboration in maritime security through naval port calls could enhance both nations' strategic interests in the region.
 - **Diplomatic Engagement:** India's ability to engage independently with adversarial nations, such as Israel and Iran, showcases its strategic autonomy. This diplomatic maneuvering is crucial in advancing India's interests in West Asia while mitigating the impact of provocative statements that could derail relations.
- **Future Prospects**
 - **Need for Strategic Autonomy:** India's history of strategic autonomy, particularly in its engagements during the Ukraine war, offers a framework for bolstering ties with Iran. Both countries recognize that their relationship holds greater importance than the occasional political missteps.
 - **Focus on West Asia:** India is committed to strengthening its outreach in **West Asia**, viewing Iran as a critical partner. The BRICS meeting could serve as a catalyst for renewed diplomatic and economic collaboration between the two nations.
 - **Long-term Vision:** The meeting represents an opportunity for India and Iran to reassess their partnership's long-term vision, emphasizing economic ties, energy security, and regional stability. A mutual commitment to overcoming past hurdles will be essential in realizing the full potential of their relationship.

The BRICS summit boost to India-Iran ties

At the 16th BRICS Summit hosted by Russia in Kazan (October 22-24, 2024), there were a few meetings in the sidelines which created a buzz. One such meeting was between India and Iran, both close civilisational friends and looking to strengthen a stagnating partnership. Iran, which is now entrenched in the war in Gaza, is looking for Indian support in de-escalating the crisis. India, too, has supported having a ceasefire and de-escalation at the earliest. Globally, India is being widely sought after to facilitate a peaceful resolution to the conflict as it enjoys trust and goodwill across both ends of the conflict, with Israel and Iran.

Much potential
The bilateral meeting between Prime Minister Narendra Modi and President of the Islamic Republic of Iran Masoud Pezeshkian was the first time that the leaders have met. During the meeting, they acknowledged the strong and untapped potential in the bilateral relationship. Mr. Pezeshkian appreciated India's growing role in the world and underlined its potential role in de-escalating the Gaza conflict. He also acknowledged the key role played by India in 2022 in Iran's entry into key multilateral organisations such as the Shanghai Cooperation Organisation (SCO) and BRICS. Both sides also discussed the possibilities of strengthening cooperation in key areas such as the Chabahar port and the International North-South Transport Corridor (INSTC).

Iran's importance for India, however, goes well beyond the Chabahar port and the connectivity options that it provides. Iran is vitally important due to its vast reserves of crude oil and natural gas. Its total reserves are estimated at 209 billion barrels and that of natural gas at 33.96 billion cubic metres, which at the end of 2023, accounted for 24% of the oil reserves of West Asia



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and 12% of the world. Despite crippling economic sanctions and the ongoing war in Gaza, Iran's crude production in May 2024 rose to 3.4 million barrels per day (bpd) while crude oil exports in March 2024 averaged 1.6 million bpd.

Options for a closer partnership
The Chabahar port has been the driving force of the bilateral relationship in recent times. In a deal signed on May 11 this year, India and Iran signed a 10-year contract for the operation of the port. Chabahar port also provides easy and short access to India's Kandla and Mumbai ports. As it is located outside the Strait of Hormuz, it

insulates India's trade from any threat of closure of sea lanes due to conflicts in the Persian Gulf region. In addition, a railway link of 700 km between Chabahar and Zahedan city is being

fast tracked, to be completed later to the railway network of Iran. A further road link from

Zahedan to Zaranj in Afghanistan could provide seamless connectivity for humanitarian aid from India to Afghanistan.

Energy supplies are the next big possibility.

Before May 2020, Iran met about 15% of India's crude oil needs. As bilateral ties take better

shape, oil and gas imports could re-commence from Iran which could then open up a new range of possibilities to fulfil India's energy needs.

The ambitious Iran-China-India gas pipeline has been under discussion since 2015. In May 2022, Iran and Oman agreed to develop two

undersea gas pipelines and an oil field along their maritime borders. If this materialises, extending

these to India could be an option.

Close military cooperation with Iran is also a possibility. The two countries had signed a

defence cooperation agreement in 2008 but nothing came of it, usually due to western

sanctions on Iran. In recent years, Iran has

developed medium weapons platforms such as

short and medium range ballistic missiles, hypersonic missiles, and armed drones. Iran is

already supplying armed drones to Russia in its

war with Ukraine. India too is looking to develop

cheap and effective armed drones and could find

an effective partner in Iran.

To combat the threat of terror groups

operating from Pakistan, India and Iran could

conduct joint counterterrorism exercises and

develop intelligence-sharing mechanisms. On the

naval front, port calls at Iranian ports and the

development of logistical facilities in the Persian

Gulf could prove extremely useful.

Aspects of Indian diplomacy

India and Iran can achieve a lot together. There is

recognition that too much time has already been

lost. India's ability to de-hyphenate ties and

engage independently with nations that are

adversarial to each other, such as Iran and Israel,

could be useful in driving the ties. Also, India's

decision to exercise strategic autonomy in issues

of national interest, as seen in its engagement

with Russia during the Ukraine war, is a useful

precedent to irrigate ties with Iran.

However, many a time, stray and 'out of

context' comments have threatened to apply the

brakes on ties. A statement by Iran's Supreme

Leader on September 18 this year, comparing the

'suffering' of Indian Muslims to the residents of

Gaza, during sharp comments from India. Both

countries have to realise that the bilateral

relationship is far more important and precious

to be derailed by such stray comments.

India, since March 2023, is looking to strengthen

its outreach and strategic convergence in

West Asia. Similarly, Iran is looking to consolidate

its diplomatic gains of recent years and considers

India to be an important partner. The meeting at

the BRICS Summit may have just given the right

impetus for both.

2. What are the Major Challenges Faced by Indian Cities? GS 3 (Infrastructure)

• Why in News:

- With October 31 recognized globally as World Cities Day, this year's theme is "Youth Climate Changemakers: Catalysing Local Action for Urban Sustainability".
- It aims to bring attention to the pressing issues affecting urban centres worldwide, particularly in India.
- With over **40% of India's population residing in urban areas across approximately 9,000 towns**, Indian cities face unique challenges exacerbated by rapid urbanization, socio-economic inequalities, and climate threats.

• Unique Urbanisation Pathway in India:

- Unlike Western nations, where urbanization followed industrialization and economic growth, **India's urban expansion is primarily "poverty-driven."**
- Economic distress pushes rural populations to urban areas, often without adequate infrastructure or employment opportunities.
- Migration patterns highlight infrastructure gaps.
- During the COVID-19 pandemic, reverse migration underscored the lack of essential services for urban residents and strained rural areas unprepared for the returning population.

• Primary Challenges of Indian Urbanisation:

- **Outdated Spatial Planning:**
 - India's urban planning often lags behind current needs, with many plans focusing on capital growth rather than human-centric development.
 - Outmoded spatial plans fail to account for rising populations and housing demands
- **Deindustrialization and Employment:**
 - Post-1980s deindustrialization in cities like Ahmedabad, Delhi, and Mumbai led to significant job losses, pushing displaced workers into peri-urban slums where nearly 40% of India's urban population now resides.
 - Employment remains mostly informal, with 90% of jobs lacking job security and adequate working conditions.

• Environmental Challenges and Climate Impact:

- **Climate Vulnerabilities:**
 - Indian cities, particularly in the National Capital Region (NCR), experience severe air pollution, urban flooding, and the "urban heat island" effect.
 - Among India's ten most polluted cities, eight are located in the NCR, leading to substantial health risks and decreased quality of life.
- **Urban Flooding and Extreme Heat:**
 - The increase in impervious surfaces and poor drainage systems make Indian cities prone to urban flooding.
 - The dense construction exacerbates heat levels, significantly impacting public health and productivity.

• Social Inequality & Segregation:

- **Growing Inequality:**
 - Cities are witnessing widening socio-economic disparities, with luxury housing projects such as DLF's "The Dahlias" in Gurugram offering apartments starting at ₹100 crore, contrasting with millions living without basic shelter.
- **Community Segregation:**
 - Contrary to the notion that cities dilute social and religious differences, urban areas in India are becoming increasingly segregated along these lines, leading to community isolation and tensions.

What are major challenges faced by Indian cities?

What is the theme for this year's World Cities Day? What led to India's rapid urbanisation? How big of a threat does climate change and rising inequality pose to urban growth?

Rishabh Singh Dhamra

The story so far: October 31 is observed every year as World Cities Day. The world's urban population has reached an estimated 4.7 billion, or 55% of the world's total population, with projections to double by 2050. The theme for this year's World Cities Day is "Youth Climate Changemakers: Catalysing Local Action for Urban Sustainability".

What are challenges faced by cities? The UN underscores that cities face unprecedented challenges, especially climate change. While strides have been made towards Sustainable Development Goals (SDGs), urban centres remain plagued by poverty, inequality, and environmental degradation. In the Global South, these challenges are intensified by

rapid urbanisation, inadequate infrastructure, and limited resources. Cities here often suffer from housing shortages, poor access to clean water and sanitation, and increased vulnerability to climate-related events.

What about Indian urbanisation? India's urbanisation trajectory differs from the cities in the Global North. In Western countries, urbanisation followed industrialisation, which created jobs that absorbed rural labour. Their urbanisation was sustained also because of massive economic transfers from colonies. Economist Utsa Patnaik has highlighted that India alone contributed over \$45 trillion to England's economy during colonial rule. In contrast, India's urbanisation is largely driven by economic distress, resulting in "poverty-driven urbanisation," with both rural-to-urban and urban-to-urban

migration. During the COVID-19 pandemic, the strain on urban planning became apparent, as reverse migration trends highlighted gaps in infrastructure.

What are urban challenges in India? Without a 2021 Census, India lacks precise data on its urban population. World Bank estimates suggest around 40% of India's population live in urban areas, in around 10,000 statutory and census towns. The main challenges Indian cities face include inadequate spatial planning, climate change, massive migration, growing inequality and social segregation, and governance limitations.

Urban planning agencies have struggled due to two main issues. First, spatial and temporal plans are often outdated and fail to accommodate population growth. Since the 1980s, deindustrialisation has led to job losses in cities like Ahmedabad, Delhi, Surat, and

Mumbai. Many workers displaced by this trend moved to peri-urban areas, where they live in overcrowded conditions. Currently, 40% of India's urban population resides in slums. Second, plans often focus on capital growth rather than people's needs, leading to a lack of local ownership and engagement in the planning process. Additionally, inequality is widening, with exclusive developments catering to the wealthy while millions lack basic housing. Similarly, climate change severely impacts Indian cities. Cities face severe pollution and are increasingly subject to urban flooding and "heat island effects." Among the 10 most polluted cities in India, eight are in the NCR region around Delhi.

Despite the 74th Constitutional Amendment, most Indian cities remain controlled by undemocratic bodies. Though cities have elected representatives, they rarely control urban planning, which is often outsourced to parastatal and private entities. For example, less than three of the 18 functions outlined in the 12th Schedule have been universally transferred to urban governments, and cities receive a mere 0.5% of the GDP in intergovernmental transfers. As we observe World Cities Day, these challenges highlight the need for comprehensive national interventions. The writer is former deputy mayor, Shimla, and Member, Kerala Urban Commission.

THE GIST

▼ The world's urban population has reached an estimated 4.7 billion, or 55% of the world's total population, with projections to double by 2050.

▼ India's urbanisation trajectory differs from the cities in the Global North. In Western countries, urbanisation followed industrialisation, which created jobs that absorbed rural labour.

▼ The main challenges Indian cities face include inadequate spatial planning, climate change, massive migration, growing inequality and social segregation, and governance limitations.

- **Governance & Decentralisation Issues:**

- **Limited Local Authority:**

- Despite the 74th Constitutional Amendment aiming for decentralized urban governance, most Indian cities lack control over urban planning and essential functions.
 - Only a few cities have implemented more than three of the 18 mandated functions outlined in the 12th Schedule.

- **Funding Constraints:**

- Urban areas receive minimal financial support from intergovernmental transfers, with cities allocated only 0.5% of the GDP, limiting their capacity for sustainable development and infrastructure improvements.

- **Conclusion:**

- Indian cities face complex, interwoven challenges requiring coordinated national interventions and empowered local governance to create inclusive, resilient, and sustainable urban environments.
 - Comprehensive solutions involving updated spatial planning, adequate resource allocation, and localized climate action are crucial to addressing these issues and ensuring a more equitable future for India's urban population.

3. **Digital Arrest Scams: ED files charge sheet**

GS 2 (Governance)

- **Why in News:**

- The Enforcement Directorate (ED) recently filed a prosecution complaint under the Prevention of Money Laundering Act (PMLA) against eight individuals involved in cyber scams. These accused allegedly defrauded people via fake IPOs and stock investments, primarily using social media platforms like WhatsApp, Instagram and Telegram.
 - Also, the Indian Cyber Crime Coordination Centre (I4C) has issued a new advisory warning against digital arrests.

- **Indian Cybercrime Coordination Centre (I4C)**

- **About**

- I4C is an initiative of the Ministry of Home Affairs to deal with cyber crime in the country in a coordinated and comprehensive manner.
 - I4C focuses on tackling all the issues related to Cybercrime for the citizens, which includes:
 - improving coordination between various Law Enforcement Agencies and the stakeholders,
 - driving change in India's overall capability to tackle Cybercrime.
 - The I4C was dedicated to the Nation in January 2020.

- **Objectives of I4C**

- To act as a nodal point to curb Cybercrime in the country.
 - To strengthen the fight against Cybercrime committed against women and children.
 - Facilitate easy filing Cybercrime related complaints and identifying Cybercrime trends and patterns.
 - To act as an early warning system for Law Enforcement Agencies for proactive Cybercrime prevention and detection.
 - Awareness creation among public about preventing Cybercrime.

- **Major initiatives**

- Launched **www. cybercrime.gov.in - the National Cybercrime Reporting Portal (NCRP)** which allows 24X7 reporting of all types of Cybercrime

ED files chargesheet in digital arrest cases, I4C issues advisory

Press Trust of India
NEW DELHI

Days after Prime Minister Narendra Modi urged people to guard against the menace of 'digital' arrests, investigation agencies said on Sunday they were taking action against this category of cybercrime with the Enforcement Directorate filing a chargesheet in one such case and the Indian Cyber Crime Coordination Centre (I4C) issuing a fresh advisory.

The ED issued a statement on Saturday, saying it filed a prosecution complaint before a special Prevention of Money Laundering Act (PMLA) court in Bengaluru last month against eight accused who allegedly "lured" common people through "fake" IPO allotments and stock market investments through fraudulent apps.

It said "digital" arrest scams involve fraudsters posing as law enforcement officials, intimidating victims into transferring their savings by fabricating scenarios that suggest illegal involvement of the victim.

The I4C issued a public advisory on Sunday asking people to "Beware of Digital Arrests" reminding them that "those making video calls are not police, CBI, Customs officials or judges".



In 'digital' arrest scams, fraudsters pose as law enforcement officials.

The advisory asked people not to fall for these "tricks" and report such crimes "immediately" by calling the national cyber-crime helpline 1930 or logging on the portal www.cybercrime.gov.in.

Mr. Modi, during his Mann Ki Raat radio address on October 27, urged people to adopt the mantra of "stop, think and take action".

The ED said it booked a money laundering case after studying multiple police FIRs and arrested eight persons.

The Central agency named as accused in its chargesheet filed on October 10 Charan Raj C., Kiran S.K., Shahi Kumar M., Sachin M., Tamilarasan, Prakash R., Ajith R. and Aravindan and 24 related companies. All the arrested persons are currently lodged in jail under judicial custody.

- The **Citizen Financial Cyber Fraud Reporting and Management System** has been launched for immediate reporting of financial cyber frauds
- National Toll- free Helpline number '**1930**' has been operationalized to provide citizen assistance in lodging online cyber complaints.
- The National Cyber Forensic Laboratory (NCFL), a 'State of the Art' facility has been set up to **train and assist the State/UT Investigation Officers**
- **Massive Open Online Courses (MOOC)** platform called '**CyTrain**' portal " <https://cytrain.ncrb.gov.in> " has been developed.
 - CyTrain portal helps in the capacity building of Police Officers/Judicial Officers through online courses on critical aspects of Cybercrime investigation, forensics and prosecution and also gives completion certificates.
- Launched **CyberDost** handle on various social media platforms to generate **cyber awareness** among citizens
- **Digital Arrest Scams**
 - **About**
 - A digital arrest scam is a type of online fraud in which scammers deceive victims by impersonating law enforcement officials.
 - These fraudsters falsely accuse victims of criminal activities, use intimidation tactics, and demand money under the pretense of legal consequences.
 - Victims are pressured into making payments to avoid supposed arrests.
 - **Working**
 - In this scam, perpetrators pretend to be officials from agencies like the CBI, Income Tax Department, or Customs.
 - They initiate contact with victims through phone calls, then switch to video calls on platforms like WhatsApp or Skype to add a sense of legitimacy.
 - Scammers use tactics like showing a police station set-up or threatening arrest warrants, accusing victims of financial or legal violations
 - They demand payments under the pretense of "clearing the victim's name" or as "security deposits" for investigations.
 - Once the money is transferred, the scammers disappear, leaving victims with financial losses.
- **ED files charge sheet in digital arrest scams**
 - **About the news**
 - Following PM Modi's recent appeal for vigilance against the threat of "digital" arrests, investigative agencies have announced active measures to combat this growing form of cybercrime.
 - The Enforcement Directorate (ED) recently submitted a charge sheet related to one such scam, while the I4C has issued a new advisory.
 - **PM Modi's Warning on Digital Arrest Scams**
 - In his October 'Mann Ki Baat' address, PM Modi alerted citizens about scammers posing as law enforcement, conducting 'digital arrests' to extort funds from victims.
 - He advised people to "**stop, think, and take action**" to **safeguard themselves**.
 - **ED's Investigation and Charge Sheet Filing**
 - ED recently filed a prosecution complaint under the Prevention of Money Laundering Act (PMLA) against eight individuals involved in cyber scams.
 - These accused allegedly defrauded people via fake IPOs and stock investments, primarily using social media platforms like WhatsApp, Instagram, and Telegram.
 - Known as '**pig-butcher**' **scams**, stock market investment scams entice victims with promises of high returns.
 - They use fake websites and misleading WhatsApp groups that appear connected to reputable financial firms.
 - The ED detailed how fraudsters disguised themselves as officials from Customs or the CBI, falsely accusing victims of legal violations to intimidate them into transferring large sums.

- Funds from victims were funneled through "mule" accounts, converted to cryptocurrency, and transferred abroad.
- **Key accused individuals recruited directors for shell companies and facilitated bank account openings, knowingly assisting in money laundering.**
 - Victims were manipulated through "digital arrests" under the guise of a fake "fund regularisation process."
- **I4C Advisory to Citizens**
 - I4C issued a public advisory warning against digital arrest scams.
 - It reminded citizens that legitimate officials do not make demands over video calls and urged people to report suspicious activity via the national cybercrime helpline (1930) or the cybercrime portal.

4. Black hole Triple System GS 3 (Science and Tech)

- **Why in News:** A new study says scientists have discovered a "black hole triple" in space for the first time.
- **About Black Hole Triple System:**
 - The system comprises a black hole at its centre, currently in the process of consuming a small star spiralling very close to it.
 - There is also a second star, which appears to be circling the black hole but is actually far away.
 - The discovery of the system, located about 8,000 light years away from Earth has raised questions about how black holes are formed.
 - Many black holes discovered until now have been part of binary systems, consisting of a black hole and a secondary object (such as a star or another black hole).
 - But the black hole triple not only has one star which orbits the black hole about every 6.5 days, but also a more far-off star which orbits it every 70,000 years.
 - It is situated in the constellation of Cygnus, the system features one of the oldest known black holes, the V404 Cygni, which is nine times as big as the Sun in our solar system.
 - V404 Cygni has two stars around it as the black hole did not arise from a supernova, which typically kicks away outer stars in the explosion.
 - Instead, it was formed through another process called "direct collapse", where the star caves in after expending all its fuel, but does not explode.

5. Indian Green Building Council GS 2 (Governance)

- **Why in News:** Recently, the Himachal Pradesh Chief Minister announced that the upcoming Durgesh Aranya Zoological Park will become India's first zoo to earn certification from the Indian Green Building Council (IGBC) for sustainable and eco-friendly infrastructure.
- **About Indian Green Building Council:**
 - It is part of the Confederation of Indian Industry (CII) which was formed in the year 2001.
 - It is India's Premier certification body.
 - The council offers a wide array of services which include developing new green building rating programmes, certification services and green building training programmes.
 - The council also organises the Green Building Congress, its annual flagship event on green buildings.
 - It is also among the 5 countries that are on the board of the World Green Building Council discussing global issues at COP and similar global platforms.
 - The rating is based on six environmental categories which include sustainable station facility, health, hygiene and sanitation, energy efficiency, water efficiency, smart and green initiatives and innovation and development.

- Headquarter: Hyderabad.
- **Key facts about Durgesh Aranya Zoological Park**
 - It is located in the Bankhandi area of Kangra's Dehra assembly constituency of Himachal Pradesh.
 - The Central Zoo Authority (CZA) has approved 34 enclosures within the park's Van Vaibhav Path and Biodiversity Court, which will house 73 animal species, including the Asiatic lion, hog deer, crocodile, monitor lizard, gharial, and various birds.
 - The project aligns with the state government's focus on promoting eco-tourism and sustainable development, reinforcing Kangra's status as the "Tourism Capital" of Himachal Pradesh.

6. Hydrogels

GS 3 (Science and Tech)

- **Why in News:** A new way discovered by a team of researchers at the Department of Chemical Sciences in Bose Institute to create hydrogels using tiny protein fragments of just five amino acids from the SARS-CoV-1 virus, could help improve targeted drug delivery & reduce side effects.
- **About Hydrogels:**
 - It is a three-dimensional network composed of hydrophobic polymers synthesized by crosslinking water-soluble polymers.
 - Hydrogels can retain a large quantity of water within their network without disturbing their original structure. This imparts flexibility and swelling properties to the hydrogel structures.
 - It is a "smart" material that can change its structure in response to its environment, such as the local temperature, pH, salt or water concentration.
- **What is SARS?**
 - Severe Acute Respiratory Syndrome (SARS) is a viral respiratory disease caused by the virus SARS-CoV-1.
 - It is an airborne virus and can spread through small droplets of saliva in a similar way to the cold and influenza.
 - It can also be spread indirectly via surfaces that have been touched by someone who is infected with the virus.
 - Symptoms of SARS include: Persistent, high fever, Chills, Headache and Body aches.
 - **Treatment:** There's no established treatment specifically for SARS.

7. Paradox of India's Stagnant Rural Wages Amidst Economic Growth

GS 3 (Economy)

- **Why in News:**
 - The Indian economy has shown impressive growth in recent years, yet rural wages remain stagnant, especially in real terms.
 - Hence, there is the need to explore the dichotomy between macroeconomic growth and the subdued rise in rural wages, **examining contributing factors and potential mitigation through government schemes.**
- **Rural Wages vs Economic Growth:**
 - **Economic growth overview:**
 - India's GDP grew at an average rate of **4.6% from 2019-20 to 2023-24**, reaching 7.8% over the last three fiscal years (April-March).
 - **Agricultural sector growth rates** were also robust, averaging 4.2% and 3.6% for the same periods.

Paradox of stagnant rural wages

Buoyant GDP numbers are not reflected in rural wages, which have fallen in real inflation-adjusted terms. This is due to growth becoming less labour-intensive, and also more women adding to the workforce size



- **Wage growth data:**
 - The Labour Bureau compiles daily wage rate data for 25 agricultural and non-agricultural occupations, collected every month from 600 sample villages spread over 20 states.
 - **From 2019 to 2024**, rural wages grew by 5.2% annually in nominal terms; however, **adjusted for inflation, the real growth was -0.4%**.
 - Even in the current fiscal year, wage growth remains low, **highlighting a disconnect between GDP growth and real wage gains**.
- **Factors Behind Stagnant Rural Wages:**
 - **Rising female labour force participation (LFPR):**
 - The female LFPR has risen sharply, from 24.5% in 2018-19 to 41.7% in 2023-24, with **rural female LFPR jumping to 47.6%**.
 - According to the Economic Survey 2023-24, programs like **Ujjwala, Har Ghar Jal, and Swachh Bharat have freed up time for rural women**, enabling their entry into the workforce.
 - Higher workforce participation, especially among rural women, has led to a **larger labour pool, exerting downward pressure on wages** due to a supply-demand imbalance.
 - **Shift in labour demand:**
 - Although more women are entering the labour force, **most are finding employment in agriculture**, not higher-paying industrial jobs.
 - Economic growth in India has leaned towards **capital-intensive industries** that **require less labour**, further limiting wage growth in rural areas.
 - With more workers in agriculture, where **productivity per worker is already low**, additional labour supply only depresses wages further.
- **Steps Taken to Address the Issue of Low Rural Wages:**
 - **Income transfer schemes:**
 - **State initiatives:** Various state governments have introduced income support schemes targeting women, amounting to around Rs 2 lakh crore annually.
 - **Impact of transfers:** Programs like Maharashtra's **Ladki Bahin Yojana** provide significant financial support to women, supplementing their low wages and offering a buffer in challenging times.
 - **Central government schemes:**
 - The Centre's income transfer schemes, including
 - Rs 6,000-per-year aid to farmer households (**PM-KISAN**) and
 - the free-grain scheme (**PM Garib Kalyan Anna Yojana [PMGKAY]**),
 - Also help mitigate low rural income levels.
- **Conclusion:**
 - Despite substantial economic growth, rural wage growth remains subdued, with real wages barely improving.
 - While government interventions provide some relief, **addressing the root causes of stagnant rural wages** - such as limited labour demand in higher-paying industries and the oversupply of rural labour - is essential for achieving inclusive economic prosperity.

MCQ Current Affairs
4th Oct, 2024

1. Turtle Wildlife Sanctuary, recently seen in the news, lies in which one of the following states?

- a) Andhra Pradesh
- b) West Bengal
- c) Bihar
- d) Uttar Pradesh

2. Which of the following scenarios best explains the use of a transponder?

- a) Powering a portable Bluetooth speaker
- b) Downloading an application on a smartphone
- c) Identifying and tracking an aircraft
- d) Heating water in an electric kettle

3. Consider the following statements regarding *Alstonia scholaris*, recently seen in the news:

- A. It is an evergreen tropical tree used in traditional medicine.
- B. It is widespread across the Indian subcontinent, Southeast Asia, and southern China.

Which of the statements given above is/are correct?

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

4. Consider the following statements regarding Hydrogel:

- A. It is a three-dimensional network composed of hydrophobic polymers.
- B. It can change its structure in response to local temperature and salt concentration.

Which of the statements given above is/are correct?

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

5. Consider the following statements regarding the Indian Green Building Council:

- A. It is part of the Confederation of Indian Industry and provides green building rating programmes in India.
- B. It considers sustainable station facility and energy efficiency for giving green building ratings.

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
4th Oct, 2024

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

