

EDEN IAS

A top-down view of a person's hands typing on a laptop keyboard. The laptop is silver and the keyboard is black with white lettering. The person's hands are dark-skinned. In the bottom left corner, there is a white notebook with a pen resting on it. In the bottom right corner, there is a small white cup filled with dark coffee. The background is a light-colored, speckled surface.

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ARTICLES

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GOVERNMENT OF INDIA ACT OF 1935

The Act marked a second milestone towards a completely responsible government in India. It was a lengthy and detailed document having 321 Sections and 10 Schedules.

The features of this Act were as follows:

1. It provided for the establishment of an All-India Federation consisting of provinces and princely states as units. The Act divided the powers between the Centre and units in terms of three lists—Federal List (for Centre, with 59 items), Provincial List (for provinces, with 54 items) and the Concurrent List (for both, with 36 items). Residuary powers were given to the viceroy. However, the federation never came into being as the princely states did not join it.
2. It abolished dyarchy in the provinces and introduced 'provincial autonomy' in its place. The provinces were allowed to act as autonomous units of administration in their defined spheres. Moreover, the Act introduced responsible governments in provinces, that is, the Governor was required to act with the advice of ministers responsible to the provincial legislature. This came into effect in 1937 and was discontinued in 1939.
3. It provided for the adoption of dyarchy at the Centre. Consequently, the federal subjects were divided into reserved subjects and transferred subjects. However, this provision of the Act did not come into operation at all.
4. It introduced bicameralism in six out of eleven provinces. Thus, the legislatures of Bengal, Bombay, Madras, Bihar, Assam and the United Provinces were made bicameral consisting of a legislative council (upper house) and a legislative assembly (lower house). However, many restrictions were placed on them.
5. It further extended the principle of communal representation by providing separate electorates for depressed classes (Scheduled Castes), women and labour (workers).
6. It abolished the Council of India, established by the Government of India Act of 1858. The secretary of state for India was provided with a team of advisors.
7. It extended franchise. About 10 per cent of the total population got the voting right.

8. It provided for the establishment of a Reserve Bank of India to control the currency and credit of the country.
9. It provided for the establishment of not only a Federal public service Commission but also a Provincial Public Service Commission and Joint Public Service Commission for two or more provinces.
10. It provided for the establishment of a Federal Court, which was set up in 1937.

LAWS INCONSISTENT WITH FUNDAMENTAL RIGHTS

Article 13 declares that all laws that are inconsistent with or in derogation of any of the fundamental rights shall be void. In other words, it expressly provides for the doctrine of judicial review. This power has been conferred on the Supreme Court (Article 32) and the high courts (Article 226) that can declare a law unconstitutional and invalid on the ground of contravention of any of the Fundamental

Rights.

The term 'law' in Article 13 has been given a wide connotation so as to include the following:

- a) Permanent laws enacted by the Parliament or the state legislatures;
- b) Temporary laws like ordinances issued by the president or the state governors;
- c) Statutory instruments in the nature of delegated legislation (executive legislation) like order, bye-law, rule, regulation or notification; and
- d) Non-legislative sources of law, that is, custom or usage having the force of law.

Thus, not only a legislation but any of the above can be challenged in the courts as violating a Fundamental Right and hence, can be declared as void.

Further, Article 13 declares that a constitutional amendment is not a law and hence cannot be challenged. However, the Supreme Court held in the *Kesavananda Bharati* case (1973) that a Constitutional amendment can be challenged on the ground that it violates a fundamental right that forms a part of the 'basic structure' of the Constitution and hence, can be declared as void.

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KOMAGATA MARU INCIDENT AND THE GHADR MOVEMENT

The importance of this event lies in the fact that it created an explosive situation in Punjab. *Komagata Maru* was the name of a ship that was carrying 370 passengers, mainly Sikh and Punjabi Muslim would-be immigrants, from Singapore to Vancouver. They were turned back by Canadian authorities after two months of privation and uncertainty. It was generally believed that the Canadian authorities were influenced by the British government. The ship finally anchored at Calcutta in September 1914. The inmates refused to board the Punjab-bound train. In the ensuing conflict with the police at Budge-Budge near Calcutta, 22 persons died.

Inflamed by this and with the outbreak of the First World War, the Ghadr leaders decided to launch a violent attack to oust British rule in India. They urged fighters to go to India. Kartar Singh Saraba and Raghubar Dayal Gupta left for India. Bengal revolutionaries were contacted; Rashbehari Bose and Sachin Sanyal were asked to lead the movement. Political dacoities were committed to raising funds. The Punjab political dacoities of January-February 1915 had a somewhat new social content. In at least 3 out of the 5 main cases, the raiders targeted the money-lenders and the debt records before decamping with the cash. Thus, an explosive situation was created in Punjab.

The Gadites fixed February 21, 1915, as the date for an armed revolt in Ferozepur, Lahore, and Rawalpindi garrisons. The plan was foiled at the last moment due to treachery. The authorities took immediate action, aided by the Defence of India Rules, 1915. Rebellious regiments were disbanded, leaders arrested and deported and 45 of them hanged. Rashbehari Bose fled to Japan (from where he and Abani Mukherji made many efforts to send arms) while Sachin Sanyal was transported for life.

The British met the wartime threat with a formidable battery of repressive measures—the most intensive since 1857—and above all by the Defence of India Act passed in March 1915 primarily to smash the Ghadr movement. There were large-scale detentions without trial, special courts giving extremely severe sentences, numerous court-martials of army men. Apart from the Bengal revolutionaries and the Punjab Ghadrites, radical pan-Islamists—Ali brothers, Maulana Azad, Hasrat Mohani—were interned for years.

DIFFERENCES BETWEEN MODERATES AND EXTREMISTS

Moderates

1. Social base—zamindars and upper middle classes in towns.
2. Ideological inspiration—western liberal thought and European history.
3. Believed in England's providential mission in India.
4. Believed political connections with Britain to be in India's social, political and cultural interests.
5. Professed loyalty to the British Crown.
6. Believed that the movement should be limited to middle class intelligentsia; masses
7. not yet ready for participation in political work.
8. Demanded constitutional reforms and share for Indians in services.
9. Insisted on the use of constitutional methods only.
10. They were patriots and did not play the role of a comprador class.

Extremists

1. Social base—educated middle and lower middle classes in towns.
2. Ideological inspiration—Indian history, cultural heritage and Hindu traditional symbols.
3. Rejected 'providential mission theory' as an illusion.
4. Believed that political connections with Britain would perpetuate British exploitation of India.
5. Believed that the British Crown was unworthy of claiming Indian loyalty.
6. Had immense faith in the capacity of masses to participate and to make sacrifices.
7. Demanded swaraj as the panacea for Indian ills.
8. Did not hesitate to use extraconstitutional methods like boycott and passive resistance to achieve their objectives.
9. They were patriots who made sacrifices for the sake of the country.

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NEW STATES AND UNION TERRITORIES CREATED AFTER 1956

Maharashtra and Gujarat -In 1960, the bilingual state of Bombay was divided into two separate states— Maharashtra for Marathi-speaking people and Gujarat for Gujarati-speaking people. Gujarat was established as the 15th state of the Indian Union.

Dadra and Nagar Haveli -The Portuguese ruled this territory until its liberation in 1954. Subsequently, the administration was carried on till 1961 by an administrator chosen by the people themselves. It was converted into a union territory of India by the 10th Constitutional Amendment Act, 1961.

Goa, Daman and Diu -India acquired these three territories from the Portuguese by means of a police action in 1961. They were constituted as a union territory by the 12th Constitutional Amendment Act, 1962. Later, in 1987, Goa was conferred a statehood. Consequently, Daman and Diu was made a separate union territory.

Puducherry -The territory of Puducherry comprises the former French establishments in India known as Puducherry, Karaikal, Mahe and Yanam. The French handed over this territory to India in 1954. Subsequently, it was administered as an 'acquired territory', till 1962 when it was made a union territory by the 14th Constitutional Amendment Act.

Nagaland -In 1963, the State of Nagaland was formed by taking the Naga Hills and Tuensang area out of the state of Assam. This was done to satisfy the movement of the hostile Nagas. However, before giving Nagaland the status of the 16th state of the Indian Union, it was placed under the control of governor of Assam in 1961.

Haryana, Chandigarh and Himachal Pradesh -In 1966, the State of Punjab was bifurcated to create Haryana, the 17th state of the Indian Union, and the union territory of Chandigarh. This followed the demand for a separate 'Sikh Homeland' (Punjabi Subha) raised by the Akali Dal under the leadership of Master Tara Singh. On the recommendation of the Shah Commission (1966), the punjabi-speaking areas were constituted into the unilingual state of Punjab, the Hindi-speaking areas were constituted into the State of Haryana and the hill areas were merged with the adjoining union territory of Himachal Pradesh. In 1971, the union territory of Himachal Pradesh was elevated to the status of a state (18th state of the Indian Union).

Manipur, Tripura and Meghalaya In 1972, the political map of Northeast India underwent a major change. Thus, the two Union Territories of Manipur and Tripura and the Sub-State of Meghalaya got statehood and the two union territories of Mizoram and Arunachal Pradesh (originally known as North-East Frontier Agency—NEFA) came into being. With this, the number of states of the Indian Union increased to 21 (Manipur 19th, Tripura 20th and Meghalaya 21st). Initially, the 22nd Constitutional Amendment Act (1969) created Meghalaya as an 'autonomous state' or 'substate' within the state of Assam with its own legislature and council of ministers. However, this did not satisfy the aspirations of the people of Meghalaya. The union territories of Mizoram and Arunachal Pradesh were also formed out of the territories of Assam.

Sikkim -Till 1947, Sikkim was an Indian princely state ruled by Chogyal. In 1947, after the lapse of British paramountcy, Sikkim became a 'protectorate' of India, whereby the Indian Government assumed responsibility for the defence, external affairs and communications of Sikkim. In 1974, Sikkim expressed its desire for greater association with India. Accordingly, the 35th Constitutional Amendment Act (1974) was enacted by the parliament. This amendment introduced a new class of statehood under the constitution by conferring on Sikkim the status of an 'associate state' of the Indian Union. For this purpose, a new Article 2A and a new schedule (Tenth Schedule containing the terms and conditions of association) were inserted in the Constitution. This experiment, however, did not last long as it could not fully satisfy the aspirations of the people of Sikkim. In a referendum held in 1975, they voted for the abolition of the institution of Chogyal and Sikkim becoming an integral part of India. Consequently, the 36th Constitutional Amendment Act (1975) was enacted to make Sikkim a full-fledged state of the Indian Union (the 22nd state). This amendment amended the First and the Fourth Schedules to the Constitution and added a new Article 371-F to provide for certain special provisions with respect to the administration of Sikkim. It also repealed Article 2A and the Tenth Schedule that were added by the 35th Amendment Act of 1974.

Mizoram, Arunachal Pradesh and Goa -In 1987, three new States of Mizoram, Arunachal Pradesh and Goa came into being as the 23rd, 24th and 25th states of the Indian Union respectively. The Union Territory of Mizoram was conferred the status of a full state as a sequel to the signing of a memorandum of settlement (Mizoram Peace Accord) in 1986 between the Central government and the Mizo National Front, ending the two-decade-old insurgency. Arunachal Pradesh had also been a union terri-

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tory from 1972. The State of Goa was created by separating the territory of Goa from the Union Territory of Goa, Daman and Diu.

Chhattisgarh, Uttarakhand and Jharkhand- In 2000, three more new States of Chhattisgarh, Uttarakhand and Jharkhand were created out of the territories of Madhya Pradesh, Uttar Pradesh and Bihar respectively. These became the 26th, 27th and 28th states of the Indian Union respectively.

Telangana -In 2014, the new state of Telangana came into existence as the 29th state of the Indian Union. It was carved out of the territories of Andhra Pradesh. The Andhra state Act of 1953 formed the first linguistic state of India, known as the state of Andhra, by taking out the Telugu speaking areas from the State of Madras (now Tamil Nadu), Kurnool was the capital of Andhra state and the state high court was established at Guntur.

The States Reorganisation Act of 1956 merged the Telugu-speaking areas of Hyderabad state with the Andhra state to create the enlarged Andhra Pradesh state. The capital of the state was shifted to Hyderabad. Again, the Andhra Pradesh Reorganisation Act of 2014 bifurcated the Andhra Pradesh into two separate states, namely, the Andhra Pradesh (residuary) and the Telangana. Hyderabad is made the joint capital for both the states for a period of 10 years. During this period, the Andhra Pradesh should establish its own separate capital. Similarly, the Andhra Pradesh High Court is renamed as the Hyderabad High Court (High Court of Judicature at Hyderabad) and is made common for both the states till a separate High Court is set-up for the State of Andhra Pradesh. Thus, the number of states and union territories increased from 14 and 6 in 1956 to 29 and 7 respectively

ARTICLE 32 AND SUPREME COURT

Context:- Supreme Court Bench headed by Chief Justice of India S A Bobde observed that it is “trying to discourage” individuals from filing petitions under Article 32 of the Constitution. The observation came during the hearing of a petition seeking the release of journalist Siddique Kappan, who was arrested with three others while on their way to Hathras, Uttar Pradesh, to report on an alleged gangrape and murder.

What is Article 32

It is one of the fundamental rights listed in the Constitution that each citizen is entitled. Article 32 deals with the ‘Right to Constitutional Remedies’, or affirms the right to move the Supreme Court by appropriate proceedings for

the enforcement of the rights conferred in Part III of the Constitution.

It states that the Supreme Court “shall have power to issue directions or orders or writs, including writs in the nature of habeas corpus, mandamus, prohibition, quo warranto and certiorari, whichever may be appropriate, for the enforcement of any of the rights conferred by this Part”

The Article is included in Part III of the Constitution with other fundamental rights including to Equality, Freedom of Speech and Expression, Life and Personal Liberty, and Freedom of Religion. Only if any of these fundamental rights is violated can a person can approach the Supreme Court directly under Article 32.

The Constituent Assembly debated whether fundamental rights including this one could be suspended or limited during an Emergency. The Article cannot be suspended except during the period of Emergency.

Can High Courts be approached in cases of violation of fundamental rights?

Both the High Courts and the Supreme Court can be approached for violation or enactment of fundamental rights through five kinds of writs: Habeas corpus, Mandamus, Quo warranto, Prohibition, Certiorari.

Procedure to Approach

In civil or criminal matters, the first remedy available to an aggrieved person is that of trial courts, followed by an appeal in the High Court and then the Supreme Court. When it comes to violation of fundamental rights, an individual can approach the High Court under Article 226 or the Supreme Court directly under Article 32. Article 226, however, is not a fundamental right like Article 32.

Supreme Court's recent observations on Article 32

The court had said that the right to approach the Supreme Court under Article 32 is itself a fundamental right and that “there is no doubt that if a citizen of India is deterred in any case from approaching this Court in exercise of his right under Article 32 of the Constitution of India, it would amount to a serious and direct interference in the administration of justice in the country”.

Examples , where Supreme Court has found deterrence in use of Article 32.

1. A Nagpur-based man filed a case in Supreme Court for invoking Article 32. Man was arrested in three cases

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for alleged defamatory content against Maharashtra Chief Minister Uddhav Thackeray and others. The Bench directed him to approach the High Court first.

2. In another matter, the Bench of CJI Bobde, Justice A S Bopanna and Justice V Ramasubramanian had issued a contempt notice to the Assistant Secretary of the Maharashtra Assembly who, in a letter to Republic TV editor-in-chief Arnab Goswami, had questioned him for approaching the top court against the breach-of-privilege notice.
3. Relief under Article 32 was also sought in a petition filed by Telugu poet Varavara Rao's wife, P Hemalatha, against the conditions of his detention in jail since 2018. The Supreme Court directed the Bombay High Court to expedite the hearing on a bail plea filed on medical grounds, pending since September. It observed that once a competent court had taken cognisance, it was under the authority of that court to decide on the matter.
4. In the case of the journalist Siddique Kappan, the court asked why the petitioners could not go to the High Court. It has sought responses from the Centre and the UP government.

What have been Supreme Court's observations over the years?

In *Romesh Thappar vs State of Madras* (1950), the Supreme Court observed that Article 32 provides a "guaranteed" remedy for the enforcement of fundamental rights. "This Court is thus constituted the protector and guarantor of fundamental rights, and it cannot, consistently with the responsibility so laid upon it, refuse to entertain applications seeking protection against infringements of such rights."

Source: Polity and Governance

INDIGO REVOLT (1859-60)

In Bengal, the indigo planters, nearly all Europeans, exploited the local peasants by forcing them to grow indigo on their lands instead of the more paying crops like rice. The planters forced the peasants to take advance sums and enter into fraudulent contracts which were then used against the peasants. The planters intimidated the peasants through kidnappings, illegal confinements, flogging, attacks on women and children, seizure of cattle, burning and demolition of houses and destruction of crops.

The anger of the peasants exploded in 1859 when led by Digambar Biswas and Bishnu Biswas of Nadia district, they decided not to grow indigo under duress and resisted the physical pressure of the planters and their lathiyals (retainers) backed by police and the courts. They also organized a counterforce against the planters' attacks. The planters also tried methods like evictions and enhanced rents. The ryots replied by going on a rent strike by refusing to pay the enhanced rents and by physically resisting the attempts to evict them. Gradually, they learned to use the legal machinery and initiated legal action supported by fund collection.

The Bengali intelligentsia played a significant role by supporting the peasants' cause through newspaper campaigns, organization of mass meetings, preparing memoranda on peasants' grievances and supporting them in legal battles.

The Government appointed an indigo commission to inquire into the problem of indigo cultivation. Based on its recommendations, the Government issued a notification in November 1860 that the ryots could not be compelled to grow indigo and that it would ensure that all disputes were settled by legal means. But, the planters were already closing down factories and indigo cultivation was virtually wiped out from Bengal by the end of 1860.

BALANCE OF PAYMENT (BOP)

CURRENT ACCOUNT

It has two meanings—one is related to the banking sector and the other to the external sector:

- i) In the banking industry, a business firm's bank account is known as a current account. The account is in the name of a firm run by an authorised person or persons in which no interest is paid by the bank on the deposits. Every withdrawal from the account takes place by cheques with limitations on the number of deposits and withdrawals in a single day. The *overdraft* facility or the *cash-cum-credit* (c/c Account) facility to business firms is offered by the banks on this account only.
- ii) In the external sector, it refers to the account maintained by every government of the world in which every kind of current transactions is shown—basically this account is maintained by the central banking body of the economy on behalf of the government. Current transactions of an economy in foreign currency all over the world are—export, import, interest payments, private remittances and transfers.

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All transactions are shown as either inflow or outflow (credit or debit). At the end of the year, the current account might be positive or negative. The positive one is known as a surplus current account, and the negative one is known as a deficit current account. India had surplus current accounts for three consecutive years (2000–03)—the only such period in Indian economic history.

Current account deficit is shown either numerically by showing the total monetary amount of the deficit, or in percentage of the GDP of the economy for the concerned year. Both the data are used in analysis as per the specific requirement. As per RBI release of April 2014, presently the sustainable level of current account deficit for India is 2.5 per cent of the GDP.

CAPITAL ACCOUNT

Every government of the world maintains a capital account, which shows the capital kind of transactions of the economy with outside economies. Every transaction in foreign currency (inflow or outflow) considered as capital is shown in this account—external lending and borrowing, foreign currency deposits of banks, external bonds issued by the Government of India, FDI, PIS and security market investment of the QFIs (Rupee is fully convertible in this case). There is no deficit or surplus in this account like the current account.

BALANCE OF PAYMENT (BOP)

The outcome of the total transactions of an economy with the outside world in one year is known as the balance of payment (BoP) of the economy.

Basically, it is the net outcome of the current and capital accounts of an economy. It might be favourable or unfavourable for the economy. However, negativity of the BoP does not mean it is unfavourable. A negative BoP is unfavourable for an economy if only the economy lacks the means to fill the gap of negativity.

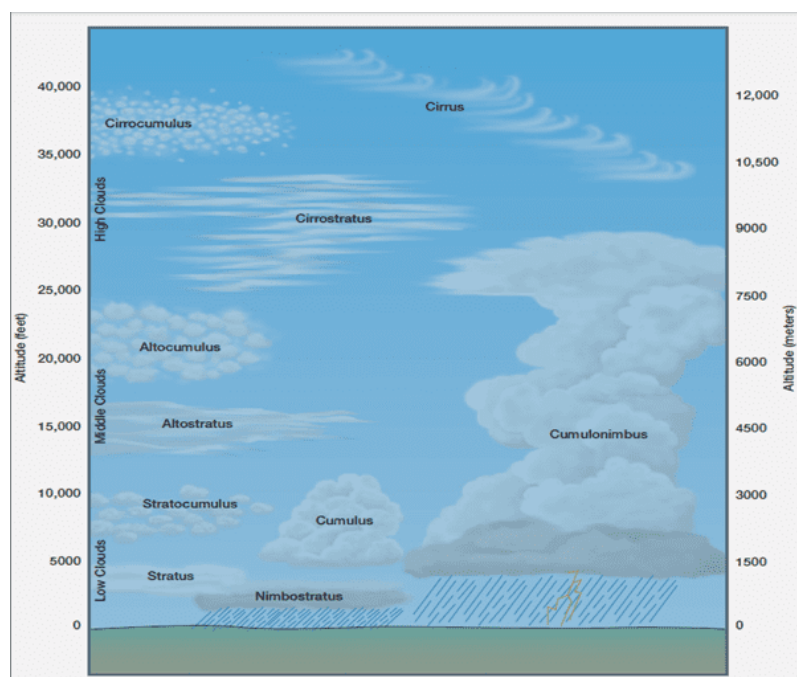
The BoP of an economy is calculated on the principles of accountancy (**double-entry book-keeping**) and looks like the balance sheet of a company—every entry shown either as credit (inflow) or debit (outflow). If there is a positive outcome at the end of the year, the money is automatically transferred to the foreign exchange reserves of the economy. And if there is any negative outcome, the same foreign exchange is drawn from the country's forex reserves. If the forex reserves are not capable of fulfilling the negativity created by the BoP, it is known as a BoP crisis and the economy tries different means to solve the crisis in which going for forex help from the IMF is the last resort.

CLOUDS

Clouds are collections of minute droplets of liquid water or tiny crystals of ice. They are the visible expression of condensation and provide perceptible evidence of other things happening in the atmosphere. They provide at a glance some understanding of the present weather and are often harbingers of things to come. At any given time, about 50 percent of Earth is covered by clouds, the basic importance of which is that they are the source of precipitation. Not all clouds precipitate, but all precipitation comes from clouds.

Classifying Clouds

Although clouds occur in an almost infinite variety of shapes and sizes, certain general forms recur commonly. Moreover, the various cloud forms are normally found only at certain generalized altitudes, basis of these two factors—form and altitude—that clouds are classified. and it is on the



Cloud Form: The international classification scheme for clouds recognizes three forms:

1. **Cirriform** clouds (Latin cirrus, “a lock of hair”) are thin and wispy and composed of ice crystals rather than water droplets.
2. **Stratiform** clouds (Latin stratus, “spread out”) appear as grayish sheets that cover most or all of the sky, rarely broken up into individual cloud units.

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- Cumuliform clouds** (Latin cumulus, “mass” or “pile”) are massive and rounded, usually with a flat base and limited horizontal extent but often billowing upward to great heights.

These three cloud forms are subclassified into 10 types based on shape (Figure 6-16). The types overlap, and cloud development frequently is in a state of change, so that one type may evolve into another. Three of the 10 types are purely of one form, and these are called cirrus clouds, stratus clouds, and cumulus clouds. The other seven types may be combinations of these three. Cirrocumulus clouds, for example, have the wispieness of cirrus clouds and the puffiness of cumulus clouds.

Precipitation comes from clouds that have “nimbo” in their name, specifically nimbostratus or cumulonimbus. Normally these types develop from other types; that is, cumulonimbus clouds develop from cumulus clouds, and nimbostratus clouds develop from stratus clouds.

Cloud Families: As the final detail of the international classification scheme, the 10 cloud types are divided into four families on the basis of altitude.

- High clouds** are generally found above 6 kilometers (20,000 feet). Because of the small amount of water vapor and low temperature at such altitudes, these clouds are thin, white, and composed of ice crystals. Included in this family are cirrus, cirrocumulus, and cirrostratus. These high clouds often are harbingers of an approaching weather system or storm.
- Middle clouds** normally occur between about 2 and 6 kilometers (6500 and 20,000 feet). They may be either stratiform or cumuliform and are composed of liquid water. Included types are altocumulus and altostratus. The puffy altocumulus clouds usually indicate settled weather conditions, whereas the lengthy altostratus is often associated with changing weather.
- Low clouds** usually are below 2 kilometers (6500 feet). They sometimes occur as individual clouds but more often appear as a general overcast. Low cloud types include stratus, stratocumulus, and nimbostratus. These low clouds often are widespread and are associated with somber skies and drizzly rain.
- A fourth family, **clouds of vertical development**, grows upward from low bases to heights of as much as 15 kilometers (60,000 feet). Their horizontal spread is usually very restricted. They indicate very active vertical movements in the air. The relevant types are cumulus, which usually indicate fair weather, and cumulonimbus, which are storm clouds.

CONVERTIBILITY

An economy might allow its currency full or partial convertibility in the current and the capital accounts. If domestic currency is allowed to convert into foreign currency for all current account purposes, it is a case of full current account convertibility. Similarly, in cases of capital outflow, if the domestic currency is allowed to convert into foreign currency, it is a case of full capital account convertibility. If the situation is of partial convertibility, then the portion allowed by the government can be converted into foreign currency for current and capital purposes. It should always be kept in mind that the issue of currency convertibility is concerned with foreign currency *outflow* only.

Convertibility in India

India's foreign exchange earning capacity was always poor and hence it had all possible provisions to check the foreign exchange outflow, be it for current purposes or capital purposes (remember the draconian FERA). But the process of economic reforms has changed the situation to unidentifiable levels.

Current Account

Current account is today fully convertible (operationalized on 19 August, 1994). It means that the full amount of the foreign exchange required by someone for current purposes will be made available to him at official exchange rate and there could be an unprohibited outflow of foreign exchange (earlier it was partially convertible). India was obliged to do so as per Article VIII of the IMF which prohibits any exchange restrictions on current international transactions (keep in mind that India was under preconditions of the IMF since 1991).

Capital Account

After the recommendations of the S.S. Tarapore Committee (1997) on Capital Account Convertibility, India has been moving in the direction of allowing full convertibility in this account, but with required precautions. India is still a country of partial convertibility (40:60) in the capital account, but in this overall policy, enough reforms have been made and to certain levels of foreign exchange requirements, it is an economy allowing full capital account convertibility —

- Indian corporate are allowed full convertibility in the automatic route up to \$ 500 million overseas ventures (investment by Ltd. companies in foreign countries allowed) per annum.

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- ii) Indian corporate are allowed to prepay their external commercial borrowings (ECBs) via automatic route if the loan is above \$ 500 million per annum.
- iii) Individuals are allowed to invest in foreign assets, shares, etc., upto the level of \$ 2,50,000 per annum.
- iv) Unlimited amount of gold is allowed to be imported (this is equal to allowing full convertibility in capital account via current account route, but not feasible for everybody) which is not allowed now.

The Second Committee on the Capital Account Convertibility (CAC) again chaired by S.S. Tarapore—handed over its report in September 2006 on which the RBI/the government is having consultations.

LERMS

India announced the Liberalised Exchange Rate Mechanism System (LERMS) in the Union Budget 1992–93 and in March 1993 it was operationalized. India delinked its currency from the fixed currency system and moved into the era of floating exchange-rate system under it.

Indian form of exchange rate is known as the 'dual exchange rate', one exchange rate of rupee is official and the other is market-driven. The market-driven exchange rate shows the actual tendencies of the foreign currency demand and supply in the economy vis-à-vis the domestic currency.

It is the market-driven exchange rate which affects the official rate and not the other way round.

NEER

The Nominal Effective Exchange Rate (NEER) of the rupee is a weighted average of exchange rates before the currencies of India's major trading partners.

REER

When the weight of inflation is adjusted with the NEER, we get the Real Effective Exchange Rate (REER) of the rupee. Since inflation has been on the higher side in recent months, the REER of the rupee has been more against it than the NEER.

EFF

The Extended fund Facility (EFF) is a service provided by the IMF to its member countries which authorises them to raise any amount of foreign exchange from it to fulfil their BoP crisis, but on the conditions of structural

reforms in the economy put by the body. It is the first agreement of its kind.

India had signed this agreement with the IMF in the financial year 1981–82.

IMF CONDITIONS ON INDIA

The BoP crisis of the early 1990s made India borrow from the IMF which came on some conditions. The medium-term loan to India was given for the restructuring of the economy on the following conditions:

- i) Devaluation of rupee by 22 per cent (done in two consecutive fortnights—rupee fell from '21 to '27 against every US Dollar).
- ii) Drastic custom cut to a peak duty of 30 per cent from the erstwhile level of 130 per cent for all goods.
- iii) Excise duty to be increased by 20 per cent to neutralise the loss of revenue due to custom cut.
- iv) Government expenditure to be cut by 10 per cent per annum (the burden of salaries, pensions, subsidies, etc.).

The above-given conditions to which India was obliged were vehemently opposed by the Indian corporate sector, opposition in the Parliament and majority of Indians. But by the end of 1999–2000, when India saw every logic in strengthening its BoP position there was no ideological opposition to the idea. It should always be kept in mind that the nature of structural reforms India went through were guided and decided by these pre-conditions of the IMF.

This is how the direction of structural reforms of an economy are regulated by the IMF in the process of strengthening the BoP position of the crisis-driven economy. The purpose has been served in the Indian case. India has not only fulfilled these conditions but it has also moved ahead.

FAILURES – CAUSES OF INEFFECTIVENESS OF THE LEAGUE OF NATIONS

1) An Allies Organization: League of Nations came to be viewed as an organization of the Allied Powers especially of France and Britain, setup for implementation of unjust peace treaties, which failed to satisfy all nations.

a) Turkey and Italy were both dissatisfied with the peace treaties. While Turkey was aggrieved at territories it con-

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sidered as inalienable being handed over to Greece, Italy was dissatisfied for not getting the territorial gains it was promised in 1915 in lieu of entering the war in favor of the Allies.

b) The Peace treaties signed were against principle of Self Determination. For instance, millions of Germans, after the peace treaties, resided outside Germany in Czechoslovakia and Poland. Similarly, many Turks were now residents of Greece.

2) Conference of Ambassadors: This body was setup as a temporary body to resolve disputes regarding peace treaties until the League of Nations was setup and made fully functional. But, it continued to exist even after the formation of the League. This hurt the legitimacy and the authority of the League of Nations. At times, the Conference of Ambassadors overruled the League's decisions, for example, in case of the Corfu incident (1923) involving Mussolini's Italy and Greece.

3) Failure of Disarmament: It was only Germany, which was made to disarm under the Treaty of Versailles. The League failed to convince other major powers to disarm. Britain and France did not want self-disarmament. When the World Disarmament Conference was held in 1932-33, Hitler demanded equality of armament with France. But France refused as it feared that Germany would become an equal military power and soon emerge as a threat to its frontiers. Hitler used this as an excuse to quit the World Disarmament Conference. Soon, he would denounce the League of Nations and make Germany quit it as well.

4) Mockery of Collective Security: The League of Nations failed to check any violations of the frontiers established after the WWI through the peace treaties.

a) 1923 resolution: It allowed each member the freedom to decide if it wanted to contribute any military resources during activation of the collective security clause. This literally nullified the responsibility that all the member nations had in their duty of checking any act of war by another member nation.

b) Failure of Geneva Protocol (1924): The British and French governments had proposed a Geneva Protocol. It provided for compulsory arbitration of disputes. It committed the League of Nations members to come to immediate military aid of a victim of aggression and also aimed at general disarmament.

c) Economic Crisis of 1929 led to poverty and unemployment and consequently, right wing governments came to power across the world. These governments were more aggressive and violated the League Covenant.

5) The League of Nations was not a truly representative organization: It had limited membership. This also resulted in lack of funds for the League's work. The three main world powers, namely, USA, USSR and Germany were not its members when the League was formed in 1920. Thus, it became an organization of the French and the British and lacked the legitimacy of being called a truly representative world body.

Germany was admitted only by 1926, while USSR gained membership in 1934. USA never joined the League of Nations and neither did it ratify the peace treaties. After the World War I, the US public rejected Woodrow Wilson and his fourteen points and US reverted back to its Policy of Isolation.

The Republicans viewed LoN as a world government, which would threaten US national sovereignty and freedom. It did not want to be involved in any future military conflict or to be involved in the European affairs. By 1933, Japan had quit the League of Nations and soon after that the Hitler's Germany also left the League. Thus, on the eve of the World War II, the League of Nations was in ruins and a failure.

The League failed to implement its decisions in disputes, where the verdict of the League was against a major power. Aggressive regimes like Japan, Italy and Germany defied the League. Britain and France did not do much to give teeth to the League. The Economic Crisis of 1929 was also responsible in its own way. The Conference of Ambassadors undermined League's authority. Important powers like Germany, US, USSR were not its members. The League Covenant was weak and it failed to provide a real collective security.

FOREIGN EXCHANGE MARKET

The market where different currencies can be bought and sold is called the foreign exchange market. Out of the trades in different currencies, the exchange rate of the currency is determined by the economy. This is an institutional framework for the exchange of one national currency for another. This is particularly correct either in the case of a free float exchange (i.e., floating currency) regime or is a managed or hybrid exchange rate system. It is altogether not allowed either in a fixed currency system or a

hard fix (in a hard fix this happens once the currency to which the hard fix has been done itself starts fluctuating).

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EXCHANGE RATE IN INDIA

Indian currency, the 'rupee', was historically linked with the British Pound Sterling till 1948 which was fixed as far back as 1928. Once the IMF came up, India shifted to the fixed currency system committed to maintain rupee's external value (i.e., exchange rate) in terms of gold or the US (\$ Dollar). In 1948, Rs. 3.30 was fixed equivalent to US \$ 1.

In September 1975, India delinked rupee from the British Pound and the RBI started determining rupee's exchange rate with respect to the exchange rate movements of the basket of world currencies (£, \$, ¥, DM, Fr.). This was an arrangement between the fixed and the floating currency regimes.

In 1992-93 financial year, India moved to the floating currency regime with its own method which is known as the 'dual exchange rate'. There are two exchange rates for rupee, one is the 'official rate' and the other is the 'market rate'. Here the point should be noted that it is the everyday's changing market-based exchange rate of rupee which affects the official exchange rate and not the other way round. But the RBI may intervene in the forex market via the demand and supply of rupee or the foreign currencies.

Another point which should be kept in mind is that none of the economies have till date followed an ideal free-floating exchange rate. They require some mechanism to intervene in the foreign exchange market because this is a highly speculative market.

TRADE BALANCE

The monetary difference of the total export and import of an economy in one financial year is called trade balance. It might be positive or negative, known to be either favourable or unfavourable, respectively to the economy.

TRADE POLICY

Broadly speaking, the economic policy which regulates the export-import activities of any economy is known as the trade policy. It is also called the foreign trade policy or the Exim Policy. This policy needs regular modifications depending upon the economic policies of the economies of the world or the trading partners.

DEPRECIATION

This term is used to mean two different things. In foreign exchange market, it is a situation when domestic currency

loses its value in front of a foreign currency if it is market-driven. It means depreciation in a currency can only take place if the economy follows the floating exchange rate system.

In domestic economy, depreciation means an asset losing its value due to either its use, wear and tear or due to other economic reasons. Depreciation here means wear and tear. This is also known as capital consumption. Every economy has an official annual rate for different assets at which fixed assets are considered depreciating.

DEVALUATION

In the foreign exchange market when exchange rate of a domestic currency is cut down by its government against any foreign currency, it is called devaluation. It means official depreciation is devaluation.

REVALUATION

A term used in foreign exchange market which means a government increasing the exchange rate of its currency against any foreign currency. It is official appreciation.

APPRECIATION

In foreign exchange market, if a free-floating domestic currency increases its value against the value of a foreign currency, it is appreciation. In domestic economy, if a fixed asset has seen increase in its value it is also known as appreciation. Appreciation rates for different assets are not fixed by any government as they depend upon many factors which are unseen.

IMPACT OF THE WORLD WAR I (1914-19)

1) The Peace Treaties: They weakened Germany only temporarily because some of clauses like Disarmament and huge War Reparations were impossible to implement. Germany soon began rearming itself with help of Russians and defaulted on the payments towards reparations.

a) The treaties only served to sow seeds of resentment and extreme national rivalries which were to harvest in form of the World War II.

b) Treaties divided Europe into two groups of states. While one group wanted to revise the peace settlements, the other group wanted to defend/preserve the peace settlements.

c) US did not ratify the peace settlements and never joined the League of Nations as the public soon denounced Wil-

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son and US reverted back to the Policy of Isolation to prevent any military engagement in future.

d) Italy felt cheated as it did not get all the territory that was promised to it in lieu of entering the war in 1915.

2) League of Nations was created to ensure world peace and for social work.

3) Russia became Communist: World War I led to rise of revolting Bolsheviks who were against the Russian participation in the war due to the economic burden it brought upon the Russian population. There were two phases of Russian Revolution of 1917. In the February Revolution (1917) the Czar was overthrown due to army mutinies and the civil unrest. A provisional government was setup but it failed to hold the

promised elections. Helped by the Germans, Lenin returned from exile to Russia and this paved way for the October Revolution (1917) that led to overthrow of the Provisional Government. The Bolsheviks, led by Lenin, came to power and a separate peace treaty (Treaty of Brest Litovsk) was signed with Germany in 1917. This treaty was very harsh upon the Russians and was used against the Germans when they complained about the Treaty of Versailles being immoral and excessively harsh.

4) Rise of US as a hegemonic power: US entered the war in 1917 when the German blockade of ships (1917) started targeting all the merchant vessels in Atlantic, including of the US. The Zimmerman Plan was another factor which changed the public opinion in US in favor of entering the war. This plan was a product of German diplomat Zimmerman and entailed persuading Mexico to attack US. Also, earlier US did not want to enter the war on side of the autocratic Czar. The spirit of American Revolution was

behind the US reluctance. But the fall of the Czarist regime in Russia removed this barrier as well. The following factors helped US emerge as the true winner from the World War I:

a) The war was not fought on the US soil. Thus, US escaped the usual damage to infrastructure and the consequent economic costs of reconstruction a war brings.

b) US intervened militarily only during the last phase of the World War I and thus it lost minimal soldiers in the warfare unlike the Europeans who had to deal with the shelling and the trench warfare.

c) US gave loans to the Allied Powers during the war and

to the Germans after the end of the war to meet the reparation costs imposed on them under the Treaty of Versailles. Thus, US made a lot of money through World War I. Its war machine i.e. the military industries gained the most by selling weapons during and after the war. The decade after the war, till 1929 when the economic crisis hit US, was one of the most prosperous for US.

d) The leading role played by President Woodrow Wilson in the negotiations in Versailles is a symbolic proof of the stature of US during and after the World War I. Thus, although even on the eve of World War I, US was the leading industrial economy, the World War I catalysed its arrival on the world stage as a truly global power.

5) European economy suffered due to the war and European nations became dependent on loans from US for reconstruction.

6) Dismemberment of Ottoman Empire: The Ottoman empire disintegrated after its loss in the World War I and the new nation state of Turkey came into being.

7) Disintegration of Habsburg Empire: Austria-Hungary separated on their own just before the end of the World War I and the Habsburg empire came to an end.

8) Rise of new nation states: Turkey, Austria and Hungary were created as mentioned above. Further, Czechoslovakia and Poland were created. Serbia fulfilled its dream of uniting the Slav people under Yugoslavia which was formed by merging Serbia and Montenegro. Also, Estonia, Latvia and Lithuania were made independent nations. Germany had ceased them from Russia after the Treaty of Brest Litovsk (1917).

9) Imperialism continued: The German colonies were converted into Mandates. Mandates were handed over to the victors for preparing them for independence at a suitable future date. The British got the German colonies in Africa. Ottoman Empire's territories of Iraq, Syria, Transjordan and Palestine were distributed as Mandates among France and Britain.

10) Introduction of new Weapons: Many new weapons were used for the first time in World War I. Barbed Wires, Machine Guns, Tanks, Poison Gas and Shelling were put to great use. This pushed the world away from peace and ensured that the future wars were more dangerous.

11) World War I did change the people's outlook towards war: War was now condemned by many thinkers due to the high civilian casualties. Before the World War I, war was cited as glorious and there was a dominating

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flavor of romanticism in the literature being published. This changed after the World War I and writers like Hemingway began denouncing the war as inhuman. Most viewed the World War I as a tragedy because it didn't need to happen, it didn't accomplish much and it only created socio-economic conditions that made World War II more likely.

JUDICIAL REFORMS DURING BRITISH INDIA

Judicial Reforms under Warren Hastings (1772-1785)

- District Diwani Adalats were established in districts to try civil disputes. These adalats were placed under the collector and had Hindu law applicable for Hindus and the Muslim law for Muslims. The appeal from District Diwani Adalats lay to the Sadar Diwani Adalat which functioned under a president and two members of the Supreme Council.
- District Fauzdari Adalats were set up to try criminal disputes and were placed under an Indian officer assisted by qazis and muftis. These adalats also were under the general supervision of the collector. Muslim law was administered in Fauzdari Adalats. The approval for capital punishment and for acquisition of property lay to the Sadar Nizamat Adalat at Murshidabad which was headed by a deputy nizam (an Indian Muslim) assisted by chief qazi and chief mufti.
- Under the Regulating Act of 1773, a Supreme Court was established at Calcutta which was competent to try all British subjects within Calcutta and the subordinate factories, including Indians and Europeans. It had original and appellate jurisdictions. Often, the jurisdiction of the Supreme Court clashed with that of other courts.

Reforms under Cornwallis (1786-1793)—Separation of Powers

- The District Fauzdari Courts were abolished and, instead, circuit courts were established at Calcutta, Dacca, Murshidabad and Patna. These circuit courts had European judges and were to act as courts of appeal for both civil and criminal cases.
- The Sadar Nizamat Adalat was shifted to Calcutta and was put under the governor-general and members of the Supreme Council assisted by the chief qazi and the chief mufti.

- The District Diwani Adalat was now designated as the District, City or the Zila Court and placed under a district judge. The collector was now responsible only for the revenue administration with no magisterial functions.
- A gradation of civil courts was established (for both Hindu and Muslim laws)—
 - i) Munsiff's Court under Indian officers,
 - ii) Registrar's Court under a European judge,
 - iii) District Court under the district judge,
 - iv) Four Circuit Courts as provincial courts of appeal,
 - v) Sadar Diwani Adalat at Calcutta, and
 - vi) King-in-Council for appeals of 5000 pounds and above.
- The Cornwallis Code was laid out—
 - o There was a separation of revenue and justice administration.
 - o European subjects were also brought under jurisdiction.
 - o Government officials were answerable to the civil courts for actions done in their official capacity.
 - o The principle of sovereignty of law was established.

Reforms under William Bentinck (1828-1833)

- The four Circuit Courts were abolished and their functions transferred to collectors under the supervision of the commissioner of revenue and circuit.
- Sadar Diwani Adalat and a Sadar Nizamat Adalat were set up at Allahabad for the convenience of the people of Upper Provinces.
- Till now, Persian was the official language in courts. Now, the suitor had the option to use Persian or a vernacular language, while in the Supreme Court, English language replaced Persian.
- 1833: A Law Commission was set up under Macaulay for codification of Indian laws. As a result, a Civil Procedure Code (1859), an Indian Penal Code (1860)

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and a Criminal Procedure Code (1861) were prepared.

Later Developments

- 1860: It was provided that the Europeans can claim no special privileges except in criminal cases, and no judge of an Indian origin could try them.
- 1865: The Supreme Court and the Sadar Adalats were merged into three High Courts at Calcutta, Bombay and Madras.
- 1935: The Government of India Act provided for a Federal Court (set up in 1937) which could settle disputes between governments and could hear limited appeals from the High Courts.

LATER VEDIC AGE (1000 – 600 B.C.) AND ITS CULTURE

The Aryans further moved towards east in the Later Vedic Period. The Satapatha Brahmana refers to the expansion of Aryan to the eastern Gangetic plains. Several tribal groups and kingdoms are mentioned in the later Vedic literature. One important development during this period is the growth of large kingdoms.

Kuru and Panchala kingdoms flourished in the beginning. Parikshat and Janamejaya were the famous rulers of Kuru kingdom. Pravahana Jaivali was a popular king of the Panchalas. He was a patron of learning. After the fall of Kurus and Panchalas, other kingdoms like Kosala, Kasi and Videha came into prominence. The famous ruler of Kasi was Ajatasatru. Janaka was the king of Videha with its capital at Mithila. His court was adorned by scholar Yajnavalkya.

Magadha, Anga and Vanga seem to be the easternmost tribal kingdoms. The later Vedic texts also refer to the three divisions of India – Aryavarta (northern India), Madhyadesa (central India) and Dakshinapatha (southern India).

Political Organization

Larger kingdoms were formed during the later Vedic period. Many jana or tribes were amalgamated to form janapadas or rashtras in the later Vedic period. Hence the royal power had increased along with the increase in the size of kingdom. The king performed various rituals and sacrifices to strengthen his position.

They include Rajasuya (consecration ceremony), Asvamedha (horse sacrifice) and Vajpeya (chariot race). The

king also assumed titles like Rajavisvajanan, Ahilabhuvanapathi, (lord of all earth), Ekraat and Samrat (sole ruler).

In the later Vedic period, a large number of new officials were involved in the administration in addition to the existing purohita, senani and gramani. They include the treasury officer, tax collector and royal messenger. At the lower levels, the administration was carried on by the village assemblies. The importance of the Samiti and the Sabha had diminished during the later Vedic period.

Economic Condition

Iron was used extensively in this period and this enabled the people to clear forests and to bring more land under cultivation. Agriculture became the chief occupation. Improved types of implements were used for cultivation. Besides barley, rice and wheat were grown. Knowledge of manure was another improvement.

Industrial activity became more varied and there was greater specialization. Metal work, leather work, carpentry and pottery made great progress. In addition to internal trade, foreign trade became extensive. The Later Vedic people were familiar with the sea and they traded with countries like Babylon. A class of hereditary merchants (vaniya) came into existence. Vaisyas also carried on trade and commerce. They organized themselves into guilds known as ganas. Besides nishka of the Rig Vedic period, gold and silver coins like satamana and krishnalava were used as media of exchange.

Social Life

The four divisions of society (Brahmins, Kshatriyas, Vaisyas and Sudras) or the Varna system was thoroughly established during the Later Vedic period. The two higher classes - Brahmana, and Kshatriya enjoyed privileges that were denied to the Vaisya and Sudra. A Brahmin occupied a higher position than a Kshatriya but sometimes Kshatriyas claimed a higher status over the Brahmins.

Many sub-castes on the basis of their occupation appeared in this period. In the family, the power of the father increased during the Later Vedic period. There was no improvement in the status of women. They were still considered inferior and subordinate to men.

Women also lost their political rights of attending assemblies. Child marriages had become common. According to the Aitreya Brahmana a daughter has been described as a source of misery. However, the women in the royal household enjoyed certain privileges.

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Religion

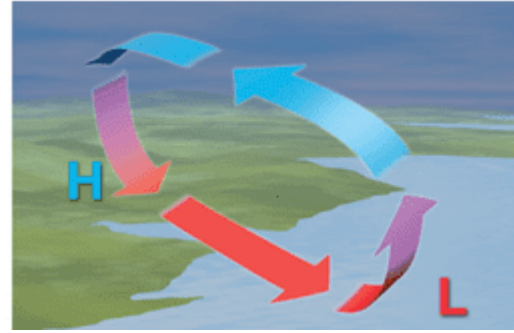
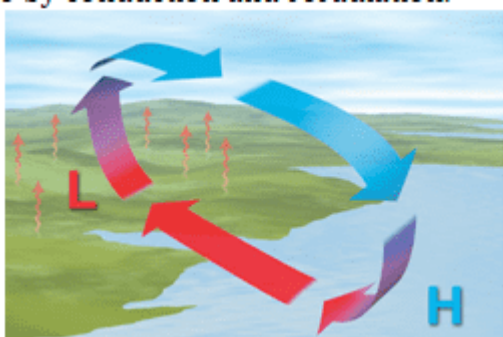
Gods of the Early Vedic period like Indra and Agni lost their importance. Prajapati (the creator), Vishnu (the protector) and Rudra (the destroyer) became prominent during the Later Vedic period. Sacrifices were still important and the rituals connected with them became more elaborate. The importance of prayers declined and that of sacrifices increased. Priesthood became a profession and a hereditary one. The formulae for sacrifices were invented and elaborated by the priestly class. Therefore, towards the end of this period there was a strong reaction against priestly domination and against sacrifices and rituals. The rise of Buddhism and Jainism was the direct result of these elaborate sacrifices. Also, the authors of the Upanishads, which is the essence of Hindu philosophy, turned away from the useless rituals and insisted on true knowledge (jnana) for peace and salvation.

LOCALIZED WIND SYSTEMS

The preceding sections have dealt with only the broad-scale wind systems that make up the global circulation and influence the climatic pattern of the world. Many kinds of lesser winds, however, are of considerable significance to weather and climate at a more localized scale. Such winds are the result of local pressure gradients that develop in response to topographic configurations in the immediate area, sometimes in conjunction with wider circulation conditions.

Sea and Land Breezes

A common local wind system along tropical coastline and to a lesser extent during the summer in midlatitude coastal areas is the cycle of sea breezes during the day and land breezes at night. (As is usual with winds, the name tells the direction from which the wind comes: a sea breeze blows from sea to land, and a land breeze blows from land to sea.) This is essentially a convectional circulation caused by the differential warming of land and water surfaces. The land warms up rapidly during the day, warming the air above by conduction and reradiation.

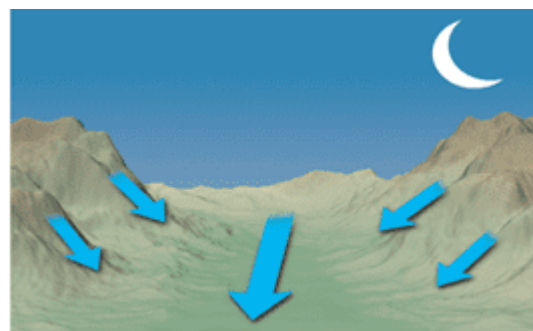
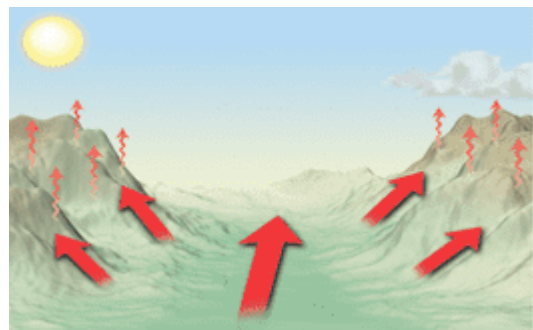


This warming causes the air to expand and rise, creating low pressure that attracts surface breezes from over the adjacent water body. Because the onshore flow is relatively cool and moist, it holds down daytime temperatures in the coastal zone and provides moisture for afternoon showers. Sea breezes are sometimes strong, but they rarely are influential for more than 15 to 30 kilometers (10 to 20 miles) inland.

The reverse flow at night is normally considerably weaker than the daytime wind. The land and the air above it cools more quickly than the adjacent water body, producing relatively higher pressure over land. Thus, air flows offshore in a land breeze.

Valley and Mountain Breezes

Another notable daily cycle of airflow is characteristic of many hill and mountain areas. During the day, conduction and reradiation from the land surface cause air near the mountain slopes to warm more than air over the valley floor.



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The warmed air rises, creating a low-pressure area, and then cooler air from the valley floor flows upslope from the high-pressure area to the low-pressure area. This upslope flow is called a **valley breeze**.

The rising air often causes clouds to form around the peaks, and afternoon showers are common in the high country as a result. After dark, the pattern is reversed. The mountain

slopes lose warmth rapidly through radiation, which chills the adjacent air, causing it to slip downslope as a **mountain breeze**.

Valley breezes are particularly prominent in summer, when solar warming is most intense. Mountain breezes are often weakly developed in summer and are likely to be more prominent in winter. Indeed, a frequent winter phenomenon in areas of even gentle slope is cold air drainage, which is simply the nighttime sliding of cold air downslope to collect in the lowest spots; this is a modified form of mountain breeze.

MODELS - TYPES OF INTERACTIONS IN E-GOVERNANCE

e-Governance facilitates interaction between different stake holders in governance. These interactions may be described as follows:

- a) **G2G (Government to Government)** – In this case, Information and Communications Technology is used not only to restructure the governmental processes involved in the functioning of government entities but also to increase the flow of information and services within and between different entities. This kind of interaction is only within the sphere of government and can be both horizontal i.e. between different government agencies as well as between different functional areas within an organisation, or vertical i.e. between national, provincial and local government agencies as well as between different levels within an organisation. The primary objective is to increase efficiency, performance and output.
- b) **G2C (Government to Citizens)** – In this case, an interface is created between the government and citizens which enables the citizens to benefit from efficient delivery of a large range of public services. This expands the availability and accessibility of public services on the one hand and improves the quality of services on the other. It gives citizens the choice of when to interact with the government (e.g. 24 hours

a day, 7 days a week), from where to interact with the government (e.g. service centre, unattended kiosk or from one's home/workplace) and how to interact with the government (e.g. through internet, fax, telephone, email, face-to-face, etc). The primary purpose is to make government, citizen-friendly.

- c) **G2B (Government to Business)** – Here, e-Governance tools are used to aid the business community – providers of goods and services – to seamlessly interact with the government. The objective is to cut red tape, save time, reduce operational costs and to create a more transparent business environment when dealing with the government. The G2B initiatives can be transactional, such as in licensing, permits, procurement and revenue collection. They can also be promotional and facilitative, such as in trade, tourism and investment. These measures help to provide a congenial environment to businesses to enable them to perform more efficiently.
- d) **G2E (Government to Employees)** – Government is by far the biggest employer and like any organisation, it has to interact with its employees on a regular basis. This interaction is a two-way process between the organisation and the employee. Use of ICT tools helps in making these interactions fast and efficient on the one hand and increase satisfaction levels of employees on the other.

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