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Paraguay

Syllabus: GS-1: World Geography.

Context:

India and Paraguay can partner in expanding regional commerce in Latin America, said Prime Minister Narendra Modi on Monday (June 2, 2025).

Areas of Cooperation Discussed

- **Trade & Economy**:
  - Expansion of the **India-MERCOSUR Preferential Trade Agreement (PTA, 2004)**.
- **Sectors**:
  - Digital technology, critical minerals, energy, agriculture, healthcare.
  - Defence, railways, space, and broader economic partnership.

Strategic Significance

- **Paraguay's Role**:
  - Potential **reliable regional partner** for India in Latin America.
  - Follows a **neutral foreign policy**, avoiding antagonism with major powers.
- **India's Interest**:
  - Access to Paraguay's **natural resources and critical minerals**.
  - Counterbalance in a region dominated by **Brazil (Lula) and Argentina (Milei)**.

Background of India-Paraguay Relations

- **Diplomatic Ties**: Established in **1961**.
- **Embassy**: India opened its embassy in **Asunción (2022)**.
- **MERCOSUR Context**:
  - Formed in **1991** (members: Brazil, Argentina, Paraguay, Uruguay).
  - **Framework Agreement** with India signed on **17 June 2003**.
  - **PTA signed in 2004** (New Delhi).

Geopolitical Context

- **Global Commerce Shifts**: Visit occurred amid changes post **Donald Trump's re-election as US President**.
- **Latin America's Political Landscape**:
  - **Brazil**: Left-leaning Lula da Silva.
  - **Argentina**: Right-leaning Javier Milei.
  - Paraguay maintains **balanced ties** amid regional polarization.

Paraguay:

General Overview

- **Location**: Landlocked in **South America**, bordered by:
  - **Brazil** (northeast & east)
  - **Argentina** (south & southwest)
  - **Bolivia** (northwest)
- **Area**: 406,752 km^2 (one of the smallest in South America)
- **Population**: ~7.3 million (2024 est.)

- **Official Languages**: **Spanish** and **Guaraní** (bilingual country)
- **Currency**: Paraguayan **Guaraní (PYG)**

Geography & Environment

- **Major Rivers**:
  - **Paraguay River** (divides the country into **Eastern** and **Western** regions)
  - **Paraná River** (site of Itaipu Dam)
- **Climate**: **Subtropical** (hot summers, mild winters)
- **Biodiversity**: Part of the **Gran Chaco** region (dry forests, wetlands).

Demographics & Culture

- **Ethnic Groups**:
  - **Mestizo** (mixed European & Indigenous, ~95%)
  - Indigenous (~2%, mostly Guaraní)
- **Cultural Aspects**:
  - **Guaraní language** widely spoken
  - Traditional music (**Polka Paraguaya**)
  - **Tereré** (cold herbal tea, national drink)

Strengthening the U.S.-India subsea cable agenda

Syllabus: GS-2: International Relations – India – USA.

Context:

Bilateral commercial engagement between India and the United States is accelerating across multiple fronts, not limited to an imminent trade agreement.

India-US Bilateral Commercial Engagement

- **Strengthening Ties**: India and the US are accelerating commercial engagement across multiple sectors, with a focus on strategic cooperation beyond just trade agreements.

- **TRUST Framework**: The Technology for Resilient, Open, and Unified Security and Trust (TRUST) framework is the successor to the US-India Initiative on Critical and Emerging Technology (iCET), aimed at diversifying and de-risking technology supply chains.
- **Quad Summit and Trade Agreement**: US President Donald Trump is expected to visit India for the Quad Summit (India, Australia, Japan, US), with the first phase of a bilateral trade agreement to be signed beforehand, enhancing cooperation in digital technologies and markets.
- **Strategic Context**: Both nations aim to counter China's influence in the Indo-Pacific, particularly through initiatives like China's Digital Silk Road, by fostering trusted technology ecosystems.

Importance of Subsea Cables

- **Global Internet Backbone**: Subsea cables carry over 95% of international data traffic, connecting to users or data centers that power cloud services and critical infrastructure.
- **India's Role**: India hosts 17 subsea cables, with more under construction, but lags behind Singapore (26 cables) despite its larger coastline and strategic location.
- **Strategic Significance**: Subsea cables are critical for digital connectivity, and India's potential as a regional connectivity hub is bolstered by its 11,098-km coastline and central Indo-Pacific location.
- **Vulnerabilities**: Concentration of 15 out of 17 cable landing stations in a 6-km stretch in Mumbai increases risks from natural calamities, human errors, or sabotage, as seen in the 2024 Red Sea cable disruptions by Houthi rebels.

India's Potential as a Transit Hub

- **Geographic Advantage**: India's location near key maritime choke points (Strait of Hormuz, Strait of Malacca, Bab-el-Mandeb) makes it a natural hub for global subsea cable networks.
- **Regional Connectivity**: India is a key junction for Africa-Asia and Europe-Asia submarine cables, supporting fast-growing broadband demand in Africa, Asia, and domestically.
- **Domestic Demand**: India's bandwidth requirement is projected to grow at 38% annually (2021–2028), driven by rising consumption and data center investments.
- **TRAI Insights**: New undersea cable activations in 2025 are expected to increase India's data transmission capacity fourfold, per TRAI Chairman.

Challenges in Subsea Cable Infrastructure

- **Concentrated Infrastructure**: Cable landing stations are limited to five cities (Mumbai, Chennai, Kochi, Tuticorin, Thiruvananthapuram), necessitating diversification for redundancy and resilience.
- **Complex Licensing**: Over 50 clearances from multiple ministries are required for subsea cable projects, hindering investment and development.
- **Repair Delays**: India relies on foreign-flagged cable repair ships (based in Singapore and Dubai), which take 3–5 months to address outages due to long travel times and cumbersome clearance processes.
- **Commercial Risks**: Delays in repairs and lack of domestic repair infrastructure pose commercial liabilities for India's digital economy.

Steps Needed for Improvement

- **Policy Reforms**: Simplify the licensing regime to attract investment in subsea cable infrastructure.
- **Domestic Repair Ecosystem**: Develop Indian-flagged cable repair ships and depot infrastructure to reduce reliance on foreign vessels and expedite outage responses.
- **US Support**: Encourage US investments in Indo-Pacific digital infrastructure, including concessional finance, technical assistance for cybersecurity, and anchor positions in cable projects (e.g., Meta's 50,000-km Indian Ocean cable project).
- **TRUST Framework Integration**: Incorporate subsea cable collaboration into the TRUST framework to enhance regional digital resilience and align with the broader US-India trade deal.

Strategic and Commercial Implications

- **Global Public Good**: A robust India-US partnership in subsea cable systems will enhance secure and resilient connectivity, benefiting the Indo-Pacific region.
- **Countering China**: Fortifying India's digital infrastructure, especially subsea cables, aligns with countering China's Digital Silk Road Initiative.
- **Trade Deal Synergy**: Enhanced subsea cable collaboration complements the US-India trade deal, fostering dynamic technology cooperation and shared strategic goals.

PMI

Syllabus: GS-3: Indian Economy – Manufacturing Sector.

Context:

Border tension, inflation dragMay PMI to three-month low.

Purchasing Managers' Index (PMI)

The **Purchasing Managers' Index (PMI)** is a key **economic indicator** that reflects the **economic health** of the **manufacturing** and **services sectors**. It is widely used globally to gauge **business activity**, **economic trends**, and **growth prospects**.

What is PMI?

- **Definition**: **PMI** is a **survey-based index** that measures the prevailing direction of **economic trends** in the **manufacturing** and **services sectors**. It is compiled by surveying **purchasing managers** in businesses to assess their **purchasing activities**, **production levels**, and **expectations**.
- **Range**: **PMI** is expressed as a number between **0 and 100**.
    - **Above 50**: Indicates **expansion** in **business activity** compared to the previous month.
    - **Below 50**: Signals **contraction** in **business activity**.
    - **Equal to 50**: Suggests **no change** in activity levels.
- **Publisher in India**: In **India**, **PMI** is compiled by **S&P Global** (formerly **IHS Markit**) based on monthly surveys of **private sector companies**.

Types of PMI

- **Manufacturing PMI**:
    - Focuses on the **manufacturing sector**.
    - Tracks variables like **production**, **new orders**, **employment**, **supplier delivery times**, and **inventories**.
- **Services PMI**:
    - Focuses on the **services sector**, which includes industries like **hospitality**, **finance**, **IT**, and **healthcare**.
    - Tracks similar variables but tailored to **service-oriented businesses**.

- **Composite PMI**:
    - Combines data from **manufacturing** and **services sectors** to provide an overall view of **private sector activity**.

Components of PMI

PMI is calculated based on responses to **questionnaires** sent to **purchasing managers**. The key components include:

- **New Orders (30%)**:
    - Measures the volume of **new orders** received by companies.
    - Indicates future **production** and **demand trends**.
- **Output/Production (25%)**:
    - Tracks the level of **production** or **service output**.
    - Reflects the **operational capacity** of businesses.
- **Employment (20%)**:
    - Assesses changes in **workforce size**.
    - Indicates **hiring trends** and **labor market conditions**.
- **Supplier Delivery Times (15%)**:
    - Measures the speed of **supplier deliveries**.
    - Slower deliveries (due to high demand) contribute positively to **PMI**, while faster deliveries may indicate **weaker demand**.
- **Inventories (10%)**:
    - Tracks the level of **raw material** and **finished goods inventories**.
    - High **inventory levels** may signal **weaker demand**, impacting **PMI** negatively.

Significance of PMI

- **Economic Indicator**:
    - **PMI** is a **leading indicator**, providing early insights into **economic trends** before official data (e.g., **GDP**, **industrial production**) is released.
    - It helps **policymakers**, **investors**, and **businesses** anticipate **economic growth** or **contraction**.

- **Business Confidence**:
  - Reflects the **confidence** of **purchasing managers** in future **business conditions**.
  - A rising **PMI** indicates **optimism**, while a declining **PMI** signals **caution**.
- **Policy Implications**:
  - Used by the **Reserve Bank of India (RBI)** and **government** to assess **economic health** and formulate **monetary** and **fiscal policies**.
  - For example, a falling **PMI** may prompt **stimulus measures**, while a rising **PMI** may indicate **overheating**, requiring **tighter policies**.
- **Global Comparison**:
  - **PMI** is standardized globally, allowing **India's economic performance** to be compared with other countries.
- **Sectoral Insights**:
  - Provides granular data on **manufacturing** and **services**, helping identify which sector is driving or dragging **economic activity**.

Limitations of PMI

- **Survey-Based**:
  - Relies on **subjective responses** from **purchasing managers**, which may not always reflect actual **economic output**.
- **Private Sector Focus**:
  - Covers only **private sector companies**, excluding **public sector enterprises** and **informal sectors**, which are significant in **India**.
- **Short-Term Indicator**:
  - **PMI** reflects **monthly changes** and may not capture **long-term trends**.
- **Limited Scope**:
  - Does not cover **agriculture** or **unorganized sectors**, which are vital to **India's economy**.

Landslides

Syllabus: GS-3: Disaster Management – Landslides.

Context:

Heavy pre-monsoon rains triggered landslides and floods across the eight northeastern states, leading to significant loss of lives, infrastructure damage, and displacement.

Definition

A **landslide** is the movement of rock, earth, or debris down a slope due to gravity. The **Himalayas**, being young fold mountains, are among the most landslide-prone regions in the world.

Why the Himalayas are Prone to Landslides

Factor	Description
Geological	Young, fragile and still-rising fold mountains; highly fractured and weathered rocks.
Seismic Activity	Frequent earthquakes weaken slope stability. Located in Seismic Zones IV & V.
Heavy Rainfall	Monsoon and cloudbursts saturate soil, triggering landslides.
Slope Angle	Steep slopes increase the gravitational pull on loose material.
Human Activities	Deforestation, unscientific construction, road widening, hydropower projects.
Glacial Retreat	Climate change-induced melting causes slope instability and GLOFs.

Types of Landslides in the Himalayas

- **Debris Flow** – Common in Uttarakhand & Himachal during heavy rainfall.
- **Rockfalls** – Especially in steep cliff areas of the Greater Himalayas.
- **Creeps** – Slow movement, mostly unnoticed but long-term hazardous.
- **Glacial Lake Outburst Floods (GLOFs)** – Sudden dam bursts due to glacial melt.

Landslide-Prone Zones in Himalayas (Examples)

Region	State	Vulnerability
Rudraprayag, Joshimath	Uttarakhand	High
Darjeeling Hills	West Bengal	High
Sikkim	Sikkim	High
Zojila, Drass	J&K/Ladakh	Medium-High
Kinnaur, Chamba	Himachal Pradesh	High

Major Case Studies

Year	Location	Description
2021	**Chamoli, Uttarakhand**	Glacial burst + landslide led to flash floods, >200 deaths.
2023	**Joshimath, Uttarakhand**	Land subsidence due to slope failure & poor drainage.
2013	**Kedarnath Tragedy**	Cloudburst-triggered landslides + floods, over 5,000 deaths.
2024	**Sikkim & Arunachal Pradesh**	Landslides due to incessant pre-monsoon rainfall.

Impacts of Landslides

- Loss of Life & Property
- Disruption of Infrastructure: Roads, power, and communication hit (e.g., NH-10 to Sikkim)
- Impact on Tourism and pilgrimage
- Agricultural damage
- River Blockages → Flash Floods
- Soil Erosion and Land Degradation

Mitigation Strategies

Structural Measures:

- Retaining walls, terracing, check dams.

- Bioengineering: Vetiver grass, bamboo netting.
- Slope drainage systems.
- Landslide-resistant infrastructure design.

Non-Structural Measures:

- **Zonation mapping** (ISRO, GSI landslide hazard maps).
- **Early Warning Systems** (IMD, NDMA, IIT-Roorkee sensors).
- **Restrictions on construction in high-risk zones.**
- **Awareness campaigns** for local communities.
- **Afforestation** and watershed management.

Institutional Mechanisms

Institution	Role
GSI (Geological Survey of India)	Landslide zonation, studies.
NDMA (National Disaster Management Authority)	National Landslide Risk Management Strategy.
ISRO	Remote sensing and satellite-based mapping.
BRO (Border Roads Organisation)	Landslide control along highways in strategic regions.

Advance tipping

Syllabus: GS-4: Ethics in everyday life.

Context:

The Central Consumer Protection Authority (CCPA) initiated an investigation into Ola and Rapido over alleged unfair trade practices related to their 'advance tipping' feature.

Core Ethical Issues

Misuse of Voluntarism

- **Tipping**, traditionally a **voluntary gesture**, is being turned into a **precondition for service**.
- Undermines the **principle of free choice** and **voluntariness** in financial transactions.

Coercive Nudging

- Use of **interface design and algorithms** to **coerce users** into tipping.
- Represents **manipulative behavior** — violating **ethical marketing principles** and **consumer autonomy**.

Transparency and Accountability

- **Lack of clarity** on:
  - Whether the tip reaches the driver.
  - Breakdown of fare components.
- Raises **accountability concerns** regarding **fair compensation** and **truth in disclosure**.

Fairness in Service Delivery

- Ethically unfair to deny or delay service unless a tip is added.
- **Equality of access** to services is compromised, especially during peak hours.

Governance and Public Administration Ethics

Violation of Fair-Trade Practices

- Using tipping as a **tactic for ride allocation** goes against the principle of **fair trade**.
- Breaches **ethical standards in business conduct** expected in public-facing services.

Regulatory and Ethical Oversight

- Highlights the role of regulatory bodies like the **Central Consumer Protection Authority (CCPA)**.
- Emphasizes the importance of **ethical regulation** in digital marketplaces and the **gig economy**.

Stakeholder Ethics

- **Consumers** feel manipulated and overcharged.
- **Drivers** are unaware of receiving tips — possible **exploitation by platforms**.
- Companies fail to uphold **ethical responsibility** toward both key stakeholders.

Ethical Principles Involved

Principle	Ethical Concern
Autonomy	Users coerced into paying — undermines freedom of decision-making.
Transparency	Opaque fare structure and tip handling.
Accountability	No clear tracking of where the tip goes or who benefits.
Fairness	Unequal access to services based on willingness to pay extra.
Integrity	Platforms claim voluntariness but design systems that contradict this claim.
Empathy	Lack of ethical consideration for both consumers' and drivers' interests.

Case Study Relevance

This issue is **ideal for a case study** in GS-IV on:

- Ethical dilemmas in digital services
- Transparency vs Manipulation in algorithms
- Balancing business interests with ethical obligations
- Public administration role in consumer protection