

**DAILY
CURRENT
AFFAIRS
ANALYSIS**



LAKSHYA ACADEMY®

04 APRIL 2024

1 - Women, Business and the Law 2024:

GS II

International Issues

- **Context:**
- Recently, the World Bank (WB) Group has released a report titled-Women, Business and the Law 2024, presenting in-depth analysis of the challenges obstructing women's entry into the global workforce, hindering their ability to contribute to prosperity for themselves, their families and their communities.
- **What is Women Business and Law 2024 Report?**
- Its indexes align areas of the law and public policy instruments with the economic decisions that women make throughout their lives and careers, identifying where and in what areas women continue to face hurdles.
- Indicators: It has 10 indicators- Safety, Mobility, Workplace, Pay, Child Care, Marriage, Parenthood, Entrepreneurship, Assets, and Pension.
- Safety from violence and access to childcare services are very crucial indicators.
- **Which aspects of the report stand out the most?**
- **Legal Frameworks Index:**
- Among the Organisation for Economic Co-operation and Development (OECD) high-income economies, 11 scored 90 or above, with Italy leading at 95, followed by New Zealand and Portugal with 92.5.
- By contrast, more than 37 economies provide women with less than half of the legal rights enjoyed by men, affecting approximately half a billion women. Notably, high-income economies have an average score of 75.4.
- Upper-middle-income economies follow closely, with an average score of 66.8. The gap in scores between the highest- and lowest scoring economies is most pronounced in high-income economies, with a substantial difference of 75 points.
- **Women Enjoy Fewer Legal Rights than Men:**
- Women around the world enjoy only 64% of the legal protections that men do, when legal differences involving violence and childcare are taken into account. This is even lower than the previous estimate of 77%.

- **Gap Between Legal Reforms and Actual Outcomes for Women:**

- Even though many countries have enacted laws promoting gender equality, there is a significant gap between these laws and the actual experiences of women.
- 98 economies have enacted legislation mandating equal pay for women for work of equal value.
- Yet only 35 economies, fewer than one out of every five, have adopted pay-transparency measures to address the pay gap.

- **Poor Performances by the Countries:**

- Togo has been a standout among Sub-Saharan economies, enacting laws that give women roughly 77% of the rights available to men, more than any other country in the continent.
- Yet Togo, so far, has established only 27% of systems necessary for full implementation.
- This rate is average for Sub-Saharan economies.
- In 2023, governments were assertive in advancing three categories of legal equal-opportunity reforms, Pay, Parental Rights, and workplace protections.
- Still, nearly all countries performed poorly in the two categories being tracked for the first time—access to childcare and women's safety.

- **Women's Safety:**

- The greatest weakness is in women's safety, with the global average score being just 36. Women have barely a third of the necessary legal protections against domestic violence, sexual harassment, child marriage, and femicide.
- Although 151 economies have laws in place prohibiting sexual harassment in the workplace, just 39 have laws prohibiting it in public spaces. This often prevents women from using public transportation to get to work.

- **Childcare:**

- Women spend an average of 2.4 more hours a day on unpaid care work than men, much of it on the care of children.
- Only 78 economies, fewer than half, provide some financial or tax support for parents with young children.
- Only 62 economies—fewer than a third—have quality standards governing childcare services, without which women might think twice about going to work while they have children in their care.

- **Significant Obstacles for Women:**

- Women face significant obstacles in other areas. In the area of entrepreneurship, for example, just one in every five economies mandates gender-sensitive criteria for public procurement processes, meaning women are largely cut out of a USD 10-trillion-a-year economic opportunity.

- In the area of pay, women earn just 77 cents for every USD 1 paid to men. The rights gap extends all the way to retirement. In 62 economies, the ages at which men and women can retire are not the same.
- Women tend to live longer than men, but because they receive lower pay while they work, take time off when they have children, and retire earlier, they end up with smaller pension benefits and greater financial insecurity in old age.

- **How did India Perform in Women, Business and the Law 2024 Report?**

- India's rank has marginally improved to 113, with a score of 74.4%. While the country's score has remained constant since 2021, its ranking witnessed a decline from 122 in 2021 to 125 in 2022 and further to 126 in the 2023 index.
- Indian women have just 60% of the legal rights compared to men, slightly below the global average of 64.2%.
- However, India outperformed its South Asian counterparts, where women have only 45.9% of the legal protections enjoyed by men.
- When it comes to constraints on freedom of movement and constraints related to marriage, India got a full score.
- India receives one of its lowest scores in the indicator evaluating laws impacting women's pay.
- To enhance this aspect India could explore measures such as mandating equal pay for equivalent work, permitting women to work at night on par with men and enabling women to engage in industrial jobs on an equal footing with men.
- When it comes to supportive frameworks, India scored higher than both the global and South Asian averages.

- **What are the Recommendations of the Report?**

- Eliminating discriminatory laws and practices hindering women from working or initiating businesses could result in a more than 20% increase in global gross domestic product.
- It has the potential to double the rate of global growth in the upcoming decade.
- Effective implementation of equal-opportunity laws depends on an adequate supporting framework, including strong enforcement mechanisms, a system for tracking gender-related pay disparities, and the availability of healthcare services for women who survive violence.
- It is more urgent than ever to accelerate efforts to reform laws and enact public policies that empower women to work and start and grow businesses.
- Increasing women's economic participation is the key to amplifying their voices and shaping decisions that affect them directly.

Source → The Hindu

2 - Market Monopoly and Anti-Competitive Practices:

GS III

Indian Economy

- **Context:**

- Recently, a dispute has emerged between Google and app developers, where Google removed almost a dozen firms out of its marketplace for Android apps.
- The dispute incorporates concerns over Market Monopoly and Anti-Competitive practices, with Google's firm grip over the Android app ecosystem serving as a focal point of contention.

- **What is the Issue Between Google and App Developers?**

- **Background and Context:**

- Google's Android platform and its app marketplace, Google Play, dominate the Indian smartphone ecosystem.
- Indian app developers rely heavily on Google Play for distribution and monetization of their apps, making them susceptible to Google's policies and fees.
- The dispute stems from Google's imposition of fees ranging from 11% to 30% on in-app purchases of digital services, which developers consider excessive and harmful to innovation and competition.

- **Issues and Concerns:**

- Indian app developers, including major players like Bharat Matrimony and Disney+ Hotstar, have challenged Google's fees in court, citing economic burden and lack of choice.
- The Competition Commission of India (CCI) has fined Google for anticompetitive practices, indicating regulatory scrutiny over its market dominance and pricing policies.
- The conflict underscores broader concerns about platform monopolies and their impact on small and medium-sized enterprises (SMEs), innovation, and consumer welfare.

- **International Comparisons:**

- Similar disputes between tech giants and app developers have occurred globally, with Apple facing scrutiny over its App Store fees and practices.
- Legal and regulatory actions in jurisdictions like the European Union and the United States serve as precedents for addressing antitrust concerns and enforcing fair competition in digital markets.

- **How Does the Play Store Work?**

- Google's operating system Android runs on Samsung, OnePlus, Motorola and Oppo among other smartphones.
- Some of the Google apps and Play Store come pre-installed in the phones that a user buys.
- But in order to add a new app, the user has to visit the Play Store and download it.
- Apps on Google have three options to accept payments for digital services, Google's billing system, alternative payment where the company charges the commission and consumption mode where the developer redirects the user to an external website to accept payments.

- **What is Market Monopoly?**

- Market monopoly refers to a situation in which a single company or a group of companies dominates and controls a significant share of a particular market or industry.
- In a monopoly, there is only one seller or producer that provides a specific product or service, and there are no close substitutes available to consumers.
- This gives the monopolistic entity substantial market power, allowing it to influence the market conditions, set prices, and control the supply of goods or services.

- **Features of Market Monopoly:**

- **Single Seller or Producer:**

- In a monopoly, there is only one entity that dominates the entire market. This company is the exclusive provider of a particular product or service.

- **High Barriers to Entry:**

- Monopolies often arise when there are significant barriers preventing new competitors from entering the market. Barriers may include high startup costs, exclusive access to resources, government regulations, or strong brand loyalty.

- Consumers have limited or no alternative options for the product or service offered by the monopolistic company. There are no close substitutes available in the market.

- **Market Power and Pricing Control:**

- The monopoly has considerable market power, allowing it to control prices without significant fear of competition. This can lead to higher prices for consumers and potentially reduced output.

- **Influence Over Supply:**

- The monopoly has control over the supply of the product or service. It can determine the quantity produced and adjust supply to impact market conditions.

- **Lack of Competition:**

- Due to the absence of competitors, monopolies operate in an environment where there is no direct competition for their specific product or service. This lack of competition can result in reduced incentives for innovation and efficiency.

- **What are the Key Terms Related to Anti-Competitive Practices?**

- **Predatory Pricing:**

- Predatory pricing occurs when a company intentionally sets its prices below cost in order to drive competitors out of the market. Once competitors are eliminated, the company can raise prices to recoup losses and enjoy a monopolistic position.

- **Cartels:**

- Cartels are associations of independent businesses or countries formed to regulate production, pricing, and marketing of goods or services.
- Cartels are typically illegal and are known for fostering anti-competitive behaviour.

- **Mergers:**

- Mergers involve the combination of two or more companies into a single entity. While not all mergers are anti-competitive, some may reduce competition in a particular market, leading to regulatory scrutiny.

- **Price Discrimination:**

- Price discrimination occurs when a seller charges different prices to different customers for the same product or service. While not always illegal, it can be considered anti-competitive if it harms competition.

- **Price Fixing Agreements:**

- Price fixing involves an agreement between competitors to set a specific price for their products or services. This eliminates competition and artificially inflates prices, violating antitrust laws.

- **What are the Indian and International Initiatives to Deal with Market Monopoly?**

- **Competition Act, 2002:** The Competition Act, 2002, is the primary legislation in India addressing antitrust issues. It was enacted to promote and sustain competition in markets, prevent anti-competitive practices, and protect the interests of consumers.
- **Competition Amendment Bill, 2022:** The proposed amendment aims to further strengthen the regulatory framework, address emerging challenges, and enhance the effectiveness of competition law enforcement.
- **Competition Commission of India (CCI):** CCI is the regulator of competition under the Competition Act, 2002 in the Indian market. It is responsible for enforcing the provisions of the Competition Act 2002. It consists of a Chairperson and Members appointed by the Central Government.
- The CCI investigates and takes actions against anti-competitive practices, abuse of dominant position, and anti-competitive agreements.
- **Competition Appellate Tribunal and NCLAT:** The Competition Appellate Tribunal (COMPAT) was initially responsible for hearing appeals against CCI decisions.
- However, in 2017, the government replaced COMPAT with the National Company Law Appellate Tribunal (NCLAT), which now handles appeals related to competition matters.

- **International Initiatives:**

- **OECD Competition Committee:** The OECD (Organisation for Economic Cooperation and Development) addresses anti-competitive practices through various initiatives, including the OECD Competition Committee, which facilitates discussions and cooperation among member countries on competition-related issues.
- **United Nations Conference on Trade and Development (UNCTAD):** It provides guidance on competition policy and law through its Intergovernmental Group of Experts on Competition Law and Policy, supporting countries in implementing effective competition frameworks.
- It also deals with the policies to Protect consumers from abuse and Curb regulations that stifle competition.
- **International Competition Network (ICN):** The ICN is a network of competition authorities from around the world. It facilitates communication and cooperation among member jurisdictions to address global competition challenges.
- The ICN provides a platform for sharing best practices and developing guidelines on various aspects of competition law.
- **World Trade Organization (WTO):** While primarily focused on trade issues, the WTO addresses competition policy through its Working Group on the Interaction between Trade and Competition Policy.
- The aim is to ensure that competition policies do not create unnecessary barriers to trade.

- **The Way Ahead:**

- Advocates, such as public policy experts and industry representatives, propose regulatory reforms to enhance competition and mitigate the dominance of app store gatekeepers.
- It is important to include mandating transparency and fairness in app store policies, empowering developers with more payment options, and facilitating the emergence of alternative distribution channels.
- Balancing the interests of platform providers, developers, and consumers requires a nuanced approach that prioritises innovation, competition, and consumer welfare.

Source → The Hindu

3 - Amendments to the Electricity (Rights of Consumers) Rules, 2020:

GS I

Indian Culture

- **Context:**
- Recently, the Ministry of Power has notified amendments to the Electricity (Rights of Consumers) Rules, 2020, to accelerate the installation of Rooftop Solar Projects and empower consumers – with provisions on connections in residential societies and solving complaints on meter readings.
- **What are the Major Amendments in Electricity Rules, 2020?**
- **Easier and Faster installation of Rooftop Solar Systems:**
- Exemption has been given for the requirement of technical feasibility study, for systems up to a capacity of 10 kW.
- For systems of capacity higher than 10 kW, the timeline for completing the feasibility study has been reduced from 20 to 15 days.
- A technical feasibility study typically involves assessing factors such as site suitability, structural integrity of the building, available sunlight exposure, electrical infrastructure compatibility, and potential obstacles or challenges that may affect the installation and operation of the solar panels.
- It is mandated that the distribution system strengthening necessary for rooftop solar PV systems up to 5 kW capacity will be done by the distribution company at its own cost.
- Further, the timeline for the distribution licensee to commission Rooftop Solar PV systems has been reduced from 30 to 15 days.

- **Separate Connections for Electric Vehicle Charging Stations:**

- Consumers can obtain separate electricity connections for charging their Electric Vehicles (EVs).
- This aligns with India's goal of reducing carbon emissions and reaching Net Zero by the year 2070.
- The time period for obtaining a new electricity connection has been reduced from 7 to 3 days in metropolitan areas, from 15 to 7 days in other municipal areas, and from 30 to 15 days in rural areas.
- However, in rural areas with hilly terrain, the time period for new connections or for modifications in existing connections will remain thirty days.

- **Additional Rights for Consumers in Residential Colonies and Flats:**

- Owners residing in co-operative group housing societies, multi-storied buildings, residential colonies, etc., will have the option to choose from the distribution licensee either individual connections for everyone or a single-point connection for the whole premises.
- The exercise of the option will be based on a transparent ballot to be conducted by the Distribution Company.
- Parity has also been brought in the tariff charged to consumers who get electricity supplied through single-point connection and to those who avail of individual connections.

- **Metering, billing, and collection will be done separately for:**

- Individual electricity consumption sourced from the distribution licensee
- Individual consumption of backup power supplied by the residential association
- Electricity consumption for common areas of such residential associations, which is sourced from the distribution licensee.

- **Mandatory Additional Meter in cases of Complaints:**

- In cases where consumers raise complaints about meter reading not aligning with their actual electricity consumption, the distribution licensee is now required to install an additional meter within five days from the date of receipt of the complaint.
- This additional meter will be used to verify the consumption for a minimum period of three months, thus reassuring consumers and ensuring accuracy in billing.

Source → The Hindu

4 - Claude 3 AI Chatbot:

GS III

Science and Technology

- **Context:**
- Recently, the Artificial Intelligence (AI) start-up Anthropic announced its latest family of AI models called Claude 3, stating that it “sets new industry benchmarks across a wide range of cognitive tasks”.
- The family includes three state-of-the-art AI models in the ascending order of capabilities – Claude 3 Haiku, Claude 3 Sonnet, and Claude 3 Opus.
- Anthropic is an OpenAI rival started by former leaders at the ChatGPT maker.
- While OpenAI has closely tied itself to its business partner Microsoft, Anthropic's primary cloud computing partner is Amazon.
- **What is Claude 3?**
- **About Claude:**
- Claude is a group of Large Language Models (LLMs) developed by Anthropic.
- LLMs are a specific class of generative AI models that are trained to understand and generate human-like text.
- The chatbot is capable of handling text, voice messages, and documents.
- The chatbot is capable of generating faster, contextual responses compared to its peers.
- **Training:**
- Claude sources include the Internet and some licensed datasets using two methods, Supervised Learning (SL) and Reinforcement Learning (RL).
- In the SL phase, the LLM produces responses to prompts, and then self-assesses them based on a set of guiding principles.
- It later revises the responses — and according to its makers, this process is aimed at reducing the harmful effects of the AI’s outputs.
- RL phase involves training the model based on AI-generated feedback, in which the AI evaluates responses based on a set of constitutional principles.
- These methods, and the general approach, has been chosen with the aim of making Claude helpful and harmless.

- **Claude 3:**

- Among the new releases, Claude 3 Opus is the most powerful model, Claude 3 Sonnet is the middle model that is capable and price competitive, and Claude 3 Haiku is relevant for any use case that requires instant responses.
- Claude Sonnet powers the Claude.ai chatbot for free at present and users only need an email sign-in.
- However, Opus is only available through Anthropic's web chat interface and if a user is subscribed to the Claude Pro service on the Anthropic website.

- **Limitations of Claude 3:**

- Claude 3 performs well in tasks such as answering factual questions and optical character recognition (OCR), meaning the ability to extract text from images.
- Reportedly, the new model is good at following instructions and completing tasks like writing Shakespearean sonnets.
- However, it struggles with complex reasoning and mathematical problems at times. It also exhibited biases in its responses, such as favouring a certain racial group over others.

Source → The Hindu

