

# **The Hindu**

## **Front Page**

### **Anti-Agnipath stir turns violent (Page no 1) (GS Paper 3, Defence)**

Thousands of youth in various States took to the streets demanding a rollback of “contractualisation” of jobs in the Indian armed forces, under the newly announced Agnipath scheme.

Opposition parties, trade unions, farmers’ associations, youth organisations and students’ outfits of various political affiliations joined in chorus to support the protests against the scheme to recruit soldiers on a four-year contract basis. These organisations started consulting each other for forming a national platform against Agnipath. Opposition parties urged the Centre to withdraw the scheme considering national interest.

The Rashtriya Swayamsevak Sangh-affiliated trade union, the Bharatiya Mazdoor Sangh, termed the protests politically motivated, but distanced itself from Agnipath.

Youth protested against the scheme in States such as Bihar, Jammu & Kashmir, Punjab, Himachal Pradesh, Haryana, Uttar Pradesh, Uttarakhand and Rajasthan, where the bulk of the Army recruitment takes place.

In Delhi, too, youth organisations held protests in solidarity with their counterparts in other States

## **Editorial**

### **Waiting for jobs (Page no 8) (GS Paper 3, Indian Economy)**

For a nation that has had a significant demographic dividend — the working age population is much larger than the non-working age sections — finding productive employment for its youth was to be an imperative for India.

Yet, in the last few years, unemployment has remained a major concern — the leaked Periodic Labour Force Survey (PLFS) in 2018 revealed that India’s unemployment rate was the highest (6.07%) in four decades.

The latest PLFS suggests that the numbers now are not so drastic, with the overall unemployment rate at 4.2% in 2020-21 compared to 4.8% in 2019-20 and the labour force participation rate (LFPR) increasing to 41.6%, up from 40.1% in 2019-20.

In terms of the more widely used statistic internationally, the current weekly status of unemployment, the figure of 7.5% for all persons in 2020-21 is still worrying.

But, the PLFS data will not bring much cheer to the Government despite a decrease in unemployment, according to official data.

This is because the decrease, says the PLFS, has also coincided with the transfer of employment into lower productive and unpaid jobs away from salaried employment.

Worryingly, industrial jobs have decreased with more employment in agricultural and farm-related jobs — a trend that accelerated following the lockdown and has not reversed since then.

Unemployment rates among the educated (above secondary education — 9.1%) and the youth (age between 15-29 — 12.9%) have only declined marginally.

## **Explainer**

### **The reasons behind the crashing crypto market (Page no 10) (GS Paper 3, Indian Economy)**

Bitcoin and many other cryptocurrencies have been crashing since they hit an all-time high late last year. Bitcoin has lost more than two-thirds of its value since it hit a peak of around \$69,000 in November last year and is currently trading at around the \$22,000 mark.

Ethereum, another cryptocurrency popular among investors, has lost almost 80% from its peak. As a result, the overall market capitalisation of cryptocurrencies has dropped under \$1 trillion for the first time since January 2021.

The crash, which shows no signs of reversal yet, seems to have led to a drop in investor enthusiasm with trading volumes in Indian cryptocurrency exchanges dropping by 90% from their peak.

It may not be possible to pinpoint the exact reasons why investors are fleeing cryptocurrencies at the moment. Most analysts believe that the fall in the price of cryptocurrencies is in line with the fall in prices of stocks and other assets as central banks such as the U.S. Federal Reserve tighten monetary policy to fight price rise.

As central banks withdraw liquidity from the market, there's less money chasing assets, which in turn causes the prices of assets to drop.

Others believe that the crash could also mark the popping of the bubble that has driven the prices of cryptocurrencies to stratospheric levels.

### **The move to link credit cards with UPI (Page no 10)**

#### **(GS Paper 3, Indian Economy)**

The Reserve Bank of India (RBI) has proposed to allow linking of credit cards with the Unified Payments Interface (UPI) platform. The move is part of the central bank's efforts to enhance the scope of UPI.

While announcing the move, RBI Governor Shaktikanta Das stated that RuPay credit cards issued by the RBI-promoted National Payments Corporation of India (NPCI) will be enabled first, and will become available after system developments. The UPI, also managed by the NPCI, was first introduced in 2016.

The UPI has, over time, become a popular mode of payment in India with more than 26 crore unique users and five crore merchants on the platform. In May 2022, about 594 crore transactions amounting to ₹10.4 lakh crore were processed through the interface.

At present, the UPI facilitates transactions by linking savings/current accounts through users' debit cards. It is now proposed to allow linking of credit cards on the UPI platform. This is intended to provide additional convenience to users and enhance the scope of digital payments.

This facility would be available after the required system development is complete. The RBI will issue necessary instructions to NPCI separately to facilitate the change.

To begin with, the indigenous RuPay credit cards would be linked to the UPI platform. It is likely to be followed by other card networks such as Visa and MasterCard that would bring in more users.

## **News**

### **West Bengal spars with Centre over MGNREGS dues (Page no 12)**

#### **(GS Paper 2, Welfare Scheme)**

The Centre and the Trinamool Congress-ruled West Bengal government had a run-in over pending Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS) dues of ₹7,130 crore of the State that the Union government has kept pending for the past five months.

The Trinamool said that if the funds are not released at the earliest, the party will have to take the andolan (protest) route, while Union Rural Development Minister Giriraj Singh has claimed that the Centre stepped in after the State refused to comply with the programme's guidelines.

The Trinamool has claimed that the money has not been released despite "proper submission of accounts with utilisation certificates by the State government for funds received earlier under the MGNREGA. The party said the Centre did not respond to any letters sent by the State government.

People working under this scheme who are supposed to be paid wages by the Centre have not been getting it for the past six months because the State government has not received any funds from the Centre.

Under the Act, we cannot deny them payment for more than 15 days and despite that their wages are being stalled," said Mr. Bandhopadhyay, adding that the Minister promised a response to the memorandum within 48 hours.

### **ASEAN-India meet discusses remarks on Prophet informally (Page no 12)**

#### **(GS Paper 2, International Relation)**

The controversy over the derogatory comments about Prophet Muhammed was discussed "informally" during the 24th ASEAN-India ministerial meeting.

The 10-member Southeast Asian grouping has countries such as Indonesia and Malaysia that have condemned the remarks made by Nupur Sharma and Naveen Kumar Jindal, who were sacked as BJP spokespersons over the remarks.

This episode is another stark reminder why we need to be careful and why we need to strongly reject hate speech, incendiary speech, speech which incites or aggravates, or causes insult or division within societies.

The visiting Minister mentioned Singapore's strict laws against hate speech, and said the country was "on the right track". "And so long as we remember that and treat each other with respect, we can live and let live.

In fact, we can live well as a cohesive, multiracial, multi-religious, multilingual society," Mr. Balakrishnan was quoted as saying by a leading online channel of Singapore.

The ASEAN has Indonesia, the largest Muslim-majority country in the world, as its member. Malaysia and Brunei are two other Muslim-majority members of ASEAN. The rest of the member countries, Singapore included, have minority Muslim population.

## **Unemployment rate dips in first quarter of 2022: Survey (Page no 14)**

### **(GS Paper 3, Indian Economy)**

The Periodic Labour Force Survey (PLFS) has reported that the unemployment rate for urban areas has decreased to 8.2% in January-March 2022 from 8.7% in the previous quarter (October-December 2021) and 9.3% in the same quarter in 2021.

The survey report, defines unemployment rate as the percentage of unemployed persons among the labour force. The National Statistics Organisation (NSO) released the survey results for 2020-21, which saw a decrease of 0.6 percentage points in unemployment rate that reached 4.2%, compared to 4.8% in 2019-20.

The quarterly survey results for January-March of this year said the unemployment rate among girls and women aged 15 and above in urban areas declined to 10.1% from 11.8% a year ago.

It was 10.5% in the previous quarter. The opening up of workplaces after the lockdowns seems to have had an impact on the unemployment rate.

The unemployment rate among men fell to 7.7% compared with 8% in the corresponding quarter of the previous year and 8.3% in the previous quarter.

## **Business**

### **India better placed to avoid risk of stagflation: RBI officials (Page no 15)**

#### **(GS Paper 3, Indian Economy)**

India's economy is better placed than many other countries to avoid the risk of potential stagflation, Reserve Bank of India officials headed by Deputy Governor Michael D. Patra wrote in an article in the June edition of the RBI Bulletin.

Global economic conditions continued to deteriorate as ratcheting up of commodity prices and financial market volatility have led to heightened uncertainty, the officials wrote in 'State of the Economy'.

Forecasts of global growth and inflation by various agencies paint a grim picture and it is increasingly becoming clear that in advanced economies, the war against inflation would entail significant monetary tightening, complicating the growth-inflation outlook.

Emerging market economies grapple with the global trade slowdown, capital outflows and imported inflation. Some abatement of supply chain pressures and relaxation in lockdown measures by key industrial hubs have emerged as silver linings amidst the dark clouds looming over the global economy.

## **World**

### **U.S. playing a 'long game' in ties with India: Sullivan (Page no 16)**

#### **(GS Paper 2, International Relation)**

The U.S. is playing a "long game" in the context of its relationship with India and not trying to coerce India into joining its sanctions against Moscow, U.S. National Security Adviser Jake Sullivan has said.

Mr. Sullivan made the remarks at the Center for a New American Security, a Washingtonbased think tank. He was responding to a question on whether India's abstentions during the United Nations votes that were critical of Russia and New Delhi's nonparticipation in the U.S. sanctions on Russian energy were hindering the bilateral relationship or simply a difference of opinion that could be easily managed.

The U.S., as per Mr. Sullivan, was being "direct" with India about its perspective on the Russia situation and how it "would encourage" India, in time, to change its own perspective, adding that it was up to India to make its own decisions.

The U.S. imposed sanctions on Russian entities following the country's invasion of Ukraine in February. India has not signed up to these sanctions nor voted along with the vast majority of countries at the UN, in votes that censured Russia.

But they're a sovereign, democratic nation, they will make their own decisions and we're not here to lecture them or to insist on a certain outcome or else.