The Hindu News Analysis – 30th October 2019 – Shankar IAS Academy

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*C – Chennai; B – Bengaluru; D – Delhi ; H – Hyderabad; T – Thiruvananthapuram
The new gold standard in development economics?

With RCT becoming a dominant factor, ‘randomisation’ could be changing the social sciences paradigm.

**Part A—Preliminary Examination**

**Paper I** (200 marks)

- Current events of national and international importance.
- Economic and Social Development - Sustainable Development, Poverty, Inclusion, Demographics, Social Sector Initiatives, etc.

**Part B—Main Examination**

**PAPER-III**

General Studies-II: Governance, Constitution, Polity, Social Justice and International relations.

- Issues relating to poverty and hunger.

**PAPER-IV**

General Studies-III: Technology, Economic Development, Biodiversity, Environment, Security and Disaster Management

- Inclusive growth and issues arising from it.

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- Nobel prize for Economic Sciences - 2019
  - Experimental approach to alleviate global poverty
  - New experiment based approach in development economics
  - Large questions → Smaller questions

- Randomised Control Trials (RCTs)
  - Random allocation of subjects of study
  - Statistical foundation - Sir Ronald Fisher
  - RCT
    - Control: To get unbiased evaluation
    - Group under treatment vs Control group
    - Randomisation: Allocation of subjects

- RCT in Social Sciences
  - Nobel Laureates - 1000 RCTs in 83 Countries
  - Focus
  - Access to credit
  - Behaviour
  - Healthcare, etc

  Eg: Finland’s Basic Income Programme 2017-18
• Criticism - Use of RCTs in economic and social experiments

1. Larger problems → small - conclusions are questionable
2. not able to maintain the 'secrecy' provided by randomization

• Increasing influence of development economics → Increase in the role of RCTs
Future Investment Initiative Summit (FIIS)

- International platform for expert-led debates between global leaders, investors and innovators.
- Explore new trends, opportunities challenges and emerging industries that will shape the world economy and investment environment over the coming decades.
- Launched by Public Investment Fund of the Kingdom of Saudi Arabia in 2017.
- FIIS Summits are conducted every year to attract investments.
  - Also called as ‘Davos in the Desert’
  - Important economic forum in the Middle East.

Strategic Partnership Council

- Between India and Saudi Arabia will be led by the leaders of both the countries.
- 2 parallel tracks:
  - Political
  - Security
  - Culture
  - Economy
  - Society
- Foreign Ministers of India & S. Arabia
- India → Min. of C & I
- S. Arabia → Energy minister
- India - 4th country to form strategic partnership with Saudi Arabia.
- Other countries: UK, France, China.

Tamil Nadu becomes first State in country to get law on contract farming

Part A—Preliminary Examination

Paper I—(200 marks)

- Current events of national and international importance.
- Indian Polity and Governance—Constitution, Political System, Panchayati Raj, Public Policy, Rights Issues, etc.
- Economic and Social Development—Sustainable Development, Poverty, Inclusion, Demographics, Social Sector Initiatives, etc.

Part B—Main Examination

PAPER-III

General Studies-III: Governance, Constitution, Policy, Social Justice and International relations.

- Statutory, regulatory and various quasi-judicial bodies.
- Government policies and interventions for development in various sectors and issues arising out of their design and implementation.
- Development processes and the development industry— the role of NGOs, SHGs, various groups and associations, donors, charities, institutional and other stakeholders.
- Welfare schemes for vulnerable sections of the population by the Centre and States and the performance of these schemes; mechanisms, laws, institutions and Bodies constituted for the protection and betterment of these vulnerable sections.

PAPER-IV


- Indian Economy and issues relating to planning, mobilization of resources, growth, development and employment.
- Major crops-cropping patterns in various parts of the country, - different types of irrigation and irrigation systems storage, transport and marketing of agricultural produce and issues and related constraints; e-technology in the aid of farmers.
News

- Tamil Nadu - enacted law on contract farming
  
  "The T.N. Agricultural Produce and Livestock Contract Farming and Services (Promotion and Facilitation) Act, 2019"

- First state to enact this law
- Provides for improved production and marketing of agri produce, livestock and its products
- Promotes services contract also
  - Post-harvest management and marketing services

- Based on Model Contract Farming Act of Central Govt.
  
  - "The ....................... State/UT Agri Produce and Livestock Contract Farming and Services (Promotion and Facilitation) Act, 2018"

Salient features of the Act

- All kinds of farmers included
- Agri production, rearing of livestock
- who have leased land, tenant farmer, sharecropper
- Agri produce → all produce of agriculture, horticulture, apiculture, sericulture, animal husbandry or forest, etc

- Safeguards interest of farmers during bumper crop or market price fluctuation
  
  - Pre-agreed price to be paid to farmers

- Agreement valid if registered with designated Registering and Agreement Recording Officer

- Support to farmers by way of inputs, feed and fodder, and Technology

- To establish "T.N. State Contract Farming and Services (Promotion and Facilitation) Authority"

- Produce/Product covered under Crop/Livestock insurance in operation

- Prohibits purchaser from raising permanent structure on producers’ land and premises
  
  - Ownership cannot be transferred to purchaser

Contract farming

- Act: "Farming by a contract farming producer as specified under written agreement with contract farming purchaser..... farm produce including livestock or its products shall be purchased by purchaser"

- Commitment of producer to provide agri commodity of certain type, at a time and price and in required quantity
- Purchaser supports farmer's production and buys product at price, as already established.
- Basic elements
  - pre-agreed price
  - pre-agreed quantity
  - pre-agreed quality
  - time

Need for contract farming
- Reduces burden on central/state level procurement system
- Increases private sector investment in agriculture
- Generates steady source of income at individual farmer level
- Promotes processing and value addition
- Generates gainful employment in rural communities

Advantages
- To farmers
  - exposure to world class mechanised agro tech
  - assured upfront price and market outlet for produce
  - selling bulk supplies vs small supplies
  - crop monitoring
  - free technical advice

- To traders/purchasers
  - Uninterrupted and regular flow of raw material
  - protection from market price fluctuation
  - long-term planning possible
  - dedicated supplier base

36 million Indians face flood risk: study

Part A—Preliminary Examination
Paper I - (200 marks)

- Current events of national and international importance.

Part B—Main Examination
PAPER-II
General Studies-I : Indian Heritage and Culture, History and Geography of the World and Society.

- Important Geophysical phenomena such as earthquakes, Tsunami, Volcanic activity, cyclone etc., geographical features and their location—changes in critical geographical features (including water-bodies and ice-caps) and in flora and fauna and the effects of such changes.

PAPER-IV

- Disaster and disaster management.
• New estimate on number of people who could be affected by climate change

• High Tide Line (HTL) - Line of intersection of land with water surface during a high tide.

• Low Tide Line (LTL) - Line of intersection of land with water surface during a falling tide.

• Shore Line - Land between High Tide Line and Low Tide Line

• Shuttle Radar Topography Mission (SRTM) - NASA
  - Objective: to get high resolution digital elevation data
  - Space Shuttle Endeavour - 2000

• New software Coastal DEM to measure topography of earth - more accurate

• SRTM - Overestimation of elevation

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• Globally
  - 11 crore people live below current HTL
  - 25 crore people live below annual flood levels
  - SRTM Data - 2.8 Cr
  - 6.5 Cr

• India - underestimation of 88%
  - 2050 - 3.6 Crore would face annual flooding
  - 2100 - 4.4 Crore would face annual flooding
  - People living - earlier estimate - 2.8 million below HTL
  - Now 21 million

• In line with IPCC draft report on oceans and earth's frozen zones

• Rise in global mean sea level
  - 20th century: 11-16 cm
  - 21st century: 2 m

• Solutions
  1. Adherence to Paris Climate Agreement
  2. Fossil Fuels → Renewable energy
  3. Shift to electric vehicles
  4. More carbon sinks
  5. Water use efficiency
  6. Adaptation and mitigation
  7. Sustainable agriculture.
Practice Question – Prelims

Q1. Consider the following statements with reference to ‘Randomised Control Trials (RCTs)’.
   1. It involves randomization of the trials under controlled parameters.
   2. RCTs have been used in the field of development economics.
   3. The Government of India now using RCTs in order to reduce the number of under trials in jails.

Which of the statements given above is/are correct?
(a) 1 and 2
(b) 2 and 3
(c) 1 and 3
(d) 1, 2 and 3

Practice Question – Prelims

Q2. Consider the following statements about Future Investment Initiative Summit, recently seen in news.
   1. The main aim of the summit is to explore the new trends, opportunities, challenges and emerging industries that will shape the world economy and investment environment over the coming decades.
   2. It has been jointly launched by the Ministry of Commerce and Industry, Government of India and Public Investment Fund of the Kingdom of Saudi Arabia in 2017.

Which of the above statement/s is/are correct?
a) 1 only
b) 2 only
c) Both 1 and 2
d) Neither 1 nor 2
Practice Question – Prelims
Q3. Consider the following statements with reference to the Intergovernmental Panel on Climate Change (IPCC).

1. The objective of IPCC is to assess scientific information relevant to human-induced climate change and its impacts.
2. It is an intergovernmental body of the United Nations.

Which of the statements given above is/are correct?
(a) 1 only
(b) 2 only
(c) Both 1 and 2
(d) Neither 1 nor 2

Practice Questions – Prelims
30-10-2019
1. Option – a – 1 and 2
2. Option – a – 1 only
3. Option – c – Both 1 and 2

LIKE, COMMENT & SHARE

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