



“ We help you reach for the star ”

VIDHVATH IAS KAS ACADEMY & STUDY CENTRE

DAILY CURRENT AFFAIRS

FOR UPSC CIVIL SERVICE EXAMINATION

DATE: 3/11/2025 (MONDAY)



9972258970 & 9740702455

**#317/A SKB Arcade, D. Subbaiah Road,
Ramaswamy Circle, Mysuru-570004**



Table of Contents

1. States' Interest-Free Capex Loan May Rise 15% in FY27	2
2. ISRO Launches Its Heaviest Satellite CMS-03 (GSAT-7R) into Orbit	4
3. India's Rare Earth Magnets Plan Draws Global Suppliers	6
4. Indian Women Script History, Clinch Maiden ODI World Cup Title	8
5. Engage the Taliban, Don't Recognise Them – India's Strategic Dilemma in Afghanistan	10
6. The Vision of Model Youth Gram Sabhas – Revitalising Grassroots Democracy in India	13
7. The Pitfalls of Climate Alarmism – A Critical Analysis of Bill Gates's Shift in Climate Discourse	15
8. Coal India Chief Calls for Business Reform – Transforming the Energy Giant for a Green Future	17
9. Rupee Stablecoins – Is It Time to Allow Their Use?	20
10. Bihar Elections – Between Welfare Dependency and Governance Reform.....	22



1. States' Interest-Free Capex Loan May Rise 15% in FY27

1. Overview of the Scheme – SASCI (Special Assistance to States for Capital Investment)

- The **Special Assistance to States for Capital Investment (SASCI)** is a **50-year, interest-free loan scheme** launched by the **Central Government in FY21** to boost public investment and support states' **capital expenditure (capex)** after the COVID-19 pandemic.
- The scheme incentivizes states to undertake **infrastructure development and reform-linked projects**, promoting long-term fiscal strength and economic growth.
- The Centre is likely to **increase the allocation by 10–15% in FY27**, despite only **one-third utilization (₹50,000 crore of ₹1.5 trillion)** so far in FY26.

2. Current Utilization and Disbursement Pattern

- As of **October 2025**, about **₹50,000 crore** has been disbursed out of the **₹1.5 trillion** FY26 outlay.
- A major **pick-up in disbursement** is expected between **November and March**, as more states fulfill **reform-linked milestones**.
- **Key reform areas include:**
 - Improvement in citizen services
 - Strengthening of urban local bodies
 - Power distribution reforms
 - Asset monetisation initiatives
- Around **₹60,000 crore** of this year's allocation is **linked to reforms**, while the rest can be used freely for **core capital works**.



3. Historical and Financial Context

Financial Year	Allocation (₹ Crore)	Reform-linked Amount (₹ Crore)	Key Notes
FY21	12,000	—	Launched post-pandemic
FY22	15,000	—	Support for recovery
FY23	1,07,000	27,000	Focus on urban planning & power sector
FY24	1,30,000	30,000	Outcome-based reforms added
FY25–FY26	1,50,000	60,000 (FY26)	Steady allocation
FY27 (Proposed)	1,65,000–1,70,000	TBD	Expected 10–15% increase

- The consistent rise in allocation shows the government's emphasis on **infrastructure-led growth** as a driver of national development.

4. Rationale and Strategic Importance

- Ensures **sustained public capital expenditure** even when private investment remains sluggish.



- Responds to **state demands** for higher allocations, especially those impacted by **floods and natural disasters** (e.g., Punjab).
- The reform-linked component enhances **fiscal discipline, transparency, and accountability** in state finances.
- Boosts **long-term asset creation**, thereby stimulating **employment and economic resilience**.

5. Constitutional and Legal Framework

- **Article 293 of the Constitution:** Regulates **state borrowing** and allows the Centre to extend financial assistance under prescribed conditions.
- **Fiscal Responsibility and Budget Management (FRBM) Act:** Promotes **fiscal prudence** and limits unproductive borrowing by states.
- **Finance Commission Recommendations:** Support **cooperative federalism** by aligning central aid with fiscal and governance reforms.
- The SASCI scheme thus operates within a **federal framework**, combining **fiscal autonomy** with **reform-based accountability**.

6. Economic Implications and Future Outlook

- Economists expect **stronger utilization** in the second half of FY26 as states adjust to **GST rationalisation** and fiscal constraints ease.
- The **proposed FY27 increase** will further **stimulate infrastructure spending**, create jobs, and crowd-in private investment.
- SASCI marks a strategic shift from **short-term relief** to **long-term capital formation**, reinforcing India's goal of **sustainable growth and fiscal stability**.

Conclusion

The SASCI scheme has become a **cornerstone of India's public investment strategy**, enabling states to undertake large-scale infrastructure projects through **interest-free, long-tenure loans**. While disbursement has been slow in FY26, the proposed **15% hike in FY27** demonstrates the Centre's commitment to sustaining the **public capex momentum**. Going forward, success will depend on **timely reform implementation, efficient fund utilization, and alignment with national growth objectives**.

UPSC Relevance

GS Paper 2: Centre–State Relations, Cooperative Federalism

GS Paper 3: Indian Economy – Investment Models, Infrastructure, Fiscal Policy, and FRBM Act

GS Paper 4 (Ethics): Fiscal Responsibility and Accountability in Governance

Key Terms for UPSC:

- **Capital Expenditure (Capex):** Spending on creation of assets such as infrastructure, buildings, and machinery.
- **Fiscal Federalism:** Financial relations between the Centre and States.
- **FRBM Act:** Law ensuring fiscal responsibility and budgetary discipline.
- **SASCI Scheme:** 50-year, interest-free central loan to states for capital investment.



- **Infrastructure-led Growth:** Economic growth driven by public investment in physical infrastructure.

2. ISRO Launches Its Heaviest Satellite CMS-03 (GSAT-7R) into Orbit

1. Overview of the Mission

- The **Indian Space Research Organisation (ISRO)** successfully launched **CMS-03 (GSAT-7R)** — the **heaviest communication satellite** ever launched from Indian soil.
- The launch took place on **Sunday at 5:26 PM** from the **Satish Dhawan Space Centre, Sriharikota**, using the **LVM3-M5 (Launch Vehicle Mark-3)** rocket, nicknamed “**Bahubali**.”
- The **4,410 kg** satellite was placed into the **Geosynchronous Transfer Orbit (GTO)** at **5:46 PM**, marking another significant milestone for India’s space program.

2. Technical and Operational Details

- The LVM3-M5 vehicle is an **indigenously developed three-stage heavy-lift launcher**, consisting of:
 - Two **S200 solid boosters**
 - A **twin liquid engine stage (L110)** using 115.9 tonnes of propellant
 - A **fully indigenous cryogenic stage (C25)** with 28.6 tonnes of propellant
- The mission was conducted amid challenging weather conditions due to **Cyclone Montha**, demonstrating ISRO’s operational precision.
- The satellite has an **expected operational life of 15 years**, ensuring long-term communication support.



3. Strategic and Defence Significance

- The **CMS-03 (GSAT-7R)** satellite is designed specifically for the **Indian Navy**, enhancing **space-based communication, network-centric operations, and maritime domain awareness**.
- It will cover a **wide oceanic region including the entire Indian landmass**, supporting secure naval communication and surveillance.
- It replaces and upgrades the **earlier GSAT-7 (Rukmini)** series, forming part of India’s **defence communication architecture** for tri-services coordination.
- The mission strengthens **India’s strategic deterrence and operational readiness** in the Indo-Pacific region, especially amid increasing maritime challenges.

4. Technological Achievements and Experimentation

- This mission marked the **fifth operational flight** of the **LVM3** launch vehicle, whose previous flight successfully launched **Chandrayaan-3**, making India the **first country to land near the lunar south pole**.
- A key technological highlight was the **successful reignition of the C-25 cryogenic stage** after injecting the satellite — a first for India.



- This capability allows **multi-orbit deployment and space manoeuvrability**, enhancing ISRO's future **deep-space and interplanetary mission potential**.
- The mission reflects India's progress toward **self-reliant and advanced cryogenic technology**, a key component for heavy payload and deep-space missions.

5. Constitutional, Policy, and Legal Framework

- **Article 51 & 51A(h) of the Constitution:** Encourage the development of **scientific temper and technological advancement**.
- **Space Activities Bill (Draft, 2017):** Provides for regulation and authorisation of space activities by non-governmental entities under ISRO's supervision.
- The mission aligns with the objectives of the **Indian National Space Promotion and Authorization Centre (IN-SPACe)** to enhance **public-private partnership** in space missions.
- The **Defence Space Agency (DSA)** and IN-SPACe jointly leverage such launches to strengthen **national security and dual-use space assets**.

6. Strategic and Economic Implications

- Reinforces India's **self-reliance (Atmanirbharta)** in high-end space technology and satellite manufacturing.
- Enhances **India's global standing as a space-faring nation**, capable of executing complex and heavy satellite launches indigenously.
- The CMS-03 mission underlines India's **dual focus on civilian communication expansion and defence readiness**, making space assets a critical pillar of **national infrastructure**.
- The **success of LVM3** also boosts India's prospects in the **commercial satellite launch market**, providing a cost-effective option for global clients.

Conclusion

The successful launch of **CMS-03 (GSAT-7R)** showcases India's growing prowess in **space technology, defence communication, and cryogenic engine capability**. It reaffirms ISRO's role as a cornerstone of India's **strategic autonomy and technological self-reliance**. Beyond strengthening naval operations, it also marks India's readiness for **advanced space missions** and multi-orbit operations. The mission's success underlines India's ascent as a **leading space-faring nation**, blending innovation, resilience, and strategic foresight.

UPSC Relevance

GS Paper 3: Science & Technology – Developments in Space Technology, Indigenous Innovation, Cryogenic Engines, and Defence Applications

GS Paper 2: National Security and Defence Preparedness, Technological Diplomacy

Essay Paper: India's Emergence as a Space Power

Key Terms for UPSC:

- **LVM3 (Launch Vehicle Mark-3):** India's heaviest rocket capable of launching 4–8 tonne payloads into GTO.
- **Cryogenic Engine (C25):** A rocket engine using super-cooled liquid hydrogen and oxygen for high efficiency.



- **GSAT-7R / CMS-03:** Communication satellite for the Indian Navy's secure communication network.
- **Geosynchronous Transfer Orbit (GTO):** An elliptical orbit used as an intermediate step for placing satellites in geostationary orbit.
- **Maritime Domain Awareness (MDA):** The effective understanding of maritime activities impacting security and operations.
In Essence: The CMS-03 mission embodies India's scientific excellence, defence modernization, and space diplomacy ambitions, representing a major leap toward a secure and self-reliant space future.

3. India's Rare Earth Magnets Plan Draws Global Suppliers

1. Overview of the Initiative

- The **Government of India** is finalizing a **₹7,300 crore Rare Earth Magnet Manufacturing Scheme** to boost domestic production of **rare earth magnets**, which are critical for electric vehicles (EVs), renewable energy, defence, and electronics.
- Global mining giants such as **Lynas Rare Earths Ltd (Australia)**, **Iluka Resources Ltd (Australia)**, and **Rainbow Rare Earths Ltd (UK)** have expressed interest in **supplying rare earth oxides** to Indian manufacturers.
- The initiative is part of India's broader push to **reduce dependence on China**, which currently dominates the global rare earth supply chain (over 80% of global production).

2. Details of the Scheme and Industrial Framework

- The scheme, managed by the **Union Ministry of Heavy Industries** through **Bharat Heavy Electricals Ltd (BHEL)**, will support **five key players**, each investing a minimum of **₹200 crore**.
- The selected companies will receive **incentives up to 15%** of their total investment.
- Approximately **2,000 tonnes of rare earth oxides** will be sourced annually, sufficient to produce **6,000 tonnes of rare earth magnets**.
- The incentives will be provided to firms having **end-to-end magnet manufacturing capability** — from processing oxides to producing final magnets.



3. Technological and Economic Importance of Rare Earth Magnets

- **Rare earth magnets** are the **strongest type of permanent magnets**, primarily composed of **Neodymium-Iron-Boron (NdFeB)** and **Samarium-Cobalt (SmCo)** alloys.
- They are essential components in:
 - **Electric vehicle (EV) motors**
 - **Wind turbines**
 - **Defence systems and missiles**
 - **Medical imaging equipment**
 - **Consumer electronics (mobile phones, computers, etc.)**



- By developing domestic capacity, India aims to secure its **energy transition supply chain**, strengthen **manufacturing self-reliance (Atmanirbhar Bharat)**, and create **strategic industrial capabilities**.

4. Global and Strategic Context

- The interest of Lynas, Iluka, and Rainbow reflects a **global shift to diversify rare earth supply chains away from China**.
- **Lynas Rare Earths** operates the **Mount Weld mine (Australia)** and a **refinery in Malaysia**, producing both light and heavy rare earth oxides.
- **Iluka Resources** holds a **1 million-tonne stockpile** of rare earth-bearing concentrate in Western Australia.
- **Rainbow Rare Earths** is developing **Phalaborwa (South Africa)** and **Uberaba (Brazil)** projects, recovering rare earths from phosphogypsum waste.
- India's collaboration with such firms aligns with its goal to emerge as a **global hub for critical mineral processing and advanced manufacturing**.

5. Constitutional, Legal, and Policy Framework

- **Article 39(b)** of the Constitution directs the state to ensure that material resources are distributed to serve the common good — forming a legal foundation for resource-based industrial policies.
- **Mines and Minerals (Development and Regulation) Act, 1957 (MMDR Act)** empowers the government to regulate mineral exploration, including rare earth extraction.
- The **National Mineral Policy, 2019**, emphasizes strategic minerals' role in **energy transition and defence preparedness**.
- The initiative aligns with **India's Production Linked Incentive (PLI)** framework, promoting domestic value addition and **technological self-reliance**.

6. Current Domestic Capacity and Future Outlook

- **Indian Rare Earths Ltd (IREL)**, a state-owned enterprise, is currently the **sole refiner of rare earths** in India with a **capacity of 1,500 tonnes annually**, and plans to expand further.
- The new scheme aims to bridge the **supply-demand gap**, attract **foreign partnerships**, and establish a **robust ecosystem for rare earth processing**.
- With increasing demand from EVs, renewable energy, and defence, India's rare earth magnet program will play a **crucial role in securing strategic autonomy and reducing import dependency**.

Conclusion

India's **Rare Earth Magnet Manufacturing Scheme** represents a strategic industrial step toward building a **self-reliant, high-technology ecosystem** essential for future energy and defence needs. By collaborating with global suppliers while incentivizing domestic firms, India seeks to **diversify its mineral base, counter China's monopoly**, and **position itself as a key player in the global rare earth value chain**. The initiative bridges the gap between **industrial policy and strategic security**, driving innovation-led economic resilience.



UPSC Relevance

GS Paper 3: Science & Technology; Economic Development; Resource Mobilization; Industrial Policy; Energy and Mineral Resources

GS Paper 2: International Relations; Strategic Partnerships; Industrial Diplomacy

GS Paper 1: Economic Geography – Distribution of Key Minerals

Key Terms for UPSC:

- **Rare Earth Elements (REEs):** A group of 17 metallic elements vital for advanced technologies and clean energy systems.
- **Rare Earth Magnets (NdFeB, SmCo):** The strongest permanent magnets used in modern industrial applications.
- **Atmanirbhar Bharat:** India's self-reliance initiative emphasizing domestic production of strategic materials.
- **MMDR Act, 1957:** Primary legislation governing mining and mineral development in India.
- **Critical Minerals:** Minerals essential for economic security and national defence (e.g., lithium, cobalt, rare earths).
In Essence: India's rare earth magnet initiative is a **strategic and economic imperative**, fostering **industrial independence, supply chain security, and technological sovereignty** in the global green economy era.

4. Indian Women Script History, Clinch Maiden ODI World Cup Title

1. Historic Achievement and Context

- The **Indian Women's Cricket Team**, led by **Captain Harmanpreet Kaur**, made history by winning their **first-ever Women's ODI World Cup title** in **Navi Mumbai** by defeating **South Africa by 52 runs**.
- This victory marks a **turning point in Indian women's cricket**, symbolizing the fruition of years of structural reforms, professional exposure, and growing parity with men's cricket.
- The triumph reflects **India's rise as a global powerhouse** in women's sports, both in terms of talent depth and institutional support.



2. Journey to Victory and Team Performance

- The win is the culmination of **consistent progress since the 2017 ODI World Cup**, where India reached the final but lost to England. That campaign laid the foundation for women's cricket reform in India.
- Key performers included **Shafali Verma**, who scored a half-century and took two crucial wickets in the final, and **Smriti Mandhana, Deepti Sharma, Jemimah Rodrigues, Richa Ghosh, and Amanjot Kaur**, who delivered match-winning performances throughout the tournament.
- The team overcame early setbacks in the league stage, displaying resilience and adaptability in high-pressure knockout matches.



3. Institutional Growth and Policy Support

- The **Board of Control for Cricket in India (BCCI)** and the **Government of India** have significantly strengthened the women's game through:
 - **Parity in match fees** with men cricketers (announced in 2022).
 - Introduction of the **Women's Premier League (WPL)** — a professional T20 franchise tournament boosting visibility and income.
 - Increased **international fixtures, grassroots investment**, and improved infrastructure.
- These measures align with **Article 14 (Equality before law)** and **Article 39(a)** of the **Constitution**, emphasizing equal opportunity in all professions, including sports.
- The win underscores the success of **gender-inclusive policies** in Indian sports governance.

4. Societal and Cultural Significance

- The victory holds symbolic importance in advancing **gender equality and empowerment** through sports.
- Women athletes, who historically faced limited recognition, now serve as **national role models** inspiring participation in sports across rural and urban India.
- The match, attended by legends like **Mithali Raj, Jhulan Goswami, and Diana Edulji**, represents a **generational bridge** between pioneers and new champions.
- It strengthens India's commitment to the **UN Sustainable Development Goal (SDG) 5: Gender Equality**, promoting inclusivity in all sectors, including sports.

5. Broader Impact on Indian Sports Ecosystem

- The World Cup win is expected to **boost investment, sponsorship, and media coverage** in women's cricket and other female sporting disciplines.
- It reflects India's evolving sports ecosystem where **female athletes are key contributors to global success** — following similar milestones in **badminton, boxing, wrestling, and hockey**.
- The event reaffirms India's position as a **sports diplomacy leader**, leveraging women's sports to enhance soft power and global image.
- The government's **Khelo India** and **TOPS (Target Olympic Podium Scheme)** initiatives have been instrumental in identifying and nurturing women athletes.

6. Constitutional, Legal, and Institutional Framework

- **Article 21A & Directive Principles (Art. 39(f))** encourage the development of physical education and sports for youth.
- The **National Sports Policy (2001)** and **Draft National Sports Development Bill** aim to promote inclusivity and professionalization in sports.
- The **Right to Equality (Article 14)** and **Equal Remuneration Act, 1976** uphold fairness in compensation, reflected in BCCI's pay parity reforms.
- The **Ministry of Youth Affairs & Sports** and the **Sports Authority of India (SAI)** play a pivotal role in supporting women athletes through training, exposure, and financial grants.



Conclusion

India's maiden Women's ODI World Cup victory marks a **watershed moment in the nation's sporting history**, embodying perseverance, equality, and excellence. It is not only a triumph on the field but also a **victory for women's empowerment, institutional reform, and national pride**. The achievement reinforces that with equal opportunity, Indian women can dominate globally in any arena. This milestone sets a precedent for future generations and cements India's legacy as a **champion of gender parity in sports**.

UPSC Relevance

GS Paper 1: Role of women and women's organization; Social empowerment; Developmental achievements

GS Paper 2: Government policies and interventions for vulnerable sections; Role of statutory and regulatory bodies (BCCI, SAI)

GS Paper 4 (Ethics): Values of determination, equality, and teamwork; Sportsmanship and integrity

Key Terms for UPSC:

- **Women's Empowerment:** Expanding women's access to opportunities, resources, and decision-making.
- **Gender Parity in Sports:** Equal treatment, remuneration, and opportunity for male and female athletes.
- **Women's Premier League (WPL):** Professional cricket league for women, launched in 2023.
- **Sports Diplomacy:** Using sports to improve international relations and national image.
In Essence: The historic **World Cup win by Indian women** symbolizes the nation's **gender-inclusive growth**, showcasing that structural reforms, equal opportunities, and perseverance can turn aspiration into achievement — a model lesson in **empowerment and excellence** for India's future.

5. Engage the Taliban, Don't Recognise Them – India's Strategic Dilemma in Afghanistan

1. Background and Context

- The **Taliban's return to power in Afghanistan (August 2021)** reshaped South Asia's geopolitical dynamics, especially for **India and Pakistan**.
- Historically, the **Taliban were clients of Pakistan's military establishment**, but tensions have since resurfaced between the two neighbours over **border disputes, cross-border militancy, and strategic control**.
- Against this backdrop, **India has cautiously re-engaged with the Taliban regime**, reopening its diplomatic mission in Kabul and exploring limited cooperation, while maintaining a **non-recognition stance**.
- The visit of **Taliban Foreign Minister Amir Khan Muttaqi to India** in 2025 marked the **highest-level contact** between New Delhi and the Taliban, reflecting India's calibrated diplomacy.





2. India's Strategic Objectives in Afghanistan

- **Protect Economic and Developmental Investments:** India invested over **\$3 billion** in infrastructure, education, and health projects in Afghanistan between 2001–2021 (e.g., Salma Dam, Zaranj-Delaram Highway, Parliament Building).
- **Prevent Terrorist Safe Havens:** India seeks to ensure that **Afghan territory is not used by anti-India terror groups** such as **Lashkar-e-Taiba (LeT), Jaish-e-Mohammad (JeM), and the Haqqani Network**.
- **Counter Pakistan's Strategic Depth:** India aims to prevent the Taliban from becoming a **proxy of Pakistan**, which could extend Islamabad's influence westward.
- To achieve these, New Delhi has adopted a **policy of conditional and gradual engagement**—offering humanitarian aid and project revival while withholding formal recognition.

3. Current Geopolitical Landscape

- Pakistan's **deteriorating ties with the Taliban** have opened diplomatic space for India to expand its outreach.
- Meanwhile, **China and Russia** have already recognised or exchanged ambassadors with the Taliban regime, seeking influence in the region.
- However, despite relative calm, **Afghanistan's internal fragility** persists. The economy has shrunk by one-third since 2021, with **over 22 million Afghans needing humanitarian aid**.
- The Taliban's rigid **Pashtun-dominated regime** continues severe repression—especially the **ban on girls' education, restriction on women's employment**, and limited ethnic inclusion—raising questions about long-term stability.

4. Terrorism, Security Concerns, and the Taliban's Deep Networks

- The Taliban's leadership, particularly the **Haqqani Network**, maintains ties with **transnational jihadist organisations**, including **al-Qaeda, Pakistani Taliban (TTP), Jaish-e-Mohammad, and Lashkar-e-Taiba**.
- The **UN Security Council Monitoring Group (2024)** reported the existence of **safe houses and training camps** across Afghanistan, with the Taliban acting as “the primary partner” of multiple foreign terror groups.
- While the Taliban claim to prevent foreign militant activity, their historical and ideological links to jihadist networks make this claim questionable.
- The only group currently opposed to the Taliban is the **Islamic State – Khorasan Province (IS-KP)**, which poses a transnational terror threat to South and Central Asia.

5. Legal, Constitutional, and Policy Framework for India's Approach

- India's **foreign policy principles**—guided by **Article 51(c)** of the Constitution (promotion of international peace and security)—encourage constructive engagement without endorsing undemocratic regimes.
- **UN Charter obligations, SAARC Regional Cooperation goals, and India's Neighbourhood First Policy** emphasize diplomacy and regional stability over ideological alignment.



- India's engagement aligns with **realpolitik**—balancing moral values (support for democracy, human rights) with **strategic interests** (counter-terrorism and regional security).
- India's stance is also consistent with its **non-recognition policy toward regimes lacking inclusivity and international legitimacy**, while still maintaining **humanitarian and developmental engagement**.

6. Strategic Assessment and Way Forward

- Recognising the Taliban prematurely would **legitimise their repressive governance**, weaken international leverage for reform, and risk normalising extremist politics.
- However, continued **limited engagement**—such as economic aid, people-to-people exchanges, and infrastructure cooperation—serves India's **long-term influence and intelligence objectives**.
- India should use **multilateral forums (UN, SCO, SAARC, Heart of Asia Process)** to push for **inclusive governance, women's rights, and anti-terror assurances** from Kabul.
- India must remain vigilant that the **enemy's enemy (Taliban)** does not turn into **an enemy of India**, as historical patterns show volatility in Afghan politics and militant allegiances.

Conclusion

India's approach to Afghanistan under the Taliban regime must balance **strategic pragmatism with moral caution**. Engagement is necessary to safeguard India's interests and counter Pakistan's regional dominance, but **formal recognition** of the Taliban's "Islamic Emirate" would undermine India's democratic ethos and international credibility. The road ahead lies in **sustained engagement without endorsement**—linking cooperation to human rights, gender equality, and counter-terror commitments. **India's long-term interest lies not in the Taliban's guns, but in Afghanistan's stability through economic recovery and political inclusion.**

UPSC Relevance

GS Paper 2: International Relations – India and its Neighbourhood; Foreign Policy; India-Afghanistan Relations; Global Terrorism

GS Paper 3: Internal Security – Cross-border Terrorism; Regional Stability; Counter-terrorism Cooperation

Ethics Paper (GS 4): Realpolitik vs. Moral Diplomacy – Balancing National Interest with Ethical Conduct

Key Terms for UPSC:

- **Strategic Depth:** A nation's use of neighbouring territory for security and military advantage.
- **Realpolitik:** Foreign policy based on practical interests rather than ideological principles.
- **Conditional Engagement:** Diplomatic approach involving limited cooperation based on specific conditions.
- **Haqqani Network:** A Taliban-affiliated militant faction with strong ties to al-Qaeda and Pakistan's ISI.
- **Islamic State – Khorasan (IS-KP):** Afghanistan-based affiliate of the Islamic State group, opposing the Taliban regime.

In Essence: India's Afghan policy represents a **delicate equilibrium**—to **engage without endorsing**, to **influence without legitimising**, and to **pursue stability without compromising national values or security interests**.



6. The Vision of Model Youth Gram Sabhas – Revitalising Grassroots Democracy in India

1. Gram Sabha: The Foundation of Participatory Democracy

- The **Gram Sabha**, defined under **Article 243A of the Constitution** (introduced by the **73rd Constitutional Amendment Act, 1992**), is the **cornerstone of India's Panchayati Raj system**. It comprises all registered voters of a village and acts as a **forum for direct decision-making** on budgets, development plans, and welfare priorities.
- It represents the **purest form of democracy**—direct, participatory, transparent, and accountable—where citizens deliberate and decide collectively on matters affecting their lives.
- Despite its constitutional sanctity, **awareness and participation in Gram Sabhas remain limited**, primarily due to poor civic education and lack of aspirational value among youth.



2. The Challenge: Disconnect Between Youth and Local Governance

- Indian education systems emphasize **Parliamentary and global institutions** such as the **Lok Sabha, Vidhan Sabha, and the UN**, while neglecting **Panchayati Raj Institutions (PRIs)**, which form the **bedrock of Indian democracy**.
- As a result, most youth view local governance as administrative rather than participatory, leading to **low civic engagement** at the grassroots.
- To realize the vision of “**Viksit Bharat**” (**Developed India**), it is essential to make the **Gram Sabha aspirational**, empowering **youth, women, and farmers** to actively engage in local decision-making.

3. The Initiative: Model Youth Gram Sabha (2025)

- To bridge this educational and civic gap, the **Ministry of Panchayati Raj**, in collaboration with the **Ministry of Education, Ministry of Tribal Affairs, and the Aspirational Bharat Collaborative**, launched the **Model Youth Gram Sabha** in 2025.
- The program simulates **real Gram Sabha proceedings** in schools, where students act as **Sarpanch, ward members, health workers, engineers, etc.**, deliberating on village budgets, development projects, and welfare issues.
- Phase 1 includes **1,000 schools across 28 States and 8 Union Territories**, covering **600 Jawahar Navodaya Vidyalayas, 200 Eklavya Model Residential Schools, and Zilla Parishad schools**. Over **1,200 teachers** have already been trained by **126 master trainers** to conduct the simulations.
- Successful pilots in **Baghpat (Uttar Pradesh)** and **Alwar (Rajasthan)** demonstrated strong youth engagement, with more than **300 students participating** in mock Gram Sabha sessions.

4. Educational and Democratic Significance

- The Model Youth Gram Sabha aims to **transform civics education into lived democratic experience** by linking classroom learning with real governance structures.
- Students learn **deliberation, consensus-building, and resolution-passing**—skills essential for responsible citizenship and leadership.



- This initiative parallels global educational programs like the **Model United Nations (MUN)** but localizes the focus to **village-level democracy**, promoting **civic pride and local leadership** rather than only global citizenship.
- By engaging youth early, the initiative seeks to **foster awareness of rights, duties, and accountability**, preparing them to contribute meaningfully to India's democratic institutions.

5. Constitutional, Legal, and Policy Framework

- **73rd Constitutional Amendment Act (1992)**: Institutionalized **Panchayati Raj** as a three-tier system of local governance, empowering Gram Sabhas as constitutional bodies.
- **Article 40 (Directive Principles of State Policy)**: Directs the State to organize **village panchayats** and endow them with powers to function as units of self-government.
- **Article 243A**: Empowers Gram Sabhas to approve plans, budgets, and social justice initiatives.
- **National Education Policy (NEP) 2020**: Promotes **experiential and participatory learning**, aligning with the objectives of the Model Youth Gram Sabha.
- The initiative also aligns with **Sustainable Development Goal (SDG) 16 – Peace, Justice, and Strong Institutions**, promoting **inclusive and accountable governance**.

6. Vision for the Future and Long-term Impact

- The Model Youth Gram Sabha can redefine **civic education** and **youth participation**, making governance an aspirational career path.
- A student who once chaired a Youth Gram Sabha may grow up valuing **grassroots democracy** as much as parliamentary governance.
- By expanding the program to **all schools and colleges**, India can create a generation of **democratically aware, locally active, and socially responsible citizens**.
- The success of “Viksit Bharat” will depend not only on policy but also on **citizens who view governance as a shared responsibility**, rooted in community participation.

Conclusion

The **Model Youth Gram Sabha initiative** marks a paradigm shift in India's democratic evolution — from **representative to participatory governance**. By familiarizing students with local self-government, it plants the seeds of **civic responsibility, inclusivity, and accountability** early in life. This model has the potential to **reinvigorate rural democracy**, bridge the gap between citizens and governance, and build a **self-reliant, participatory India** where democracy is lived, not just learned.

UPSC Relevance

GS Paper 2: Governance, Constitution – 73rd Amendment, Panchayati Raj Institutions, Citizen Participation

GS Paper 4 (Ethics): Civic Responsibility, Participatory Governance, Ethical Leadership

Essay Paper: “Grassroots Democracy: The Foundation of India's Democratic Ethos”

Key Terms for UPSC:

- **Gram Sabha**: Assembly of all registered voters in a village, empowered under Article 243A to deliberate on governance and development.



- **Panchayati Raj System:** Three-tier local governance structure comprising Gram Panchayat, Panchayat Samiti, and Zilla Parishad.
- **Participatory Democracy:** System where citizens directly engage in decision-making processes.
- **Viksit Bharat:** Vision of a developed and self-reliant India emphasizing inclusive growth and citizen-led governance.
- **Model Youth Gram Sabha:** Educational simulation of Gram Sabha sessions aimed at youth empowerment and civic awareness.
In Essence: The **Model Youth Gram Sabha** transforms India’s democratic landscape by making **local governance a lived experience**, ensuring that the future of India’s democracy begins in its villages — **empowered, participatory, and self-reliant**.

7. The Pitfalls of Climate Alarmism – A Critical Analysis of Bill Gates’s Shift in Climate Discourse

1. Background and Evolution of Bill Gates’s Climate Narrative

- For over a decade, **Bill Gates** has been one of the most influential voices in global climate discourse, bridging **science, technology, capital, and philanthropy** in a **technocratic framework**.
- Between **2019–2021**, Gates’s messaging focused on **climate alarmism**, warning of collapsing ecosystems, mass displacement, and the urgent need for net-zero emissions.
- While this alarmism helped **mobilize short-term public concern**, it often overstated the sense of catastrophic inevitability, neglecting **human resilience and adaptive capacity**—eventually leading to **public fatigue and political backlash**.
- In his recent statements, Gates has **shifted toward moderation**, arguing that **climate change, though serious, will not threaten human survival**, and that **reducing poverty and improving health** may better equip vulnerable populations to adapt.

2. Gates’s Technocratic Approach and Its Limitations

- Gates’s philosophy is rooted in **technological optimism**—the belief that **innovation and market-driven solutions** can decouple economic growth from emissions.
- His model emphasizes **clean energy research, carbon capture, and green industrial technologies** while often downplaying **social, political, and structural aspects** of the climate crisis.
- Critics argue that this **philanthrocapitalist approach**, where private wealth shapes global policy priorities, risks **bypassing democratic processes** and **marginalizing local or community-based adaptation models**.
- His funding strategies, while impactful, reflect a form of “**climate managerialism**”, where the problem is treated as an engineering challenge rather than a systemic socio-political issue.



3. The Data Gap: Misplaced Optimism on Emission Reduction

- Gates’s recent claim that the world has made significant progress in reducing emissions is **not strongly supported by empirical data**.



- According to the **Global Carbon Project (2024)**:
 - Global fossil fuel emissions reached **record highs in 2022–2024**, though growth slowed to **0.5% annually** (from 3% in the 2000s).
 - Land-use emissions declined by **28% since the 1990s**, yet this progress is outweighed by rising emissions from **China, India, and developing economies**.
- Further, **data uncertainty** due to incomplete information on **forest degradation and land-use change** creates large error margins, making it premature to claim progress.
- Thus, while emission growth has slowed, **absolute reductions remain elusive**, challenging Gates's optimism about technological sufficiency.

4. The Risks of Narrative Extremes: Alarmism vs. Complacency

- Gates's shift from alarmism to moderation exemplifies the **risks of polarized narratives** in climate communication.
- **Alarmism**, while mobilizing urgency, risks creating **public anxiety, fatalism, and eventual disillusionment** when the promised "end of the world" fails to materialize.
- Conversely, **overcorrection toward moderation** may be misused by **climate denialists** (as seen with Donald Trump's claim of "winning the war on climate change") to justify inaction.
- Effective climate communication must balance **scientific accuracy with public engagement**, emphasizing both **mitigation urgency** and **adaptive potential**, without drifting into extremes.

5. Constitutional, Legal, and Global Frameworks on Climate Responsibility

- **Article 48A of the Indian Constitution** (Directive Principles) mandates the **State to protect and improve the environment**.
- **Article 51A(g)** places a **fundamental duty** on every citizen to safeguard natural resources.
- India's approach to climate governance aligns with the **Paris Agreement (2015)** and its **Nationally Determined Contributions (NDCs)** under the UNFCCC, emphasizing climate justice, equity, and sustainable development.
- Gates's individual-driven approach contrasts with the **multilateral and justice-oriented frameworks** of developing nations, which emphasize **common but differentiated responsibilities (CBDR)** and the **right to sustainable growth**.

6. Broader Implications and Lessons for Global Climate Policy

- Gates's evolving position highlights a deeper **epistemic tension between technology-led and justice-led climate paradigms**.
- While innovation is crucial, **climate action must be holistic**, addressing **social equity, governance reform, and lifestyle change** alongside scientific solutions.
- The emphasis on **philanthropic leadership** must not replace **collective, democratic, and policy-driven responses** to climate change.
- The episode also reflects the challenge of **elite-led climate discourse**, which can distort public understanding by framing complex systemic issues as technical management problems.



Conclusion

Bill Gates's shift from **alarmist urgency to cautious moderation** reveals both the power and pitfalls of elite-driven climate narratives. While technological solutions are indispensable, **climate change cannot be "engineered away"** without systemic transformation in global production, consumption, and governance. Both **extreme alarmism and complacent optimism** are counterproductive; what is needed is **balanced realism**—one that recognizes scientific urgency, economic adaptation, and social justice as equally vital pillars of climate policy. Effective climate communication must empower citizens, not overwhelm or pacify them.

UPSC Relevance

GS Paper 3: Environment and Ecology; Climate Change; Sustainable Development; Technology and Climate Policy

GS Paper 2: Governance; Global Cooperation; Role of Non-State Actors and Philanthropy in Policy

Essay Paper: "Technology, Ethics, and Climate Change – Balancing Innovation with Responsibility"

Key Terms for UPSC:

- **Climate Alarmism:** Overstating catastrophic climate impacts to invoke urgency, often leading to public fatigue.
- **Technocratic Approach:** Reliance on expert-driven, technical solutions with limited public participation.
- **Philanthrocapitalism:** Use of private wealth and corporate models in addressing global social issues.
- **Carbon Decoupling:** The process of separating economic growth from carbon emissions.
- **Common but Differentiated Responsibilities (CBDR):** Principle recognizing that developed and developing countries have different capabilities and responsibilities in combating climate change.
In Essence: Climate discourse must evolve beyond binaries of panic and passivity. The real challenge lies in achieving **climate realism**—a balanced synthesis of science, equity, and democratic participation to ensure both planetary and human survival.

8. Coal India Chief Calls for Business Reform – Transforming the Energy Giant for a Green Future

1. Context and Need for Transformation

- Newly appointed **Chairman of Coal India Ltd (CIL), Sanoj Kumar Jha**, has called for a complete **overhaul of the company's business model and systems** to align with global shifts toward clean energy and sustainability.
- Speaking during **CIL's 50th anniversary in Kolkata**, Jha emphasized that the company must evolve to remain relevant as the world transitions away from fossil fuels towards **renewable and low-carbon energy sources**.
- With **renewables emerging as major competitors**, CIL must redefine its strategy to sustain its role as India's primary energy supplier in a changing energy landscape.





2. Strategic Roadmap for Transformation

- Jha outlined **three strategic pillars** for CIL's transformation:
 - **Diversification beyond core mining:** Expansion into **coal gasification** and **renewable energy projects** such as solar and wind power.
 - **Expansion of underground mining:** To increase efficiency, safety, and reduce environmental impact compared to open-cast mining.
 - **Modernisation of logistics and technology:** Digitalisation, automation, and use of **advanced mining technologies** for better productivity and sustainability.
- These reforms aim to ensure that **Coal India evolves from a conventional coal-mining PSU into an integrated energy company**, contributing to India's **net-zero and energy security goals**.

3. Challenges and the Changing Energy Paradigm

- The global energy sector is undergoing a structural transformation, driven by **climate commitments, technological innovation, and policy shifts** under the **Paris Agreement (2015)** and national net-zero targets.
- Coal, once India's energy backbone, is under increasing **environmental and financial scrutiny** due to **carbon emissions and pollution concerns**.
- CIL currently meets around **55% of India's energy demand**, but the share is expected to decline as **renewables gain prominence** under the **National Solar Mission** and **Green Hydrogen Mission**.
- The challenge lies in balancing India's **energy security** and **decarbonisation goals**, ensuring a **just transition** for workers dependent on the coal economy.

4. Policy, Legal, and Constitutional Framework

- **Article 39(b)** of the Constitution directs that ownership and control of material resources must subserve the common good—providing a constitutional basis for responsible resource management.
- **Article 48A** (Directive Principles) and **Article 51A(g)** (Fundamental Duty) impose obligations on the State and citizens to **protect and improve the environment**.
- The **National Electricity Policy, Coal Sector Reforms (2020)**, and **Atmanirbhar Bharat Mission** promote efficient resource utilisation, diversification, and private participation in energy production.
- **India's Nationally Determined Contributions (NDCs)** under the **Paris Agreement** commit to achieving **50% cumulative electric power capacity from non-fossil fuel-based sources by 2030**, making CIL's transformation imperative.

5. Significance for India's Energy Transition and Economy

- CIL's shift toward **clean energy diversification** supports India's twin goals of **economic growth and environmental sustainability**.
- **Coal gasification** can reduce import dependence on natural gas and produce cleaner fuels such as methanol and hydrogen.
- Investments in **solar and wind energy** align with the **Renewable Energy Capacity Target of 500 GW by 2030**.
- Modernising mining operations will improve **productivity, worker safety, and environmental compliance**, strengthening CIL's global competitiveness.



- A successful transition of CIL can set a **benchmark for PSU reforms**, demonstrating how traditional energy firms can adapt to **climate-conscious markets**.

6. Way Forward and Strategic Implications

- **Institutional restructuring** within CIL is essential to integrate renewable subsidiaries, streamline decision-making, and attract private partnerships.
- The government must ensure a “**Just Transition**” framework, retraining coal workers for renewable and gasification industries.
- **Public-private collaboration**, adoption of **AI-driven technologies**, and alignment with **sustainability reporting standards (ESG metrics)** can strengthen accountability and investor confidence.
- CIL must balance its role as India’s **coal provider** with its emerging identity as a **clean energy innovator**, reinforcing national energy resilience.

Conclusion

Coal India’s call for business reform marks a **historic inflection point** in India’s energy policy. The company’s transformation from a traditional mining PSU to a diversified, technology-driven energy enterprise is vital for India’s **energy security, climate commitments, and sustainable growth**. With strategic reforms, technological innovation, and policy alignment, CIL can become a **leader in India’s green transition**, setting an example for public sector modernization in the age of decarbonisation.

UPSC Relevance

GS Paper 3: Energy, Economy and Environment; Infrastructure – Energy Sector Reforms; Sustainable Development; Climate Change Mitigation

GS Paper 2: Government Policies and Interventions; Role of PSUs in Economic Transformation

Essay Paper: “Energy Transition in India: Balancing Growth and Sustainability”

Key Terms for UPSC:

- **Coal Gasification:** Conversion of coal into syngas (mixture of CO, H₂, CO₂) for producing cleaner fuels and chemicals.
- **Just Transition:** Ensuring that workers and communities dependent on fossil fuel industries are not left behind during the energy transition.
- **Net-Zero Emissions:** Achieving a balance between greenhouse gases emitted and removed from the atmosphere.
- **Diversification Strategy:** Expansion of core businesses into new areas such as renewables to mitigate risks and ensure sustainability.
- **Energy Security:** Ensuring reliable and affordable access to energy sources while minimizing environmental impact.

In Essence: Coal India’s reform roadmap represents India’s **pathway to sustainable industrial modernization**, where **public sector transformation, clean energy innovation, and climate responsibility** converge to build a resilient, future-ready economy.



9. Rupee Stablecoins – Is It Time to Allow Their Use?

1. Understanding Stablecoins and Their Global Context

- **Stablecoins** are **digital tokens pegged to a fiat currency (like the rupee)** in a **1:1 ratio**, ensuring price stability unlike volatile cryptocurrencies such as Bitcoin or Ethereum.
- They use **blockchain ledger technology** but serve primarily as a **medium of exchange**, not as speculative assets.
- The **United States’ Genius Act (2025)** has permitted the issue of **private stablecoins**, provided they are fully backed by sovereign assets and regulated under central oversight.
- This global development has reignited debate in India about whether **rupee-pegged stablecoins** should be allowed under strict regulation to foster **fintech innovation** and **digital payments efficiency**.



2. India’s Current Position and Legal Framework

- The **Reserve Bank of India (RBI)** has historically taken a **cautious and sceptical stance** on private cryptocurrencies.
 - In **2018**, the RBI barred banks from dealing with crypto entities—a move later overturned by the **Supreme Court in 2020 (Internet and Mobile Association of India v. RBI)**.
 - In **2022**, the government introduced a **30% tax on virtual asset gains**, signalling cautious acceptance without full legalization.
 - A recent **High Court ruling recognised crypto assets as “property”**, but their **legal status remains undefined**.
- In response to crypto evolution, the RBI launched its own **Central Bank Digital Currency (CBDC)**, known as the **e-Rupee**, to provide a **sovereign digital alternative** while safeguarding monetary stability.

3. RBI’s Perspective: Stablecoins vs. CBDC

- **RBI Deputy Governor T. Rabi Sankar** recently stated that **stablecoins “do not serve a purpose that cannot be done better with a CBDC.”**
- The RBI’s argument rests on **three concerns**:
 - **Monetary control**: Private stablecoins could distort RBI’s ability to monitor and manage money supply.
 - **Financial stability**: Unregulated or excessive issuance could undermine trust and disrupt banking liquidity.
 - **Policy sovereignty**: Allowing private digital tokens might dilute the rupee’s credibility as a sovereign instrument.
- The RBI prefers to strengthen the **CBDC ecosystem** rather than introduce competing private digital currencies, advocating a **CBDC monopoly** for maintaining stability.



4. Potential Benefits and Risks of Rupee-Pegged Stablecoins

- **Advantages:**
 - Can integrate seamlessly with the **Unified Payments Interface (UPI)** for faster domestic transactions.
 - Facilitate **cross-border payments** when linked with international CBDCs, enhancing India's global financial connectivity.
 - Enable "**programmable money**" applications such as **smart contracts**, conditional welfare disbursements, and automated supply chain settlements.
 - Encourage **competition and innovation** in fintech by allowing private participation.
- **Risks:**
 - **Systemic risk** if tokens are issued excessively or without adequate reserves.
 - Potential **capital flight** and **foreign exchange violations** due to unregulated conversions.
 - Threat of **bank disintermediation**, as depositors may move funds to private digital wallets.
 - **Fraudulent or unverified token issuances** could undermine macroeconomic stability and distort monetary indicators.

5. Constitutional, Legal, and Regulatory Dimensions

- **Article 246** and **Seventh Schedule (List I – Union List)** empower the Union government to legislate on **currency, coinage, and legal tender**, keeping monetary authority centralised under the RBI.
- The **RBI Act, 1934** and **Payment and Settlement Systems Act, 2007** grant the RBI power to regulate **money supply, payment systems, and digital transactions**.
- Introduction of stablecoins would thus require **amendments or new legislation**, possibly under the **Digital India Act (under consultation)**, to ensure accountability, reserve transparency, and auditability.
- Any reform must align with **Financial Stability Board (FSB)** and **G20 principles on crypto regulation**, where India has advocated a **global framework for digital asset governance**.

6. Policy Options and the Way Forward

- **Option 1: Regulated Sandbox Model** – RBI could allow pilot testing of rupee stablecoins under controlled conditions, ensuring compliance and risk evaluation.
- **Option 2: CBDC-Led Model** – Strengthen the e-rupee's programmability and interoperability to provide all stablecoin functions within a sovereign framework.
- **Option 3: Hybrid Regulation** – Permit **private stablecoins fully backed by rupee reserves held with the RBI**, ensuring complete auditability.
- **Option 4: Institutional Innovation** – RBI could accept **e-rupee deposits** and lend them to banks, enhancing liquidity and efficiency while retaining monetary control.

Conclusion

India stands at a crucial juncture in the evolution of digital money. While **rupee-pegged stablecoins** offer vast potential for **innovation, global remittances, and financial inclusion**, their **unregulated proliferation** could destabilize the economy and weaken RBI's monetary authority. The prudent path lies in **measured experimentation within a regulatory sandbox**, combined with **continued expansion of the e-rupee**



ecosystem. The goal should be to balance **innovation with stability**, ensuring India's leadership in digital finance without compromising financial sovereignty.

UPSC Relevance

GS Paper 3: Indian Economy – Monetary Policy; Inclusive Growth; Science and Technology in Financial Systems

GS Paper 2: Government Policies and Regulation; RBI's Role in Monetary Governance

Essay Paper: "Digital Money and Financial Sovereignty in the Age of Blockchain"

Key Terms for UPSC:

- **Stablecoin:** A cryptocurrency pegged to a fiat currency (e.g., rupee or dollar) to minimize volatility.
- **CBDC (Central Bank Digital Currency):** A digital form of legal tender issued by the central bank, equivalent to paper currency.
- **Programmable Money:** Digital currency embedded with conditions for automated transactions.
- **Crypto Regulation:** Framework governing issuance, trade, and taxation of virtual digital assets.
- **Financial Sovereignty:** The State's authority to control its currency, monetary policy, and economic system.

In Essence: India's digital currency future must rest on **measured innovation**, where **technological advancement** complements—not compromises—**monetary stability, regulatory integrity, and economic sovereignty.**

10. Bihar Elections – Between Welfare Dependency and Governance Reform

1. Context and Background

- The upcoming **Bihar Assembly Election** represents a critical juncture in India's democratic landscape, testing whether the State will continue a **status quo of welfare dependency** or embrace **structural governance reforms.**
- Bihar, with the **lowest per capita income** and **highest multidimensional poverty rate in India**, faces deep-seated socio-economic challenges rooted in decades of underdevelopment.
- The contest between the **National Democratic Alliance (NDA)** and the **Mahagathbandhan (MGB)** reflects not just a power struggle but a **broader ideological battle** between performance-based governance and redistributive populism.
- New political entrants such as **Prashant Kishor's Jan Suraj movement** are reshaping the narrative by focusing on **education, employment, and good governance**, targeting the youth disillusioned by traditional caste-based politics.

2. Changing Electoral Dynamics: Women and Youth as Key Voters

- The last two decades have seen **significant voter behavior shifts**, particularly among **women and youth**, who are redefining Bihar's political arithmetic.
- Between **2015 and 2020**, **female voter turnout exceeded male turnout**, rising to nearly **60%**, signaling women's emergence as a **decisive political constituency.**
- This change is driven by **targeted welfare schemes** such as **Bicycle Yojana, Ujjwala Yojana**, and improvements in the **Public Distribution System (PDS)**, which enhanced women's economic agency and social mobility.



- Similarly, **young voters**, especially in urban districts like Patna, Muzaffarpur, and Gaya, are prioritizing **employment, education, and governance efficiency** over caste loyalties.
- The combined assertion of women and youth voters has made Bihar's elections **more volatile, issue-based, and competitive**, diminishing traditional caste-based predictability.

3. Development vs. Dependency: The Economic Divide

- Bihar's **urban constituencies** (Patna, Gaya, Nalanda) have largely supported the **NDA**, influenced by visible infrastructure projects such as roads, bridges, electricity, and metro expansion.
- However, this "**development-oriented narrative**" masks **structural contradictions**—limited industrialization, job scarcity, and persistent rural deprivation.
- The **NDA's developmental legitimacy** often derives from **symbolic infrastructure**, while the **MGB's populist approach** promises **redistributive welfare** (cash transfers, free electricity, job guarantees) to mobilize the economically vulnerable.
- This juxtaposition highlights Bihar's **urban-rural paradox**—visible progress in cities coexists with **entrenched poverty in rural and peri-urban districts**.

4. Socio-Economic Indicators and Political Representation

- As per NITI Aayog's **Multidimensional Poverty Index (MPI)**, Bihar's score improved from **0.265 (2015-16)** to **0.160 (2019-21)**, but poverty reduction remains **uneven across districts**.
- **Patna**, with an MPI of **0.107**, represents the most developed zone, while **Seemanchal districts (Araria, Madhepura, Purnia)** continue to record extreme deprivation.
- **Association for Democratic Reforms (ADR)** data shows **low voter representativeness**, with most MLAs representing **only 20–33% of registered voters**, underscoring voter fragmentation and weakened mandate legitimacy.
- In less developed districts, **welfare-based politics dominates**, while in emerging urban areas, **performance-based governance** is becoming the new electoral metric.
- This spatial-political divide reveals two contrasting trajectories—"**welfare as dependence**" versus "**development as empowerment**."

5. Ideological Divide: NDA, MGB, and Jan Suraaj

- Bihar's politics today is shaped by **two competing logics**:
 - **NDA's governance-driven model**: Focused on **infrastructure, electrification, and gender empowerment**, projecting visible development to maintain incumbency.
 - **MGB's populist-patronage model**: Centred on **redistributive welfare schemes** promising immediate relief to marginalized communities.
- **Jan Suraaj**, led by **Prashant Kishor**, presents a **third-front alternative** emphasizing **governance-first politics**, anti-corruption measures, and youth employment, breaking caste-based coalitions.
- The election outcome will determine whether Bihar continues its **clientelist model**—where welfare is a political performance—or transitions to a **citizen-led accountability model** based on governance outcomes.



6. Constitutional, Legal, and Governance Dimensions

- **Article 38 and Article 39** (Directive Principles of State Policy) mandate the State to ensure **social, economic, and political justice** and to minimize inequalities in income and opportunity—objectives directly relevant to Bihar’s developmental agenda.
- **Article 243G** empowers **Panchayati Raj Institutions (PRIs)** to plan and implement local development, highlighting the need for stronger grassroots governance.
- **Fiscal federalism principles** under **Article 280** and **Finance Commission recommendations** ensure central devolution to backward states like Bihar for poverty reduction.
- The election’s outcome will influence **Centre-State fiscal cooperation**, governance accountability, and alignment with national schemes such as **Aspirational Districts Programme** and **Skill India Mission**.

Conclusion

The Bihar election encapsulates the **struggle between welfare dependency and governance transformation**, between **patronage politics and performance legitimacy**. As Bihar’s voters—particularly **women and youth**—assert their agency, the state stands at the threshold of a **democratic and developmental redefinition**. Whether Bihar continues to rely on welfare populism or embraces **institutional reform, industrialization, and accountability-based governance** will shape its future as a model of democratic evolution in India’s federal polity.

UPSC Relevance

GS Paper 2: Governance; Role of State Governments; Electoral Politics; Women Empowerment; Political Accountability

GS Paper 3: Inclusive Growth; Poverty Alleviation; Employment and Developmental Issues

Essay Paper: “Democracy and Development – The Politics of Welfare and Governance in India”

Key Terms for UPSC:

- **Welfare Dependency:** Overreliance on state subsidies and transfers without structural economic empowerment.
- **Governance-Based Politics:** Electoral legitimacy derived from performance and institutional efficiency.
- **Multidimensional Poverty Index (MPI):** A composite measure capturing deprivations in health, education, and living standards.
- **Patronage Politics:** Political strategy based on targeted distribution of benefits in exchange for loyalty.
- **Clientelism:** A political system where services or benefits are exchanged for electoral support.
In Essence: The Bihar election represents a **microcosm of India’s democratic transition**—from **caste and welfare-driven politics to issue-based, performance-oriented governance**, signalling the maturing of electoral democracy in India.