

Regulating Political Funding: Rules Around the World, India's Challenge**Why in News?**

- In a judgement in the electoral bonds case, the Chief Justice of India (CJI) dwelt at length on the close association of money and politics, and the influence of money over electoral outcomes.

Broader Issues in the Political Funding Framework

- The CJI summarized the two issues raised by the petitions in the Electoral Bonds case as:
 - Whether unlimited corporate funding to political parties infringes the principle of free and fair elections and violates Article 14 of the Constitution; and
 - Whether the non-disclosure of information on voluntary contributions are violative of the right to information of citizens under Article 19(1)(a).
- Unlike in the US, where elections revolve around the campaign of individual candidates, in India (like most other parliamentary systems) parties are central to electoral politics.
- Thus, the primary focus of the campaign finance framework in India needs to be parties and the question of the funding of political parties goes to the heart of India's democracy.

Key Aspects of Regulating Party Funding Framework

- Regulation of Donations:
 - Some individuals or organisations may be banned from making donations. For instance, foreign citizens or companies.
 - There may also be donation limits, aimed at ensuring that a party is not captured by a few large donors - whether individuals, corporations, or civil society organisations.
 - Some jurisdictions rely on contribution limits for regulating the influence of money in politics.
 - For example, the US federal law imposes different contribution limits on different types of donors.
- Limits on Expenditure:
 - Expenditure limits safeguard politics from a financial arms race and relieve parties from the pressure of competing for money even before they start to compete for votes.
 - Therefore, some jurisdictions impose an expenditure limit on political parties.
 - For example, in the UK, political parties are not allowed to spend more than £30,000 (about Rs 30 lakh) per seat.
- Public Financing of Elections:
 - Many countries provide public funding of parties and the most commonly used method is to set predetermined criteria.
 - For instance, in Germany, parties receive public funds on the basis of their importance (votes they received in past elections, etc) within the political system.
 - A relatively recent experiment in public funding is that of "democracy vouchers" (distributed to eligible voters), which is used in local elections in Seattle, US.
 - Voters can use these vouchers to donate to the candidate of their choice.
- Disclosure Requirements:
 - This aspect of the regulation of private money in politics formed the crux of the Electoral Bonds case.
 - Disclosure as regulation rests on an assumption that the information supply and public scrutiny may influence politicians' decisions and the electorate's votes.
 - It does not outrightly prevent parties or donors from receiving or making donations.

Political Funding Rules Around the World - The Chilean Experiment

- Under the Chilean system of "reserved contributions", donors could transfer to the Chilean Electoral Service the money they wished to donate to parties.
- The Electoral Service would then forward the sum to the party without revealing the donor's identity.
- If the complete anonymity system worked perfectly, the political party would not be able to ascertain the sum donated by any specific donor.
- However, various scandals revealed that Chilean politicians and donors had coordinated with each other to effectively erode the system of complete anonymity.

Case of India

- In India, there are no donation limits on individuals, also no legal expenditure limit on parties.
- Therefore, a party can spend as much as it wants for its campaign as long as this expenditure is not for the election of any specific candidate.
- The Electoral Bonds Scheme enabled large donors to hide their donations if they used official banking channels.
- Also, Indian electioneering is no longer restricted to parties and candidates.

- Over the last decade, there has been a staggering rise in the involvement of political consultancies, campaign groups, and civil society organisations in online and offline political campaigns.

Need of the Hour for India - Balancing Transparency, Anonymity

- Many jurisdictions strike this balance by allowing anonymity for small donors, while requiring disclosures of large donations. For example,
 - In the UK, a party needs to report donations received from a single source amounting to a total of more than £7,500 in a calendar year.
 - The analogous limit in Germany is €10,000.
- The argument in favour of this approach is: small donors are likely to be the least influential in the government and most vulnerable to partisan victimisation, while large donors and parties are mutually benefited.

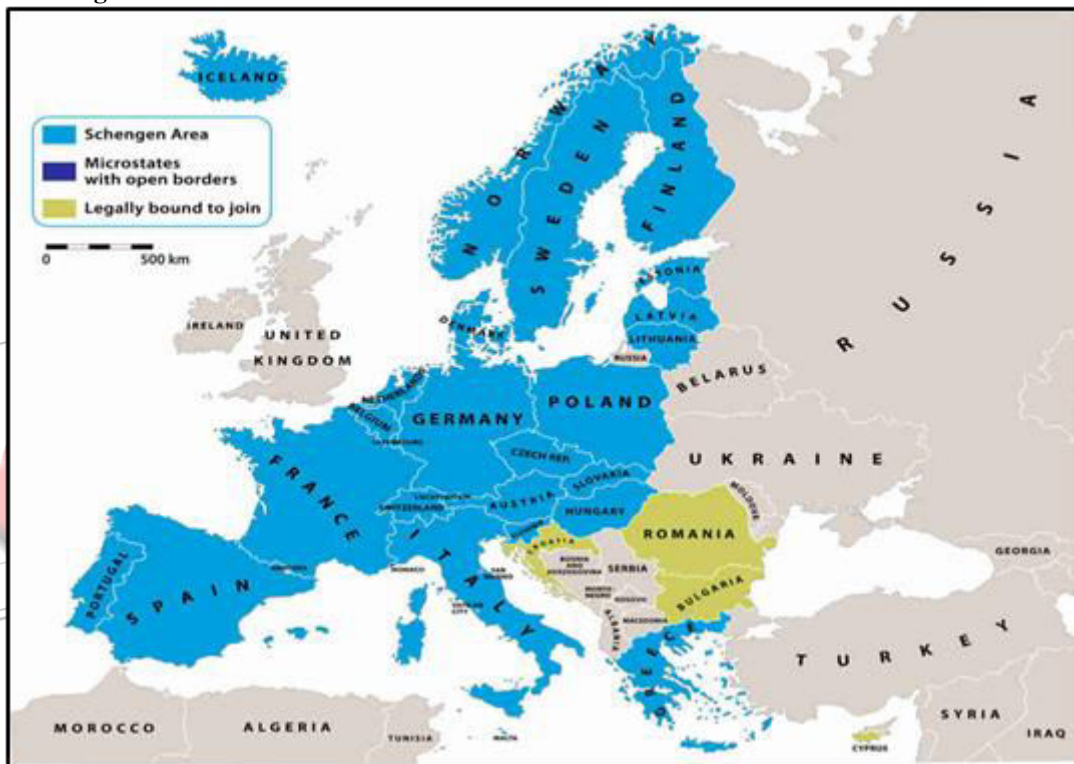
INTERNATIONAL RELATIONS

The Schengen Zone in Europe

Why in News?

- Kosovo recently secured visa-free access to the Schengen zone in Europe, world’s largest zone of free movement, becoming the last western Balkan non-European Union (EU) nation to waive visa requirements.
- Citizens of Kosovo can now enter the Schengen as tourists for 90 days within 180 days.

About the Schengen Area



- The zone is known after Schengen, the tiny Luxembourg village bordering France and Germany, where the agreement was signed in 1985 among five of the six EU founding members except Italy.
- Currently, it is an area encompassing 27 European countries that have officially abolished border controls at their mutual borders.
- It mostly functions as a single jurisdiction under a common visa policy for international travel purposes.
- Croatia, a EU member since 2013, joined Schengen in 2023, while Romania and Bulgaria, EU members since 2007, will gain partial Schengen entry from 31 March 2024.

What are the Advantages of the EU’s Border-Free Policy?

- For nationals of any country, the benefit is the freedom to travel with a single Schengen visa to other European nations within the borderless area.
- For EU states, the Visa-free borderless travel, alongside the single currency adopted by 20 EU countries, is the most visible symbol of European integration.
 - The integrity of Schengen was critical for the success of the post-war European project.

Is Admission to Schengen Mandatory for EU members?

- When the Schengen agreement took effect in 1995, only 7 of the entire 15-member union at the time joined the passport-free area.

- Today, 23 of the 27 EU states are part of the passport-free zone, excluding Cyprus, Romania, Bulgaria and Ireland.
- Additionally, the Schengen area comprises 27 countries, including four non-EU members: Iceland, Liechtenstein, Switzerland and Norway.
- It is important not to confuse the status of the four countries with the recent entry of Kosovo and the other five western Balkan entrants which are not counted among the Schengen 27 members.

Challenges Faced by the Schengen Region

- Schengen had come under enormous strain following the Eurozone sovereign debt crisis during the last decade.
- The arrival of thousands of migrants from conflict zones in Africa and West Asia and the anti-immigrant-politics stoked by the continent's far-right populist parties also strained the region.
 - The EU had even considered removal from Schengen, countries located on the bloc's Mediterranean border, as individual states contemplated unilateral reinstatement of borders.

Why was Kosovo's Application Kept Pending for Years?

- The case of Kosovo is appalling given that the European Commission had in 2018 cleared Pristina's (capital) preparedness to tackle illegal migration and corruption, preconditions for the entry.
- The single biggest obstacle to the country's Schengen visa waiver was strong opposition from several EU members, which do not recognise the 2008 unilateral declaration of independence by the breakaway state from Serbia.
 - Kosovo has not been accorded legal statehood by the UN and denied recognition by Russia and China.

PRELIM FACTS

1. GROW Portal

- Recently, GROW report and portal was launched by a Member of NITI Aayog.

About GROW Portal:

- The "Greening and Restoration of Wasteland with Agroforestry (GROW)-Suitability Mapping" portal allows universal access to state and district-level data.
- It is hosted on Bhuvan website.
- The GROW initiative aligns with national commitments, aiming to restore 26 million hectares of degraded land by 2030 and create an additional carbon sink of 2.5 to 3 billion tonnes of carbon dioxide equivalent.
- The initiative, led by NITI Aayog, involved a collaborative effort from multiple institutions and employed advanced technologies such as remote sensing and GIS to assess agroforestry suitability across all districts in India.
- Utilizing thematic datasets, the project resulted in the creation of an Agroforestry Suitability Index (ASI). This index enables national-level prioritization for greening and restoration projects.
- This project on prioritization of wasteland areas suitable for greening is based on the analysis of five remote sensing derived thematic layers viz. land use, wasteland, slope, water proximity and soil organic content.
- These parameters were selected as a result of expert consultations and considered to be the most critical layers in identifying area that are amenable for interventions with agroforestry. Highest weightages was given to wastelands.
- The developed system provides information on area suitable for agroforestry across India.
- The areas available in the system are classified as highly suitable, moderately suitable, less suitable for agroforestry.
- The key features of the system:
 - Generates district level information of wasteland area suitable for agroforestry
 - Generates area prioritization regime i.e. highly suitable area, moderate and less suitable for agroforestry
 - Generates live maps
 - Generates area analysis-statistic report
 - Offer an interactive mode/tool that provides flexibility in handling the weightages as per local conditions/need

2. Biodiversity Heritage Site

- Recently, the Odisha government has declared the Gupteswar forest in Koraput district as its fourth Biodiversity Heritage Site (BHS).

About Biodiversity Heritage Site:

- These are areas that are unique, ecologically fragile ecosystems having rich biodiversity comprising of any one or more of the components such as;
 - species richness, high endemism, presence of rare, endemic and threatened species, keystone species, species of evolutionary significance, wild ancestors of domestic/cultivated species or land races or their varieties, past pre-eminence of biological components represented by fossil beds and having cultural or aesthetic values.

Who can declare BHS?

- Under section 37 of the Biological Diversity Act, the State Governments are empowered to notify in the official gazette, in consultation with 'local bodies', areas of biodiversity importance as Biodiversity Heritage Sites.
- Under sub section (2) of Section 37 of the BD Act, the State Government in consultation with the Central Government may frame rules for the management and conservation of BHS.
- Under sub section (3) of Section 37 of the BD Act, the State Governments are empowered to frame schemes for compensating or rehabilitating any person or section of people economically affected by such notification.
- Importance of Biological Diversity Heritage Sites: Biodiversity is closely linked to ecological security. Loss of biodiversity and bioresources show an increasing trend mainly due to human activities. Therefore, it is necessary to instil and nurture conservation ethics in the community.

3. Brumation

- Researchers have observed instances of brumation in various reptilian species across habitats.

About Brumation:

- It is the name to describe a period of dormancy or slowed activity in reptiles, much like hibernation in mammals.
- It typically occurs during colder months, when temperatures drop and food becomes scarce.
- During brumation, reptiles may retreat to underground burrows, rock crevices or other sheltered areas where temperatures are relatively more stable.
- Their metabolism slows significantly, allowing them to go weeks or even months without eating.
- This period of reduced activity allows reptiles to conserve energy and minimise their resource requirements.
- Such species include box turtles and painted turtles, which burrow into the mud at the bottom of ponds or lakes. Snakes may seek refuge in underground dens or caves while lizards may hide under rocks or within vegetation.
- Why brumation?
 - Reptiles enter a state of brumation to conserve energy and survive these adverse environmental conditions.
 - Brumation is crucial for reptiles to survive cold climates and endure challenging environmental conditions, until they can re-emerge to feed and reproduce in more favourable climates.

4. Hastal Minar

- In an era where heritage preservation is paramount, efforts are being made to unravel the mysteries surrounding the Hastal Minar.

About Hastal Minar:

- Location: It is located in a small village of western Delhi.
- Construction of the minar (or tower) was finished in 1634 during the reign of Mughal emperor Shah Jahan.
- It is also known as Mini Qutab Minar.
- Among the locals, it is also known as Hastal Ki Laat and Kaushal Minar.
- Architecture
 - It was constructed using lakhori bricks and clad with red sandstone.
 - The minar is 17 metres (five storeys) tall, standing on a square platform and with an octagonal body.
 - A staircase inside the five-storey tower led to the domed Chhatri pavilion at the top.
 - It has three storeys, each with a reducing diameter, and is accessible through a narrow staircase
- Shah Jahan utilised Hastal as one of his hunting lodges during the 17th century.
- Present condition:
 - In 2018, the minaret was deemed as Grade A in heritage value and was given the permission to be conserved under Phase IV of Delhi government's project to protect lesser-known monuments in the capital.

5. Retail Inflation

- India's retail inflation eased to a three-month low of 5.1% recently.

About Retail Inflation:

- Retail inflation, also known as Consumer Price Index (CPI) inflation, tracks the change in retail prices of goods and services which households purchase for their daily consumption.
- CPI is calculated for a fixed basket of goods and services that may or may not be altered by the government from time to time.
- The change in the price index over a period of time is referred to as CPI-based inflation, or retail inflation.
- What Does the CPI tell? Following are a few things that the CPI index interprets:
 - Cost of living
 - The purchasing power of consumers
 - The expensiveness of different articles that consumers buy and services that are availed
 - Value of the Indian rupee
- How is CPI calculated?
 - CPI is calculated as a percentage. It is a comparison of the general price level in the markets in a particular time period from a time frame in the past. This is known as the base year.
 - CPI, therefore, is calculated by referring to a base year, which is a benchmark. Currently, the base year is 2012.
 - The formula for calculating the CPI index is:
$$\text{CPI} = \left(\frac{\text{Cost of a Fixed Basket of Goods and Services in the Current Year}}{\text{Cost of a Fixed Basket of Goods and Services in the Base Year}} \right) * 100$$
 - The National Statistical Office (NSO), Ministry of Statistics and Programme Implementation (MoSPI), compiles All India as well as state-wise CPI for Rural, Urban, Combined sectors and releases the CPI numbers every month.
- How is the Consumer Price Index (CPI) Used?
 - It is used as a macroeconomic indicator of inflation, as a tool by the central bank and government for inflation targeting and for inspecting price stability, and as a deflator in the national accounts.
 - CPI also helps understand the real value of salaries, wages, and pensions, the purchasing power of the nation's currency, and regulating rates.

ANSWER WRITING

Q. The Indian Constitution was designed not for people how they are but how they ought to be. Comment.

Answer: The constitution makers were aware of the realities and the challenges of Indian society, which was marked by poverty, illiteracy, inequality, etc. They did not want to create a constitution that would merely reflect the existing conditions, but one that would aspire to change them for the better. They wanted to create a constitution that would enable the people to realize their potential and to participate in the nation-building process. The constitution, therefore, laid down the goals and the values that the people of India should strive for, such as:

- **Rights and Equality:** The Constitution guarantees fundamental rights to all citizens, irrespective of their current conditions, aiming to protect individuals from discrimination, oppression, and injustice. These rights are meant to create a society where individuals have the freedom to pursue their own aspirations and are not bound by their existing circumstances.
- **Economic Justice:** The Constitution's directive principles of state policy also reflect an aspiration for economic justice. While recognizing the economic disparities prevalent in society, the Constitution directs the state to work towards reducing these disparities by promoting economic and social justice.
- **Social Transformation:** The framers of the Indian Constitution envisioned a society where the caste system, gender discrimination, and other forms of inequality would be eradicated. Therefore, the Constitution includes provisions like affirmative action (reservation) for historically disadvantaged groups and the promotion of social justice.
- **Secularism:** The Indian Constitution also emphasizes secularism, recognizing that the country is religiously diverse. It envisions a society where all religions are treated equally and where the state does not favour any particular religion. This is in contrast to the prevailing religious hierarchies that existed at the time of independence.
- **Democratic Values:** The Constitution promotes democratic values, such as equality before the law and universal suffrage, with the aim of fostering a participatory and inclusive democracy. It envisions a society where the voices of all citizens, regardless of their socio-economic background, are heard and respected.

Conclusion

The Indian constitution, therefore, is not a static or a rigid document, but a dynamic and a flexible one, that can adapt to the changing needs and aspirations of the people. The constitution is also not a final or a perfect document, but a progressive and a visionary one, that can inspire the people to work towards the realization of its goals and values.

MCQs

1. SAMARTH scheme has been launched with the objective of
 - (a) Promoting and supporting Farmer Producer Organisations.
 - (b) Skilling of manpower across the textile sector.**
 - (c) Increasing merchandise exports from India.
 - (d) Inspire women to pursue higher education and careers in scientific research.
2. T.N. Godavarman Thirumulpad vs Union of India Case is associated with which of the following?
 - (a) Death Penalty
 - (b) Electoral Bonds
 - (c) Discretionary power of Governor
 - (d) Forest Protection**
3. Mission Aspides has been in the News recently, its objective is
 - (a) To preserve freedom of navigation in Red Sea and protect ships from possible multimodal attacks.**
 - (b) To ensure peace in Democratic Republic of Congo.
 - (c) To help Ukraine in the wake of renewed Russian attack.
 - (d) To land the first woman and first person of colour on the Moon.
4. Consider the following:

Statement-I: Bilateral Investment Treaties (BITs) are reciprocal agreements between two countries to promote and protect foreign private investments in each other's territories.

Statement-II: India's bilateral treaties have dried up since the adoption of the Model Bilateral Investment Treaties (BIT) in 2016.

Which one of the following is correct in respect of the above statements?

 - (a) Both Statement-I and Statement-II are correct and Statement-II is the correct explanation for Statement I
 - (b) Both Statement-I and Statement-II are correct and Statement-II is not the correct explanation for Statement-I**
 - (c) Statement-I is correct but Statement-II is incorrect
 - (d) Statement-I is incorrect but Statement-II is correct
5. Regarding the landlocked region "Kosovo", consider the following statements:
 1. Kosovo is bordered by Romania, Macedonia, Serbia, and Montenegro.
 2. Its capital and largest city is Pristina
 3. India has not recognised Kosovo as an independent country.

How many of the statements above are correct?

 - (a) 1 and 2 only
 - (b) 2 only
 - (c) 2 and 3 only**
 - (d) 1, 2 and 3
6. With reference to the Red Sea mission, consider the following statements:
 1. It is a United States led military operation in the Gulf of Aden.
 2. The mission's mandate is limited to protecting civilian shipping in the Red Sea.

Which of the statements given above are incorrect?

 - (a) 1 only**
 - (b) 2 only
 - (c) Both 1 and 2
 - (d) Neither 1 nor 2
7. Consider the following:

Statement-I: According to India's Nationally Determined Contributions (NDC) goals, India pledges to reduce the emissions intensity of its GDP (Gross Domestic Product) by 45% by 2030, from the 2005 level.

Statement-II: PM Surya Ghar Muft Bijli Yojana, a rooftop solar scheme aims to solarize 1 crore households by providing up to 300 units of free electricity every month.

Which one of the following is correct in respect of the above statements?

 - (a) Both Statement-I and Statement-II are correct and Statement-II is the correct explanation for Statement I
 - (b) Both Statement-I and Statement-II are correct and Statement-II is not the correct explanation for Statement-I**
 - (c) Statement-I is correct but Statement-II is incorrect
 - (d) Statement-I is incorrect but Statement-II is correct
8. The 'Good Friday Agreement' is primarily related to which one of the following?
 - (a) Economic reforms in WTO.
 - (b) Constitutional amendments in the United Kingdom.
 - (c) Peace and political stability in Northern Ireland.**
 - (d) Convention of Migratory Species (CMS) guidelines
9. Which of the following are related to Satyendra Nath Bose?
 1. Planck's law
 2. Quantum statistics
 3. Boson
 4. Fifth state of matter

Select the correct answer using the codes given below:

 - (a) 1 and 2 only
 - (b) 2 and 3 only
 - (c) 1, 2, 3 and 4**
 - (d) None
10. Consider the following statements regarding Anoxic Marine Basins:
 1. They form when there is a strong layering of the water column created in a cup-like formation on the ocean floor.
 2. They are one of the world's most productive ecosystems with a wide range of species diversity.

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