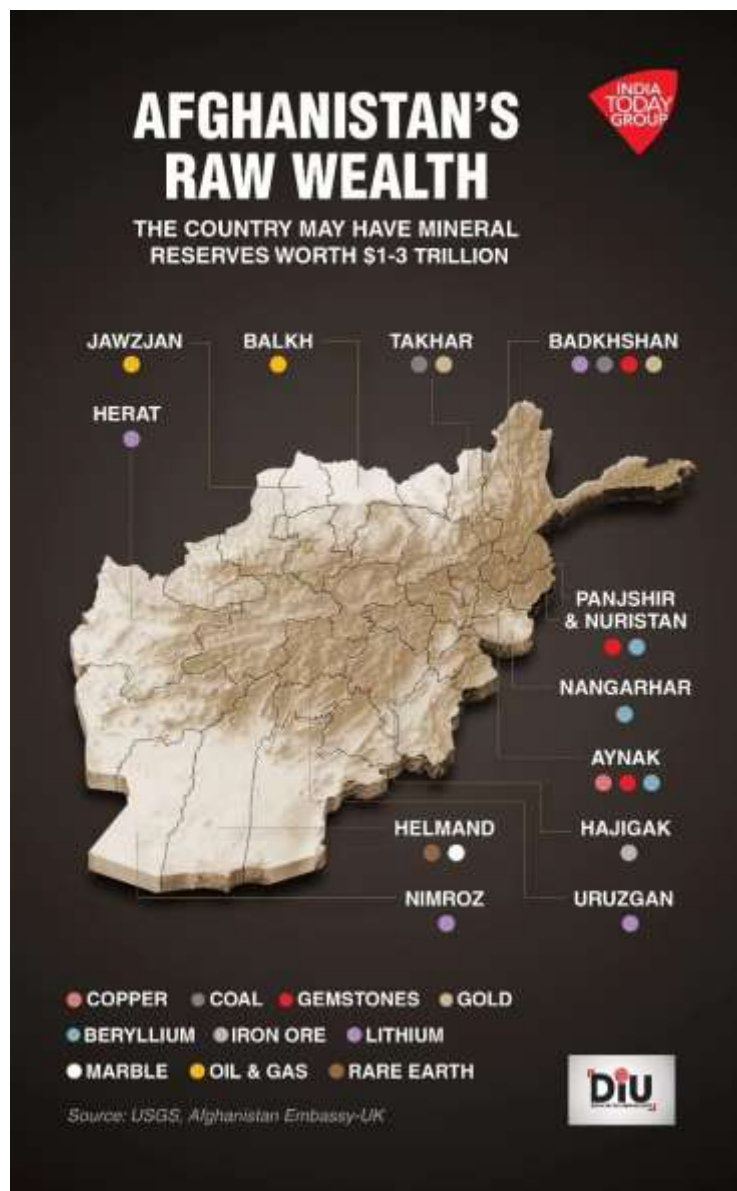


Current Affairs of the Day

Chinese firms eye Afghanistan's lithium

With Taliban nod, companies have begun 'inspections' of possible projects to tap lithium deposits

1. A number of Chinese companies have already begun "on-site inspections" of possible projects to tap lithium deposits in Afghanistan, having received the green light to do so from the Taliban regime.
2. Lithium is one of many resources in Afghanistan present in large deposits but as yet untapped, largely because of years of political instability and the lack of infrastructure.
3. A Chinese company secured the rights to mine one of the world's biggest copper reserves in Afghanistan at Aynak more than a decade ago but has not yet begun work on extraction.
4. The Taliban Government has said it would welcome Chinese investment and support President Xi Jinping's Belt and Road Initiative and was also open to extending the China-Pakistan Economic Corridor (CPEC) to Afghanistan.





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Challenges:

1. The security situation, not to mention a dire economic crisis including food shortages, are among the many challenges.
2. China "expressed its willingness to continue to provide humanitarian aid to Afghanistan within its capacity and work with the international community to help Afghanistan alleviate temporary difficulties and realise economic reconstruction as well as an independent development.



NASA's DART mission is almost too simplistic

NASA is launching a test mission to alter the path of an asteroid.

1. NASA's Double Asteroid Redirection Test (DART) mission will take 10 months to fly an unmanned spacecraft — about the size of a golf cart — and crash it into an asteroid the size of a pyramid.
2. The destructive ride serves a purpose: It is a test to see whether the impact can alter the course of the celestial wanderer, even if slightly.

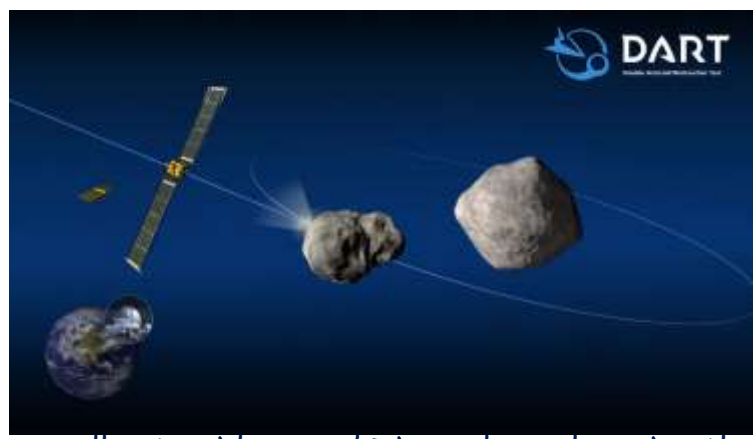


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3. If successful, the mission will confirm the ability to protect the earth from asteroids that could level the planet, or on a smaller scale, large cities and regions
4. In late September or early October of 2022, the 1,210-pound (550 kilograms) DART spacecraft will slam into a small asteroid named Dimorphos, changing the space rock's orbit around its larger companion, Didymos.
5. Astronomers will quantify that change, gauging the effectiveness of the "kinetic impact" method of asteroid deflection — strategy humanity might need to employ in the future against a rock that lines Earth up in its crosshairs.



Cryptocurrency bill calls for extensive discussions, consultations. Parliament should take the lead

If the government should draw any lesson from the farm law saga, it is that passing contentious legislation in Parliament without proper debate and discussion is best avoided.

The Cryptocurrency and Regulation of Official Digital Currency Bill, 2021:

1. The Bill lays the ground for ushering in a framework for the introduction of the digital currency that is to be issued by the Reserve Bank of India (RBI). But, at the same time, it also seeks to "prohibit all private cryptocurrencies in India", though, allowing for "certain exceptions to promote the underlying technology of cryptocurrency and its uses".
2. While the granular details are awaited, doing so would be a mistake. To be sure, there are legitimate concerns over cryptocurrencies. But an outright ban, even though there are questions over its enforceability, would not be the prudent way forward.
3. In its haste to bring about clarity on the issue, the government should not make the mistake of ramming this legislation through without a detailed discussion on the implications of its action.



Complex challenges:

1. Across the world, the response to cryptocurrencies has varied. In September, China imposed a complete ban on crypto transactions. Countries including Japan and the UK have created space for their operation.
2. The regulatory architecture, the rules of governance, the ambit of taxation depends on how the country views cryptocurrency — as a currency, an asset, or a commodity.
3. While concerns over money laundering and financing of terrorism have been repeatedly flagged, from a monetary and fiscal policy point of view too there are valid concerns.
4. Central banks have concerns over their monetary dominion, especially through stablecoins backed by a reserve asset. If their acceptance as a medium of exchange gains traction, the efficacy of their policies to respond to business cycles will be under question.
5. Then there is also the loss of seigniorage revenue to contend with. Moreover, an outright ban may simply push these activities beyond the realm of enforcement, complicating matters.

Difference of opinion in India:

1. The issue is contentious to say the least. Strong differences of opinion exist even among the policymakers. For instance, RBI governor, Shaktikanta Das, has repeatedly cautioned against cryptocurrencies, arguing that “there are serious concerns on macroeconomic and financial stability”.
2. But an earlier meeting chaired by the Prime Minister was in favour of “progressive and forward-looking” steps in the field of cryptocurrency.
3. Similarly, members of the standing committee on finance are reportedly more in favour of regulating not banning cryptocurrencies.
4. Considering that not everyone is on the same page, the government should tread cautiously. The way forward should be dictated by discussions and consultations with all stakeholders.



The MSP that rural India needs: Maximum support policy

It needs reforms that will revive the health of its soil and water resources, provide employment for people and enhance the quality of life

Minimum Support Price” (MSP)

1. The issue of “minimum support price” (MSP) for key agricultural commodities has been a persistent sticking point in the negotiations between the government and the farmers.
2. The movement’s leaders have demanded the legalisation of MSP, increasing this support price and extending it to all crops while the government has stonewalled such demands.
3. While the issue of MSP relates primarily to cost-effective pricing and is understandably the fulcrum on which agriculture should be assessed as an enterprise, business, or means of livelihood, it may be important to go beyond it.

Maximum support policies

1. It may, therefore, be time to seek a package of “maximum support policies”. This must emanate from the recognition that mere pricing, marketing and distribution of agricultural products cannot be the panacea for the ailments inflicted on rural India by the larger political economy of the country.
2. Only holistic policies that address the structural inequities, institutional and administrative deficits and political distortions of rural India will provide it a new lease of life.

Phase down Green revolution Agriculture:

1. To begin with, a substantial and phased withdrawal from the Green Revolution model of promoting subsidised agriculture that’s based on the use of industrial chemicals must be initiated.
2. However, the claim that such a shift to “sustainable” agriculture will be via “zero-budget natural farming” is an issue that must be assessed with caution.
3. It will not be apt to have a single model of “natural farming” for India’s diverse agro-climatic cultural zones.
4. Instead, a combination of regionally evolved and established sustainable agro-cultures, that can be tweaked to rid them of their social inequities (such as bonded labour and tenancies) and made amenable to the new climatic trends, is required.



Holistic policies:

1. Policies to ensure equitable distribution of resources — land as well as water — and access to a range of alternative economic practices and support structures must be framed.
2. Instead of subsidies (that largely go to non-rural beneficiaries), moratoria on loans and populist pay-outs just before elections, it is imperative that payments be made to promote the spread of “restorative agriculture” — one that regenerates our soil and water resources and promotes seed and agro-biodiversity.
3. A comprehensive programme on these lines will enable not only a transition to sustainable agriculture but also enable people to develop climate change mitigation and adaptation strategies.
4. Supporting farmers to form collectives in which resources, labour, skills and knowledge are pooled for production, value addition and marketing could go a long way in correcting the multiple ways in which they are excluded from profits or gains.
5. Democratisation and decentralisation of agricultural planning can be linked to revitalising ecologically suitable cultivation, facilitating local collection and distribution and sustaining local food cultures that can alleviate malnutrition.
6. A new seed policy, which focuses on enabling local seed banks, can help farmers circumvent the problematic commercial seed industry.

New Economic deal for Rural India:

1. The divide between the rural and agrarian, on the one hand, and the urban and industrial, on the other, is not tenable today.
2. Promoting small-scale industries and processing centres that help rural areas to retain resources and skills along with providing employment is the answer to the vexed issue of unemployment and migration.
3. Rural India requires a new economic deal that addresses past mistakes and heals the wounds caused by years of neglect in healthcare, education and other avenues that enhance the quality of life.
4. Public institutions such as panchayats, anganwadis, schools and primary health centres require urgent reforms that de-bureaucratise state-citizen transactions and ensure that rural residents are treated as citizens, and not applicants.



5. Instead of the band-aid approaches that seek to alleviate a range of problems caused by structural inequities and disadvantages, we need policies to address caste, ethnic, gender and class inequities.
6. Since the current political dispensation celebrates and invokes culture and heritage as its legitimising narratives, it would not be out of place for it, and us, to recognise that our myriad and rich agri-cultures were — and can continue to — be the basis of our civilisational identity.

Instead of subscribing to alien models of corporatised and industrialised agriculture, whose devastating impacts are manifesting in widespread tragedies across the world, let us reclaim the knowledge heritage — while also eschewing the caste-based social system — of our diverse agri-cultures.

Explained: The Bharat Gaurav scheme launched by Railways for private players

The Bharat Gaurav scheme

1. To promote and attract tourism business, the Indian Railways Tuesday launched Bharat Gaurav trains that will be operated by private players and run on theme-based circuits.
2. Through this policy, which offers operators the "Right of Use" of its rakes and infrastructure, the Railways has liberalised and simplified a part of operations that was otherwise carried out mostly by the Indian Railway Catering and Tourism Corporation (IRCTC).
3. While any entity can run these trains, including state governments, it is implied that the policy is targeted at tour operators.



What is the Bharat Gaurav policy?

1. According to the Bharat Gaurav policy, any operator or service provider, or virtually anyone, can lease trains from Indian Railways to run on a theme-based circuit as a special tourism package.
2. The tenure of the arrangement is a minimum of two years and a maximum of the codal life of the coach. The operator has the freedom to decide the route, the halts, the services provided, and, most importantly, the tariff.



3. The IRCTC runs such theme-based tourist trains, for instance, the Ramayana Express, which goes on a tour of several places connected to Lord Ram.
4. The Bharat Gaurav operator will also have to propose a similar business model wherein it takes care of local transport, sightseeing, food, local stays, etc. along with operating the trains.
5. The operator has to, however, take care of end-to-end, comprehensive services like hotel stay, local arrangements, etc. These trains cannot be used as ordinary transport trains between an origin and destination.

Explained: How are cryptocurrencies regulated in countries around the world?

There is no apparent coordination among countries on the evolution of policy and regulatory response to virtual currencies. Responses range from a total ban to full acceptance — with a wide band in the middle.



The Cryptocurrency and Regulation of Official Digital Currency Bill, 2021

1. The Cryptocurrency and Regulation of Official Digital Currency Bill, 2021, listed for introduction in Parliament's Winter Session starting November 29, seeks to "create a facilitative framework for the creation of the official digital currency to be issued by the Reserve Bank of India".
2. The Bill "seeks to prohibit all private cryptocurrencies in India, however, it allows for certain exceptions to promote the underlying technology of cryptocurrency and its uses".
3. Prices of cryptocurrencies on local exchanges crashed overnight after the news broke, even though they remained largely unchanged in global markets.
4. Industry sources said there was panic-selling by crypto holders fearing an impending ban or restriction. There is currently no regulation or ban on cryptocurrencies in India; however, national responses to defining and regulating virtual currencies vary widely in jurisdictions around the world.



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How are cryptocurrencies regulated in countries around the world?

1. The stance of countries and regulators has ranged from a total ban on these financial assets to allow them to operate with some regulations, to the other extreme of allowing virtual currency trading in the absence of any guidelines.
2. Governments and regulators remain divided on how to categorise it as a currency or asset — and how to control it from an operational point of view. The evolution of the policy and regulatory response has been uncharacteristically discordant, with no apparent coordination in the responses of countries.
3. As stated above, the regulatory and policy response can vary from complete openness of the kind seen in countries like El Salvador, which has approved bitcoin as legal tender, to a total clampdown like in China, which has imposed stringent regulations on both cryptocurrencies and service providers.
4. Countries such as India are somewhere in between — still in the process of figuring out the best way to regulate cryptos after some policy and regulatory experimentation.
5. The United States and European Union have been proactive in trying to pin down the regulatory mandate, while discussions continue.



INDIA'S lithium quest leading to Lithium Triangle

Batting for the Battery

Li-ion batteries for EVs are not covered under existing rules

Used Li-ion batteries will flood the market when EV mission is in full swing

Small-sized LIBs in electronics are covered under e-waste management rules

WHY IS IT NEEDED?

Key components – aluminium, lithium, cobalt and nickel – are finite

India will import them if making here

Recycling will optimise their use, prevent hazard

MARKET SIZE
JMK Research estimates Li-ion battery recycling market in India worth \$1,000 million by 2030

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Attracting investors to the "lithium triangle" that overlays Argentina, Bolivia and Chile.

Source : Atlassons Business Services Private Limited



MAINS DAWP	<p>Q1. What makes lithium a strategic mineral? Locate major lithium reserves across the globe. Discuss Indian efforts to ensure the supply of lithium for its future initiatives.</p>
MCQs	<p>Q1. Which of the following countries have extensive reserves of Lithium?</p> <ol style="list-style-type: none">1. Bolivia2. Argentina3. Chile4. Afghanistan <p>Select the correct answer from the codes given below</p> <ol style="list-style-type: none">a. 1 and 4 onlyb. 1, 2 and 3 onlyc. 2, 3 and 4 onlyd. 1, 2, 3 and 4