

The Indian Express

Govt. and Politics

Vice-President: A look at the post, the provisions, the past (Page no. 7)

(GS Paper 2, Indian Constitution)

With the much-talked-about presidential race nearing its end, all eyes are on the person who will occupy the office of the Vice-President, which will fall vacant when the term of M Venkaiah Naidu ends on August 10.

Elections for Vice-President are scheduled for August 6, with the last date for filing nominations July 19.

The office of the Vice-president is a unique feature of India, which follows a parliamentary system, and has no exact parallel in other democratic countries, including the Commonwealth.

The second-highest constitutional authority after the President, the Vice-President draws his or her powers from Article 63 of the Constitution, which states that “there shall be a Vice-President of India”.

Article 64 goes on to confer upon the post the power to be “ex-officio Chairman of the Council of States (the Rajya Sabha)”. In effect, the Vice-President discharges duties of both the Vice-President and Rajya Sabha chairperson.

On December 29, 1948, while adopting the provision regarding the Vice-President, B R Ambedkar, chairman of the Drafting Committee of the Constituent Assembly, spoke of its implications: “Although the Constitution speaks of the Vice-President, he really is the Chairman of the Council of States (Rajya Sabha).

In other words, so far as his functions are concerned, he is merely the opposite number of the Speaker of the House of People (Lok Sabha).”

Additionally, the Vice-President can act as the President, “in the event of the occurrence of any vacancy in the office of the President by reason of his death, resignation or removal”, or “until the date on which a new President...enters upon his office”, as per Article 65.

Under Article 64 (2), the Vice-President also discharges presidential functions when the President is unable to do so “owing to absence, illness or any other cause”.

In this case, the Vice-President will “have all the powers and immunities of the President and be entitled to... (the) emoluments, allowances and privileges”.

Express Network

Increase long-term financing to develop agriculture: Shah (Page no. 8)

(GS Paper 3, Agriculture)

Observing that cooperatives were set up to achieve the objective of long-term finance, Union Minister for Home and Cooperation Amit Shah asked agriculture and rural development banks to focus on extending long-term finance to projects such as irrigation and infrastructure.

Addressing the National Conference of Agriculture and Rural Development Banks (ARDBs), Shah highlighted the lack of a database of the cooperative sector and said that unless there is a database, one cannot think of expansion of this sector.

Shah said there are many obstacles but unless long-term financing is increased, agricultural development is not possible. There are many large states where banks have collapsed and this aspect also needs to be considered, he said.

Agriculture financing, be it short-term or long-term... at some places the activities are going well, at some other places it is in tatters. In a state such as Madhya Pradesh, there is no agriculture bank...neither in Bihar. We have to revive it.

Stating that there is “no dearth of capital”, Shah said, “The infrastructure and system of financing has collapsed. We have to revive and rebuild it. Banks in every state have to identify such areas and they have to organise PACS conferences there.

Emphasising the need for higher long-term financing, Shah said that 25 years ago, long-term finance constituted 50 per cent of agricultural finance, which has today reduced to 25 per cent.

Economy

Centre intervening to cushion Re slide, boost dollar inflows (Page no. 13)

(GS Paper 3, Indian Economy)

With the rupee weakening to record low levels and the RBI reportedly preventing it from falling below 80 against the US dollar last week, government sources said that the Centre and the Reserve Bank have been taking steps to attract dollar inflows and make the dollar appreciation against the rupee more gradual and smoother.

The US dollar has strengthened not only against the Indian rupee but against many other major currencies, an official said, adding that this year the rupee has strengthened against the Euro, the Japanese yen and the British pound.

“Even though the strength of the US dollar against the Indian rupee has been quite mild, the Indian government and the central bank have been taking steps to attract dollar inflows, to make the appreciation of the dollar against the Indian rupee more gradual and smoother,” a government official said.

Foreign exchange, or forex, reserves fell by \$8.06 billion to \$580.02 billion during the week ended July 8, in the wake of the appreciation of the dollar and capital outflows from India, triggered by the rise in inflation and rate hikes by the United States.

With this, forex reserves have dived by \$62.4 billion from the record high of \$642.45 billion on September 3, 2021. A major reason for the decline in forex reserves is capital outflows by foreign portfolio investors (FPIs) as the US Federal Reserve started the monetary policy tightening and interest rate hikes.

As the value of the rupee fell to 79.88 against the dollar by Friday, the RBI reportedly prevented the domestic currency from falling below 80 by selling dollars in the last two days.

Government sources said that the Reserve Bank of India (RBI) is regularly monitoring the forex market and intervenes in situations of undue volatility. “For its interventions, it uses its foreign exchange reserves which continue to be at comfortable levels”.

Food security: G20 finance chiefs reach ‘strong consensus’ (Page no. 13) (GS Paper 3, Economy)

The Group of 20 major economies' finance chiefs reached what one called a "strong consensus" on issues including global food security at a two-day meeting in Indonesia but remained divided over Russia's war in Ukraine.

Western countries have enforced strict sanctions on Russia, accusing it of war crimes in Ukraine that Moscow denies. Other G20 nations, including China, India and South Africa, have been more muted in their response.

This is a challenging time because Russia is part of the G20 and doesn't agree with the rest of us on how to characterize the war.

Indonesian central bank governor Perry Warjiyo on Saturday urged member countries to stay focussed on goals of global economic recovery as Russia's invasion - which it calls a "special military operation" - overshadows successive rounds of multilateral talks.

We are in a rudderless moment in the world economy with the G20 paralysed by Putin's war and the G7 unable to lead on global public goods.

Indonesian Finance Minister Sri Mulyani, who chaired the two-day meeting, had hoped delegates could jointly address rising commodity prices, an escalating food-security crisis and the spillover effects on the ability of low-income countries to repay debt.

G20 members pulled together at the start of the pandemic, but initiatives to cushion the shock for heavily indebted poor countries failed to produce significant results.

Western countries, concerned about the lack of transparency in China's lending, were pressuring Beijing to restructure debt contracts and transform its role to "one that (contributes) to the country rather than to one of indebtedness and servitude.