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# DAILY CURRENT AFFAIRS DATED 03.02.2026

## GS Paper II: Current Affairs

### 1. Next Phase of Rural Women Entrepreneurship in India

#### a. Introduction

Over the past decade, rural women entrepreneurship in India has undergone a quiet yet transformative shift. This change has been anchored in the institutional framework created under the Deendayal Antyodaya Yojana – National Rural Livelihoods Mission (DAY–NRLM). Through systematic social mobilisation, millions of rural women have been organised into Self-Help Groups (SHGs) and connected to formal credit systems.

As a result, foundational goals such as financial inclusion, access to institutional credit, and livelihood diversification have been achieved at an unprecedented scale. However, this very success now creates a new policy imperative. With mobilisation largely complete, the focus must move from inclusion to expansion, from collective subsistence to scalable enterprises, and from administrative support to institutional autonomy.

This shift marks the emergence of the next phase of rural women entrepreneurship in India.



#### b. Institutional Foundation: The SHG–VO–CLF Ecosystem

The backbone of rural women entrepreneurship under DAY–NRLM is its three-tier community institutional structure, designed to combine social capital with financial and administrative capacity.

##### Self-Help Groups (SHGs)

At the village level, SHGs function as primary units for:

- Regular savings and internal lending
- Access to bank credit through SHG–Bank linkage
- Initiation of small livelihood activities

They serve as the entry point for financial inclusion and confidence-building among rural women.

### **Village Organisations (VOs)**

SHGs are federated into Village Organisations, which enable:

- Collective planning and demand aggregation
- Coordination of livelihood activities
- Interface with Panchayati Raj Institutions and line departments

VOs strengthen collective bargaining power and reduce transaction costs.

### **Cluster Level Federations (CLFs)**

At the sub-block level, Cluster Level Federations manage:

- Large-scale credit flows and community funds
- Implementation of livelihood interventions
- Convergence with multiple government schemes

### **Outcomes of the Institutional Model**

This architecture has delivered significant results:

- Over 10 crore rural households mobilised
- Bank credit mobilisation exceeding ₹11 lakh crore
- Exceptionally high repayment rates
- Income diversification initiatives such as Lakhpati Didi
- Enhanced social and political participation of women

Crucially, this institutional maturity creates the conditions to move beyond poverty alleviation towards enterprise-led rural growth.

### **c. Why a “Next Phase” Is Necessary**

While the SHG-led model has been highly effective in inclusion, it faces limitations when enterprises attempt to scale.

Key challenges include:

- Uniform and small loan sizes, unsuitable for enterprise expansion
- Rising aspirations for individual entrepreneurship, beyond collective micro-activities
- Continued administrative control over CLFs, restricting independent decision-making
- Weak marketing, branding, and access to organised markets
- Fragmented implementation of livelihood-related schemes across ministries

These constraints indicate that future gains will depend not on expanding coverage, but on improving quality, autonomy, and scalability.

### **d. Core Pillars of the Next Phase**

#### **i. Strengthening Cluster Level Federations as Autonomous Institutions**

In many states, CLFs continue to rely heavily on government functionaries, with uneven leadership capacity and underutilisation of large community funds.

The next phase must prioritise:

- Gradual reduction of bureaucratic control

- Development of professional management within CLFs
- Clear accountability mechanisms and financial governance

Successful models such as Kudumbashree (Kerala) and Jeevika (Bihar) demonstrate that strong community institutions can function as credible economic actors.

In the long term, CLFs should evolve into local business support hubs providing credit facilitation, enterprise mentoring, and market linkage services.

### **ii. Transition from Group Credit to Individual Entrepreneurship**

The SHG–Bank linkage model excels at financial inclusion but is inadequate for scaling individual enterprises.

Key reforms required include:

- Creation of individual credit profiles for women entrepreneurs
- Complementing group loans with individual bank financing
- Use of CLFs as intermediaries for documentation, appraisal, and monitoring

This transition bridges collective financial security with individual enterprise growth, allowing capable entrepreneurs to move beyond subsistence.

### **iii. Moving Beyond Debt through Innovative Financing**

Exclusive reliance on debt limits risk-taking and innovation. As enterprises mature, they require patient and flexible capital.

The next phase should promote:

- Equity-based and blended finance models
- Partnerships with SIDBI, NBFCs, and neo-banks
- Financial products designed specifically for rural women enterprises, not urban MSME replicas

Such diversification enhances resilience, innovation, and long-term sustainability.

### **iv. Institutionalised Convergence Across Ministries**

Currently, convergence depends heavily on individual officers and informal coordination.

A durable solution requires:

- A national-level convergence mechanism
- Coordination by NITI Aayog across ministries
- Alignment of funding streams, policy priorities, and implementation frameworks

This institutionalisation reduces duplication and maximises developmental impact.

### **v. Marketing as the Critical Missing Link**

Weak market access remains a persistent constraint due to:

- Poor branding and packaging
- Inconsistent quality standards
- Limited logistics and price discovery mechanisms

The next phase must treat marketing as a core livelihood function by:

- Creating a dedicated marketing vertical under NRLM
- Developing CLFs as aggregation and logistics hubs
- Establishing professional market-facing institutions at state or UT level

This shift can transform SHG products into competitive, market-ready enterprises rather than welfare outputs.

## **vi. Bottom-Up Livelihood Planning**

Given the diversity of rural economies, uniform strategies are ineffective.

States and Union Territories should:

- Prepare annual livelihood action plans
- Base them on Village Prosperity and Resilience Plans
- Reflect local resources, market opportunities, and institutional maturity

Such bottom-up planning ensures contextual relevance and sustainability.

## **e. Way Forward**

The next phase of rural women entrepreneurship must focus on:

- Strengthening community-led institutions
- Enabling individual entrepreneurship
- Diversifying financial instruments
- Institutionalising convergence
- Professionalising market access

These reforms align directly with SDG 5 (Gender Equality) and SDG 8 (Decent Work and Economic Growth).

## **Conclusion**

The future of rural women entrepreneurship in India lies in transforming SHGs from credit-linked collectives into market-integrated enterprises. By empowering Cluster Level Federations, supporting individual entrepreneurs, innovating financial models, and professionalising marketing systems, DAY-NRLM can evolve from a poverty alleviation mission into a powerful engine of women-led rural growth.

## **GS Paper II: International Relations**

### **2. 2nd India–Arab Foreign Ministers’ Meeting & India–Arab Delhi Declaration**

#### **a. Introduction**

India’s engagement with West Asia has gradually evolved into a multi-aligned, pragmatic, and stability-oriented foreign policy. Rather than pursuing ideological alignment or bloc-based politics, India has consistently attempted to balance strategic interests with long-standing normative principles such as sovereignty, territorial integrity, and non-interference.

It is within this broader context that the India–Arab Delhi Declaration must be situated. Hosted in New Delhi on 31 January 2026, the 2nd India–Arab Foreign Ministers’ Meeting brought together 22 members of the Arab League and was held after a gap of nearly a decade since the first such meeting in Bahrain in 2016. The meeting reaffirmed the India–Arab League dialogue as the highest institutional mechanism between the two sides, making the revival of this long-dormant format diplomatically significant in itself.

The India–Arab Delhi Declaration must therefore be viewed not merely as a joint diplomatic statement, but as a carefully crafted articulation of India’s West Asia approach. Its true significance lies in what it emphasises, how it interprets regional conflicts, and equally, in the issues it consciously avoids addressing. Together, these elements reveal the contours of India’s emerging regional doctrine.

## b. India–Arab Relations: The Broader Framework

India’s engagement with the Arab world is institutionalised, multidimensional, and interest-driven. Cooperation with the Arab League rests on five broad pillars:

### i. Economic and Trade Cooperation

- Large and growing bilateral trade volumes
- Investment flows in infrastructure, logistics, and energy
- Supply-chain linkages across the Gulf and Red Sea region

### ii. Energy Security

- Dependence on West Asia for crude oil and LNG imports
- Long-term energy contracts ensuring supply predictability

### iii. Diaspora and Human Security

- Welfare of a large Indian diaspora across Gulf states
- Employment, remittances, and crisis evacuation concerns

### iv. Education, Media, and Cultural Exchanges

- Academic and cultural engagement
- Media cooperation and narrative outreach

### v. Maritime and Regional Security

- Stability of sea lanes in the Red Sea and Gulf
- Protection of commercial and energy routes

Together, these pillars explain why India’s West Asia diplomacy prioritises continuity, predictability, and regional stability, rather than ideological posturing.



## c. Core Principle Underpinning the Declaration

A recurring and dominant theme in the Delhi Declaration is the emphasis on:

- Respect for state sovereignty
- Preservation of territorial integrity
- Rejection of external interference in domestic affairs

This principle forms the backbone of India's West Asia policy and provides a consistent lens through which its positions on regional conflicts can be interpreted. By foregrounding sovereignty, India aligns itself with the preferences of most Arab states while remaining consistent with its own long-standing foreign policy doctrine.

#### **d. India's Position on Major Regional Conflicts**

##### **i. Israel–Palestine: Normative Consistency with Strategic Balance**

India reiterates:

- Support for Palestinian sovereignty
- Endorsement of the Arab Peace Initiative (2002)
- Commitment to the land-for-peace principle and pre-1967 borders

At the same time, India calls for de-escalation without endorsing externally imposed or disruptive peace frameworks. This allows India to:

- Maintain strong bilateral ties with Israel
- Preserve historical support for the Palestinian cause

The approach reflects balanced and principled diplomacy, rather than alignment with any single camp.

##### **ii. Yemen: Unity and Maritime Security**

On Yemen, India:

- Supports territorial unity
- Condemns attacks on shipping in the Red Sea

Stability in the Red Sea is critical for:

- Global trade flows
- India's energy imports
- Commercial shipping routes

By prioritising unity over fragmentation, India signals its expanding concern for maritime security beyond its immediate neighbourhood.

##### **iii. Sudan and Libya: Stability Over Fragmentation**

India supports:

- Internationally recognised governments
- Protection of civilians
- Rejection of militia-led or parallel administrations

This reflects India's opposition to regime change through force and its concern that legitimising armed non-state actors could prolong conflicts and generate regional spillovers.

##### **iv. Somalia and Somaliland: A Clear Stand on Territorial Integrity**

India:

- Explicitly rejects recognition of Somaliland
- Supports Somalia's unity in line with Arab League positions

This stance avoids setting precedents that could legitimise secessionist movements elsewhere and reinforces India's consistent anti-secession doctrine in international affairs.

#### **v. Syria: Cautious and Limited Engagement**

India's engagement with Syria is:

- Limited and issue-specific
- Focused primarily on counter-terrorism concerns, especially the Islamic State
- Avoidant of strong political endorsement of any side

This reflects India's preference for engagement without legitimising instability or externally driven political settlements.

#### **e. Strategic Silences in the Declaration**

A notable omission in the Declaration is any reference to escalating Iran-US tensions.

This silence is strategic because:

- India has long-standing energy and connectivity interests with Iran
- India remains exposed to US sanctions regimes
- Arab states seek to avoid region-wide escalation

Silence thus preserves strategic flexibility and diplomatic space for all parties.

#### **f. Navigating Gulf Rivalries**

West Asia is marked by informal alignments:

- A Saudi Arabia-led grouping favouring regional stability
- Another alignment involving the UAE, Israel, and the US, inclined towards selective intervention

India's strategy is to:

- Engage constructively with all sides
- Avoid bloc politics
- Keep relationships transactional and compartmentalised

This reflects multi-alignment, not neutrality or hedging.

#### **g. India's Emerging West Asia Doctrine**

The Delhi Declaration reveals key elements of India's evolving approach:

- Normative consistency on sovereignty
- Strategic autonomy and flexibility
- Preference for stability over disruption
- Issue-based engagement rather than ideological alignment
- Separation of bilateral ties from regional rivalries

These features indicate a mature and calibrated regional strategy.

#### **h. Way Forward**

India's West Asia policy must continue to:

- Preserve strategic autonomy
- Support regional stability
- Strengthen institutional dialogue
- Ensure maritime security
- Uphold sovereignty and non-interference

### Conclusion

The India–Arab Delhi Declaration consolidates India’s image as a calibrated and stabilising actor in West Asia. By combining principled support for sovereignty with deliberate strategic silences on divisive issues, India avoids entanglement while safeguarding its interests. This approach enables India to remain relevant across geopolitical divides without compromising its long-standing norms or strategic autonomy.

## GS Paper II: International Relations

### 3. India–United States Trade Realignment and Tariff Rationalisation

#### a. Introduction

Trade relations between India and the United States are no longer shaped solely by commercial logic. They are increasingly embedded within a broader strategic and geopolitical framework. Recent steps towards tariff realignment and rationalisation indicate a deeper shift in how the United States perceives India’s role in the global economy—not merely as a large consumer market, but as a reliable economic partner and a strategic counterweight to China.

This development marks a clear transition from a phase of trade friction to one of trade accommodation, signalling growing convergence in long-term economic and strategic interests between the two countries.



#### b. Conceptual Background: Tariffs and Strategic Trade

Tariffs are not merely revenue instruments; they are powerful tools that shape international trade behaviour.

### **i. Role of Tariffs in Trade Relations**

- Influence export competitiveness by altering price structures
- Affect investor confidence through predictability or uncertainty
- Shape decisions on supply chain location and production planning

High or unpredictable tariffs restrict market access and discourage long-term investment by increasing uncertainty.

### **ii. Importance of the US Market for India**

For India, tariff predictability in the United States market is particularly critical because:

- The United States is the world's largest consumer market
- It is a major driver of global demand
- Stable access directly impacts India's export growth and manufacturing ambitions

Thus, tariff rationalisation has both immediate commercial and long-term strategic implications.

## **c. Nature of the Trade Realignment**

### **i. From Punitive to Competitive Tariff Levels**

In earlier phases, Indian exports faced exceptionally high tariff barriers in the United States. These tariffs:

- Imposed a cost disadvantage on Indian exporters
- Reduced competitiveness vis-à-vis other exporting countries
- Signalled diplomatic strain in bilateral relations

Recent tariff rationalisation has repositioned India closer to comparable export economies, restoring competitive parity.

### **ii. Restoration of Predictability**

The shift reduces policy uncertainty, which often proves more damaging to trade than tariffs themselves. By restoring predictability:

- Indian exports become more attractive to US buyers
- India re-enters global supply chain calculations
- Long-term planning becomes feasible for firms

## **d. Strategic Logic Behind the United States Approach**

### **i. India as a Supply Chain Alternative to China**

Global firms are actively diversifying away from China due to:

- Prolonged trade tensions
- Geopolitical risks
- Supply chain disruptions

In this context, India is increasingly viewed as a viable alternative because it offers:

- A large and youthful workforce
- An expanding manufacturing base
- Political alignment with democratic economies

Lower tariff barriers strengthen India's position within the "China plus one" strategy.

## **ii. Trade as an Instrument of Strategic Alignment**

The United States increasingly uses trade policy to reinforce geopolitical partnerships.

Within this framework:

- Trade concessions complement defence cooperation
- Market access aligns with technology partnerships
- Economic integration reinforces Indo-Pacific strategy

India is thus positioned as a long-term strategic partner in Asia, with trade serving as an enabling instrument rather than a standalone objective.

## **e. Implications for the Indian Economy**

### **i. Export Competitiveness**

Lower tariffs enhance the price competitiveness of Indian goods in the US market, benefiting:

- Manufacturing sectors
- Labour-intensive industries
- Value-added exports

Improved access also encourages Indian firms to move up the value chain, investing in quality, compliance, and scale.

### **ii. Investment Climate**

Stable and predictable trade relations:

- Reduce perceived policy risk
- Encourage foreign direct investment
- Support portfolio inflows into export-oriented sectors

These investments contribute to manufacturing expansion, employment generation, and industrial upgrading.

### **iii. Supply Chain Integration**

Improved trade conditions incentivise:

- Global firms to source from India
- Establishment of India-based production facilities

This trend complements domestic initiatives such as Make in India and Production Linked Incentive (PLI) schemes, strengthening India's role in global value chains.

## **f. Strategic Trade-Offs for India**

### **i. Managing Increased Imports**

Trade accommodation may lead to higher imports from the United States, which can:

- Affect the trade balance
- Create competitive pressure on select domestic industries

This requires sector-specific safeguards and calibrated policy responses.

### **ii. Energy Security and Strategic Autonomy**

While deepening economic ties with the United States, India continues to:

- Maintain diversified energy partnerships
- Retain strategic autonomy
- Avoid exclusive alignment with any single power

This balanced approach allows India to pursue national interests without undue external constraints.

### **g. Comparison with India's Other Trade Engagements**

India's trade engagement with the United States differs from negotiations with partners such as the European Union.

#### **i. India-US Trade Engagement**

- Driven by geopolitics and commerce
- Flexible and strategic in nature

#### **ii. India-EU Trade Engagement**

- Rule-based negotiations
- Emphasis on labour, environmental, and regulatory standards

This contrast highlights India's adaptive trade diplomacy, where negotiation strategies vary with strategic context.

### **h. Challenges and Risks**

Despite its benefits, the realignment carries certain risks:

- Over-dependence on a single major market
- Policy volatility in partner countries
- Trade concessions affecting domestic industry

These risks underline the importance of export diversification and sustained domestic competitiveness reforms.

### **i. Way Forward**

India must continue to:

- Use trade as an instrument of strategic diplomacy
- Strengthen manufacturing competitiveness
- Diversify export markets
- Preserve strategic autonomy

Aligning trade policy with long-term growth objectives will be essential for sustainable gains.

### **Conclusion**

The India-United States trade realignment represents a shift from confrontation to a strategic economic partnership. By easing tariff barriers, the United States signals confidence in India's role within global supply chains and the evolving geopolitical order. For India, the challenge lies in leveraging this opportunity to strengthen manufacturing and exports, while safeguarding domestic interests and maintaining policy independence.

## 4. Large-Group Unconditional Cash Transfers and the Need for Exit Clauses

### a. Introduction

Over the last decade, cash transfer schemes have emerged as a central instrument of welfare policy in India. Enabled by rapid expansion of digital public infrastructure and financial inclusion, governments have increasingly preferred direct monetary transfers over in-kind support.

While cash transfers have improved efficiency, reduced leakages, and enhanced beneficiary autonomy, concerns have grown regarding the proliferation of large-group unconditional cash transfer schemes that lack clear exit or sunset clauses. These schemes, though politically attractive and administratively simple, raise serious questions about fiscal sustainability, welfare efficiency, and long-term developmental priorities.

### Evolution of Welfare Delivery in India: From In-Kind to Cash Transfers



### b. Understanding Cash Transfer Schemes

Cash transfer schemes involve the direct transfer of money from the government to beneficiaries, instead of subsidised goods or services. Their widespread adoption in India is closely linked to the success of the Jan Dhan–Aadhaar–Mobile (JAM) framework, which has enabled accurate beneficiary identification, seamless fund transfers, and significant reduction in intermediary leakages.

From a governance perspective, cash transfers offer several advantages:

- Speed and efficiency in delivery
- Transparency and auditability
- Lower administrative costs compared to physical distribution systems

However, the developmental impact of cash transfers depends critically on design parameters, particularly targeting, conditionality, and duration.

### c. Types of Cash Transfers

Cash transfer schemes can be broadly classified into two categories.

### **i. Conditional Cash Transfers**

Conditional cash transfers link monetary support to specific behavioural or outcome-based requirements, such as school attendance, immunisation, nutrition check-ups, or health monitoring. These schemes aim to combine income support with human capital formation, thereby generating long-term social returns.

### **ii. Unconditional Cash Transfers**

Unconditional cash transfers provide money without imposing conditions on its use or beneficiary behaviour. While they promote flexibility, dignity, and household-level choice, concerns arise when such transfers are extended indiscriminately to large population groups.

The present policy debate centres on large-group unconditional cash transfers, where benefits are provided regularly to wide social categories on a continuing basis.

## **d What Are Large-Group Unconditional Cash Transfers?**

Large-group unconditional cash transfers are characterised by:

- Near-universal or loosely defined beneficiary coverage
- Minimal eligibility refinement or vulnerability filters
- Regular and recurring payments financed entirely through revenue expenditure

These schemes are typically not linked to measurable outcomes in education, health, employment, or nutrition. In practice, they often take the form of monthly income support programmes extended to broad social groups, such as women or households, regardless of income or deprivation levels.

Their scale, permanence, and fiscal rigidity distinguish them from targeted and time-bound welfare interventions.

## **e. Why States Prefer Such Schemes**

From an administrative perspective, large-group unconditional cash transfers are easy to implement and monitor. Once beneficiary databases are created, JAM-based direct benefit transfer systems allow automatic, low-cost, and predictable disbursement.

From a political economy standpoint, these schemes offer:

- Visible and immediate benefits to a large electorate
- High political salience and electoral appeal
- Simple messaging compared to complex service-delivery reforms

As a result, despite long-term fiscal risks, state governments often favour such schemes due to their short-term political and administrative advantages.

## **f. Changing Nature of Subsidy Spending**

India has witnessed a structural shift in welfare expenditure, particularly at the state level. Earlier subsidy regimes were largely targeted and fragmented, focusing on pensions for the elderly, support for farmers, or assistance to persons with disabilities.

In recent years, however:

- Large-group unconditional cash transfers account for an increasing share of subsidy spending
- Welfare expenditure has become more rigid and revenue-heavy
- Budgetary flexibility has progressively declined

This transformation has important implications for both fiscal management and developmental outcomes.

### **g. Fiscal Concerns Associated with Large-Group Cash Transfers**

The most immediate concern is the rise in committed revenue expenditure. Since cash transfers do not create physical or human capital assets, they impose recurring fiscal obligations without expanding future productive capacity.

Key fiscal risks include:

#### **Crowding out of development expenditure**

- Reduced allocations for education, healthcare, and infrastructure
- Weakening of long-term growth potential

#### **Weak targeting and allocative inefficiency**

- Benefits flowing to non-vulnerable groups
- Diversion of scarce public resources from the genuinely needy

#### **Absence of exit or sunset clauses**

- Political difficulty in withdrawal or rationalisation
- Temporary welfare measures becoming permanent fiscal liabilities

Among these, the lack of exit mechanisms represents the most critical structural weakness.

### **h. Concerns of Fiscal Transparency**

In some instances, large cash transfer schemes are financed through:

- Off-budget borrowings
- State guarantees to public sector entities
- Non-transparent accounting practices

Such mechanisms obscure the true fiscal position of governments, underestimate public debt, and shift liabilities into the future. This undermines fiscal discipline and weakens the credibility of budgetary frameworks and fiscal responsibility legislation.

### **i. Importance of Exit or Sunset Clauses**

An exit clause, or sunset clause, ensures that a welfare scheme automatically expires after a specified period, unless renewed following a formal evaluation.

Exit clauses serve multiple purposes:

- Prevent permanent accumulation of fiscal burdens
- Mandate periodic outcome-based review
- Encourage course correction, retargeting, or withdrawal
- Align welfare objectives with fiscal responsibility

By institutionalising review and accountability, exit clauses transform welfare schemes from political commitments into policy instruments subject to evidence and fiscal capacity.

### **j. Recommended Approach to Cash Transfers**

A balanced and sustainable approach to cash transfers should include:

- Strict targeting of vulnerable groups, avoiding unnecessary universalisation
- Preference for conditional or semi-conditional models to strengthen human capital outcomes
- Mandatory periodic reviews and independent fiscal evaluations
- Full on-budget disclosure of all welfare liabilities
- Maintenance of a prudent balance between welfare spending and capital expenditure

Such an approach ensures that cash transfers complement, rather than substitute, long-term development strategy.

### **k. Way Forward**

Sustainable welfare policy requires rationalisation of subsidies, adoption of outcome-based welfare design, and strict adherence to principles of fiscal responsibility. Strengthening public service delivery systems remains essential, as cash transfers alone cannot substitute for education, health, and infrastructure.

Well-designed cash transfers, aligned with SDG 1 (No Poverty) and SDG 16 (Strong Institutions), can support inclusive growth without undermining fiscal stability, provided they incorporate clear exit mechanisms and accountability frameworks.

### **Conclusion**

Large-group unconditional cash transfers, while administratively convenient and politically appealing, carry significant fiscal and developmental risks when designed without clear exit mechanisms. In the absence of sunset clauses, such schemes risk hardening into permanent fiscal commitments, constraining state finances and crowding out long-term investments in human and physical capital. Therefore, embedding exit clauses, strengthening targeting, and aligning cash transfers with outcome-based governance are essential to ensure that welfare policy remains fiscally responsible, development-oriented, and institutionally credible.

## **GS Paper III: Environment**

### **5. Wetlands as a National Public Good**

#### **a. Conceptualising Wetlands as a National Public Good**

Wetlands occupy a distinctive position in India's ecological and socio-economic landscape. They are not merely physical spaces where land meets water, but dynamic ecological systems that regulate hydrology, sustain biodiversity, support livelihoods, and reduce disaster risks.

Their benefits extend far beyond local users, influencing regional ecological stability, economic security, and inter-generational wellbeing. Owing to this wide societal relevance, wetlands qualify as a national public good rather than a local or private resource.

#### **b. Understanding Wetlands**

Wetlands are areas where water is present either permanently or seasonally, resulting in distinctive soil conditions and specialised plant and animal life.

#### **Types of Wetlands in India**

India hosts a wide diversity of wetlands, including:

- Natural systems such as lakes, rivers, floodplains, marshes, peatlands, mangroves, lagoons, and high-altitude wetlands
- Human-made systems such as tanks, reservoirs, ponds, and irrigated wetlands

These ecosystems exist at the interface of terrestrial and aquatic environments, functioning as ecological transition zones rather than isolated land parcels.

### c. Why Wetlands Qualify as a National Public Good

A public good is characterised by non-excludability and collective benefit. Wetlands clearly meet both conditions.

#### Shared Ecological and Social Benefits

Wetlands:

- Reduce floods and droughts through natural water storage
- Recharge groundwater and purify surface water
- Moderate local and regional climate
- Support biodiversity and ecosystem services
- Sustain livelihoods and food security

The degradation of wetlands therefore imposes widespread social and economic costs, affecting downstream regions, urban centres, and future generations. This elevates wetlands from local commons to national ecological assets.



### d. Ecological Functions of Wetlands

Wetlands perform multiple ecological functions that are critical for environmental stability.

#### i. Hydrological Regulation

- Store excess monsoon rainfall
- Release water gradually during dry periods
- Reduce flood peaks and drought severity

#### ii. Water Quality Improvement

- Trap sediments
- Absorb nutrients
- Break down pollutants through natural filtration

#### iii. Biodiversity Conservation and Climate Regulation

- Provide breeding and feeding grounds for fish, amphibians, insects, and migratory birds
- Support complex food chains and ecosystem balance
- Store carbon in soils and vegetation, contributing to climate mitigation

### e. Economic and Livelihood Significance

Wetlands are often mistakenly viewed as unproductive land. In reality, they function as highly productive ecosystems.

#### Livelihood Support Systems

Millions depend on wetlands for:

- Fishing and aquaculture
- Agriculture supported by tank irrigation and floodplains
- Grazing and collection of minor forest produce
- Tourism and allied activities

Coastal wetlands such as mangroves sustain fisheries and protect shorelines, while inland tanks and floodplains strengthen food security and rural economies.

#### **f. Role of Traditional Knowledge Systems**

Indian communities have historically evolved locally adapted institutions to manage wetlands sustainably.

##### **Indigenous Management Practices**

- Tamil Nadu's interconnected tank systems ensured irrigation, flood control, and groundwater recharge
- Shallow traditional wells in Wayanad provided reliable drinking water during dry periods
- Coastal communities conserved mangroves as livelihood and storm-protection systems

These practices reflect deep ecological understanding of water flows, seasonality, and carrying capacity.

#### **g. Present Status of Wetlands in India**

Despite their significance, wetlands in India are under severe stress. A substantial proportion has already disappeared, and many remaining wetlands are degraded.

Losses are especially acute in urban areas, coastal regions, and river floodplains, where developmental pressures are most intense. This trend reflects not only environmental neglect but also systemic governance failures.

#### **h. Drivers of Wetland Degradation**

##### **i. Land Conversion and Encroachment**

- Misclassification of wetlands as wastelands
- Conversion for housing, infrastructure, and industry

##### **ii. Hydrological Disruption**

- Dams, embankments, and river channelisation
- Sand mining and excessive groundwater extraction
- Destruction of feeder channels

##### **iii. Pollution and Climate Change**

- Untreated sewage, industrial effluents, and agricultural runoff
- Eutrophication and loss of ecological function
- Sea-level rise, intensified cyclones, and coastal erosion affecting mangroves and lagoons

#### **i. Wetlands and Disaster Risk Reduction**

Wetlands function as natural buffers against disasters.

##### **Nature-Based Infrastructure**

- Floodplains absorb excess river flows
- Mangroves reduce cyclonic winds and storm surges
- Wetlands enhance groundwater recharge, improving drought resilience
- Urban wetlands act as natural sponges, reducing urban flooding

In this sense, wetlands are cost-effective and sustainable alternatives to purely engineered infrastructure.

#### **j. Governance and Institutional Framework**

India has introduced multiple legal and policy instruments, including:

- Wetlands Conservation and Management Rules, 2017
- National Plan for Conservation of Aquatic Ecosystems
- Coastal Regulation Zone norms
- Ramsar Convention commitments

However, implementation remains weak due to poor mapping, fragmented institutional responsibilities, and limited technical capacity.

#### **k. The Required Conceptual Shift**

Effective wetland governance requires moving beyond short-term, site-specific interventions.

##### **Strategic Reorientation**

- Shift from beautification to ecological functionality
- Adopt long-term, programme-based planning
- Manage wetlands at catchment and river basin levels, recognising hydrological connectivity

#### **1. Core Principles for Wetland Protection**

##### **i. Foundational Requirements**

- Accurate mapping, legal notification, and boundary demarcation
- Protection of catchments and feeder channels
- Regulation of extractive and polluting activities

##### **ii. Community and Capacity Dimensions**

- Pollution control through integration with sewage treatment systems
- Community participation linked with livelihoods
- Capacity building in ecology, hydrology, GIS, law, and governance

#### **m. Way Forward**

Wetlands must be recognised as national ecological assets, not expendable land resources. Integrating traditional knowledge with modern science can strengthen sustainability. Investment in nature-based solutions will enhance climate adaptation and disaster resilience.

Stronger institutional coordination, improved capacity, and embedding wetlands within climate action and disaster management frameworks are essential to safeguard these ecosystems for present and future generations.

#### **Conclusion**

Wetlands are not marginal landscapes but critical national ecological assets whose benefits cut across regions, sectors, and generations. Recognising them as a national public good demands a shift from fragmented, short-term management to integrated, basin-level governance rooted in ecological science and traditional wisdom. Protecting wetlands is therefore not merely an environmental imperative, but a strategic investment in climate resilience, disaster risk reduction, livelihood security, and sustainable development for India's future.

## Reader's Note — About This Current Affairs Compilation

Dear Aspirant,

This document is part of the PrepAlpine Current Affairs Series — designed to bring clarity, structure, and precision to your daily UPSC learning.

While every effort has been made to balance depth with brevity, please keep the following in mind:

### 1. Orientation & Purpose

This compilation is curated primarily from the UPSC Mains perspective — with emphasis on conceptual clarity, analytical depth, and interlinkages across GS papers.

However, the PrepAlpine team is simultaneously developing a dedicated Prelims-focused Current Affairs Series, designed for:

- factual coverage
- data recall
- Prelims-style MCQs
- objective pattern analysis

This Prelims Edition will be released separately as a standalone publication.

### 2. Content Length

Some sections may feel shorter or longer depending on topic relevance and news density. To fit your personal preference, you may freely resize or summarize sections using any LLM tool (ChatGPT, Gemini, Claude, etc.) at your convenience.

### 3. Format Flexibility

The formatting combines:

- paragraphs
- lists
- tables
- visual cues

—all optimised for retention.

If you prefer a specific style (lists → paras, paras → tables, etc.), feel free to convert using any free LLM.

### 4. Monthly Current Affairs Release

The complete Monthly Current Affairs Module will be released soon, optimized to a compact 100–150 pages — comprehensive yet concise, exam-ready, and revision-efficient.

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