

## TOPIC 1

### India's Geopolitical coordinates in South Asia

#### Relevancy

- GS Mains paper II
- India and South Asia, International relations
- New U.S. South Asia policy
- India and Afghanistan problem

#### Introduction

- The US is trying to regain control, and pre-eminence over South Asia which is being pulled in conflicting directions.
- U.S. thinks India has the maximum role to play in its regional grand strategy.

#### U.S., India and Afghanistan equation

- U.S. is back to participate in the Afghan issue which otherwise could potentially render them insignificant in the years ahead.
- The U.S is trying to bring Taliban to the negotiating table.
- It is also limiting Pakistan's influence in Afghanistan.
- U.S. and Afghanistan have expressed a desire to enlist India's support to do so.
- For US courting India is useful in balancing the increasing Chinese presence in the region, including in Afghanistan.
- The U.S.'s unsavory statements about Pakistan are intended to woo India to cooperate closely on Afghanistan.
- But the U.S. is also courting Pakistan in pursuit of its strategic objectives in the region so India has to be careful on its stand.

#### A few contradictions in U.S. policy

- A closer look at the U.S. policy towards Southern Asia shows several contradictions.

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- Example the American strategy is of courting India to counter Pakistan in Afghanistan, and engaging India and Pakistan to checkmate China in the region.
- While at the same time it is viewing China's role in Afghanistan as that of a potential stabiliser.
- The U.S. has a puzzling relationship with Pakistan since the Soviet intervention in Afghanistan in 1979 through to 2001.
- Pakistan is aware of it and also knows how to make use of it.
- This needs to be properly understood by India when thinking of its own response.
- Secondly, there is absence of long-term commitments in American foreign policy.
- U.S. strategy has been susceptible to domestic, electoral, geopolitical and other determinants in case of South Asia.
- India should cater for alternative futures as well.
- Thirdly, U.S. is vocal against terror havens, same as India.
- India underlines that Pakistan must dismantle the terror infrastructure on its soil.
- But the U.S. is less likely to punish Rawalpindi for not acting against India-specific groups in Pakistan.
- U.S.' focus is on groups fighting against Afghanistan.
- Example is no reaction from U.S. when Pakistan decided to drop terror charges against Jamaat-ud Dawah chief Hafiz Saeed.

### **The problems posed by China**

- China has been recently challenging American hegemony in south Asia.
- It is willing to build peace and mine minerals in Afghanistan, pushing India into backseat.
- It is doing so by enhancing inter-regional connectivity and economic prosperity of a conflict-ridden, impoverished and under-linked Pakistan and Afghanistan.
- China intends to emerge stronger in the world stage indicates its new geopolitical resolve.
- According to the U.S. only India can do to match the Chinese ambitions.

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- Afghanistan stated that it would not join the China-Pakistan Economic Corridor if Pakistan refuses to permit connectivity between India and Afghanistan.
- India appreciates Afghanistan but Pakistan is unlikely to allow overland connectivity between Afghanistan and India through its territory.
- Also, Afghanistan will not jeopardise its relationship with China by insisting on bringing India on board.
- The emerging geopolitical landscape in the region requires immediate handling by India.
- It should consider participating in Afghan peace talks.
- India should also not send troops to Afghanistan while at the same time enhance Afghan security forces and their reconstruction efforts.

### **Potential of India and way forward**

- India should see through complicated American geopolitical signaling in the Southern Asian region.
- India needs to carefully design its China policy and not align it with U.S. interests for short term benefits.
- The U.S. has also kept silence through the Doklam stand-off between India and China.
- Russia is not only an ally of India but it is increasing its stakes in the region including in Afghanistan, China, and with Pakistan.
- India should not distract from the strategic realities of the neighbourhood.

### **Conclusion**

- The Indo-Pacific region has high potential and possibilities for India, both geo-economically and geopolitically.
- India and U.S. along with other regional stakeholders such as Japan, could revive political, diplomatic and military efforts to promote peace and trade in the region.

## TOPIC 2

# Abenomics and the Four Arrow concept

### Relevancy

- GS Mains paper III
- Abenomics
- Japan's economic policy
- The four arrows, Results and failures

### Introduction

- Abenomics is the economic policy implemented by Shinzo Abe, Prime Minister of Japan, since 2012.
- It is a combination of monetary policy, fiscal policy and economic growth strategies to encourage private investment.
- Abenomics is parallel to the slogan of the Japanese Meiji period, 'Fukoku kyōhei' which literally means to 'Enrich the state, strengthen the military'.

### Aim and Significance of Abenomics

- Abenomics is aimed at ending the deflation which has continued for more than 15 years.
- It does so by focusing on massive monetary stimulus to build up self-sustaining expectations of moderate inflation.
- Abenomics was launched to provide a strong counterweight to China in the Asia-Pacific region
- It also aims to make Japan less reliant on the United States for defence.
- It strategizes to encourage private investment.
- Abenomics aims at bringing about significant changes to the economic stagnation caused by zero inflation reflecting unattractive aggregate demand.

## Various aspects of 'Abenomics'

- Abenomics is accompanied by a phrase 'three arrows' and recently added 'fourth arrow'.
- These arrows are the essence of Abe's policy.
- While the first two 'arrows' focus on creating the conditions for economic expansion in the short term they are not suitable for economic growth in the long-term.
- It is due to the increases in public debt that they cause, particularly the fiscal stimulus.

## The first 'arrow': Monetary stimulus

- Monetary stimulus refers to policies implemented by a country's central bank, and in case of Japan is 'The Bank of Japan'.
- It suggests lowering of the bank's interest rates through quantitative easing.
- The **primary effects** of this is devaluation are:
  - fall in the value of the Japanese yen
  - increase in exports:
    - Foreign consumers are able to buy more yen to buy Japanese goods with the same, or even less, of their own currency.
    - Increase in domestic production
    - Therefore encouraging Japanese firms to invest due to the favourable economic conditions.
- **lowering of interest rates:**
  - It will also make loans cheaper for businesses, further encouraging investment.

## The second 'arrow': Fiscal stimulus

- Fiscal stimulus involves the Government increasing public spending which in the case of Japan involved massively increased spending on public works programmes.
- It also involves:
  - the lowering of taxes
  - increasing the disposable income of consumers
  - prompting an increase in spending and thus consumption

### **The third 'arrow': Structural reform**

- As a long-term policy, Abenomics focused on structural reform.
- It includes:
  - Deregulation
  - the implementation of a responsible energy policy
  - increased labour mobility
  - To encourage the greater participation of women and young people in the economy.

### **The fourth 'arrow': Specific policies**

- inflation targeting at a 2% annual rate
- correction of the excessive yen appreciation
- setting negative interest rates
- radical quantitative easing
- expansion of public investment
- buying operations of construction bonds by Bank of Japan (BOJ)
- revision of the Bank of Japan Act

### **Results yielded by Abenomics**

- Accordingly, the Bank of Japan's (BoJ) policy of negative interest rates and quantitative easing has yielded spectacular results.
- The country recorded an unbroken six consecutive quarters of growth until June in gross domestic product (GDP) after 10 years.
- There has been 4% annualised growth in the April to June quarter resulting to a boost in domestic demand and private consumption.
- Japan's current labour market conditions are said to be the strongest since 1974, with unemployment hovering below 3%.

### **The failure of Abenomics**

- Prices have not kept pace with these improvements as inflation has remained close to zero.
- Government debt remains significant, whilst at the same time labour reform has been inadequate.
- It shows the limits to how much ultra-loose monetary policy by itself can do to trigger demand.

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- Most importantly, BoJ has repeatedly deferred its decision to achieve the 2% target rate.
- There is the lack of rise in wages commensurate with the growth in employment, impacting prices and consumption.

### Conclusion

- There is growing perception that the objectives of Abenomics could not be achieved unless reforms are given a rigorous push.
- Mr. Abe has agreed to an annual 3% pay rise as his fourth arrow.
- Yet, more radical reforms in the labour market are needed.
- Japan also needs a transformation of cultural attitudes to maintain its industrial might as there has been a decline in Japan's population in the working age, and the country stands 111th in the World Economic Forum's ranking of gender equality.
- Nevertheless, countries should look Abenomics not simply as a failure but as a guide to how central banks and government can control the economy.

## TOPIC 3

# High Courts and Tribunals in India

### Relevancy

- GS Prelims, GS Mains paper II
- Indian Polity, High courts, jurisdiction of HC
- Tribunals and its powers
- Tribunalisation problem

### High Courts

- Just below the Supreme Court are High Courts which are the highest courts of law in States.
- The High Courts are part of the Indian judiciary and function under the supervision, guidance and control of the Supreme Court.
- As highest court in the State, a High Court supervises the subordinate courts in the State.
- The High Courts are mainly courts of appeal.
- These Courts hear appeals from numerous subordinate courts working at district level.
- The system of appointment of judges, their qualifications and the working of subordinate courts is under the direct control and supervision of the High Court of the State concerned.

### Powers of the HC as provided by the Constitution

- **Original jurisdiction of High Court:**
  - The Constitution of India does not give a detailed description of the original jurisdiction of the High Court.
  - It is accepted that the original jurisdiction of a High Court is exercised by issue of Writs to any person or authority including Government.
  - Article 226 of the Constitution vests in the High Court the power to issue writs for the restoration of fundamental rights.
  - This power of the High Court does not derogate the similar power conferred on the Supreme Court in Article 32 of the Constitution.



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- The original jurisdiction of the High Courts also extends to the matters of admiralty, probate, matrimonial and contempt of Court cases.
- The High Courts have also full powers to make rules to regulate their business in relation to the administration of justice.
- It can punish for its own contempt.
- SC ruled that High Courts' power of judicial review under Article 226 invoked only when there is breach of law or violation of the Constitution.
- **Appellate Jurisdiction of High Court:**
  - The appellate jurisdiction of High Court extends to both civil and criminal cases.
  - In civil cases, its jurisdiction extends to cases tried by Courts of Munsifs and District judges.
  - In the criminal cases it extends to cases decided by Sessions and Additional Sessions Judges.
  - Thus, the jurisdiction of the High Court extends to all cases under the State or federal laws.
  - Its jurisdiction can be enlarged by the Parliament and the State Legislature.
  - The Parliament exercises exclusive power to make laws touching the jurisdiction and power of all Courts with respect to the subjects on which it is competent to legislate.
  - It can also legislate on subjects enumerated in the Concurrent List.
  - Likewise a State Legislature has power to make laws touching the jurisdictions and powers of all Courts within the State with respect to all subjects enumerated in the State List and the Concurrent List.
  - But as regards the subjects in the Concurrent List the Union law prevails in case of conflict.
- **High Court's Power of Superintendence:**
  - A High Court has also the power of superintendence over all Courts and Tribunals except those dealing with the armed forces functioning in the State.
  - This power has made the High Court responsible for the entire administration of Justice in the State.
  - It is both judicial as well as administrative in nature.

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- The Constitution does not place any restriction on its power of superintendence over the subordinate Courts.
- It may be noted the Supreme Court has no similar power vis-a-vis the High Court.

### Importance of High Courts in Indian judiciary

- For the framers of our Constitution the high courts occupied a central position.
- They were conceived as a forum for adjudicating disputes under the Constitution.
- Their jurisdiction was more extensive than the Supreme Court's.
- In contrast to the American model of a bifurcated federal and state judiciary, our high courts resolve all disputes.

### Tribunals

- An administrative Tribunal is a multimember body to hear on cases filed by the staff members alleging non-observation of their terms of service or any other related matters and to pass judgments on those cases.
- Tribunals were added in the Constitution by Constitution (Forty-second Amendment) Act, 1976 as Part XIV-A, which has only two articles viz. 323-A and 323-B.
- While article 323-A deals with Administrative Tribunals; article 323-B deals with tribunals for other matters.
- In general sense, the 'tribunals' are *not courts of normal jurisdiction*, but they have very specific and predefined work area.
- The administrative tribunals **are not original invention** of the Indian Political System.
- They are well established in all democratic countries of Europe as well as United States of America.

### Power and Jurisdiction of tribunals

- According to Article 323A, administrative tribunals can adjudicate the disputes and complaints with respect to the recruitment and conditions of service of persons appointed to public services and posts at
  - Union Level

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- State Level
- Any local or other authority within the territory of India

### **Problem of rampant tribunalisation**

- Parliament has inflicted damage on high courts with rampant tribunalisation.
- Tribunals have replaced high courts for disputes under the Companies Act, Competition Act, SEBI Act, Electricity Act, and Consumer Protection Act among others.
- Any person aggrieved by an order of an appellate tribunal can directly appeal to the Supreme Court, side-stepping the high court.
- These tribunals do not enjoy the same constitutional protection as high courts.
- The enormous institutional investment to protect the independence of high courts is dispensed with when it comes to tribunals.