

1. India-Funded Hydro Projects in Bhutan Under Scanner After Sikkim Teesta Disaster

Sikkim Disaster

On 4 October 2023, heavy rains caused the glacial South Lhonak lake in Sikkim, to breach its banks, causing a glacial lake outburst flood. The flood reached the Teesta III Dam at Chungthang at midnight, before its gates could be opened, destroying the dam in minutes. Water levels downstream in the River Teesta rose by up to 20 feet (6.1 m), causing widespread damage.

Projects in Bhutan under scanner

After the Sikkim Teesta disaster that resulted in the destruction of the 1,200 MW Teesta-III dam and left nearly 100 people dead, two of the three India-funded mega hydro projects currently being constructed in Bhutan have now come under the scanner and changes are being made in their design.

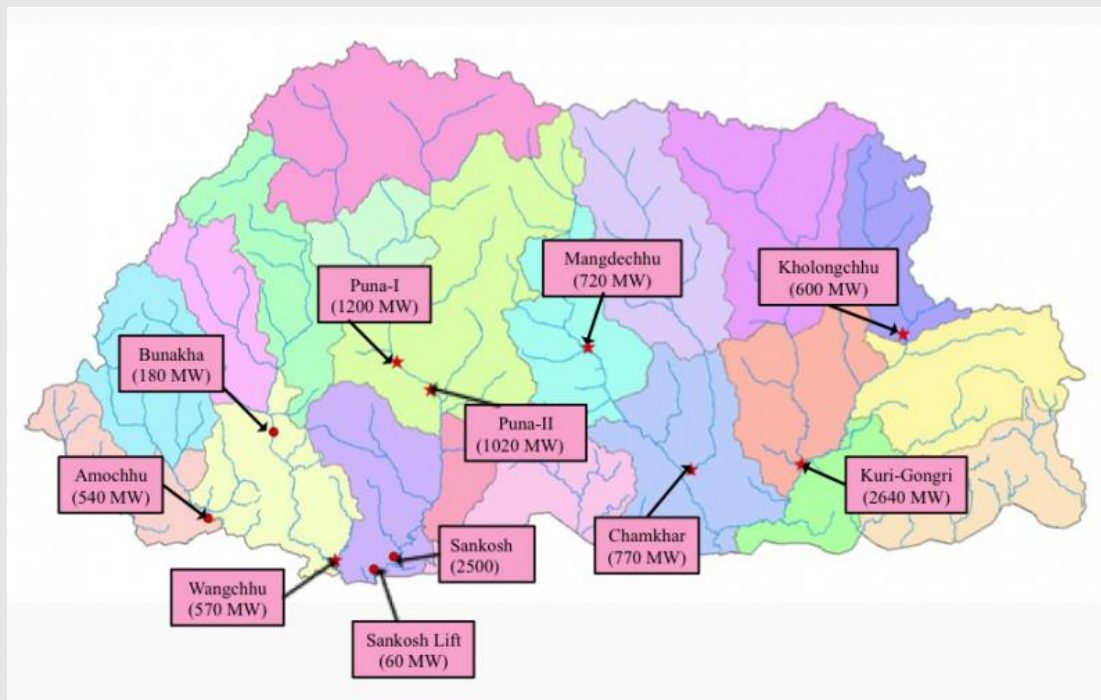
The two projects are the 1,200 MW Punatsangchhu Stage-I (Puna-I) and the 1,020 MW Punatsangchhu Stage-II (Puna-II), on the Punatsangchhu River, less than 100 km from Bhutan's capital, Thimphu. These projects, along with the 660 MW Kholongchu project, are estimated to cost ₹21,637.28 crore, and are being funded by India. The electricity generated from these projects will be supplied to northern and eastern Indian states.

Importance of electricity exports for Bhutan

According to one estimate, about 75% of all electricity generated in Bhutan is exported to India and the revenue from the exports constitutes 25% of its gross domestic product.

Concerns of locals in Bhutan

Local communities living in areas near dams in Bhutan have reported similar issues as seen in houses near dams in the Indian Himalaya: cracks on their houses, which first occurred right after the project work for a dam began. For instance, houses near the Mangdechhu Dam on the Mangdechhu River in Bhutan – commissioned and funded by India reported cracks in their houses. As per one report, it is one of the 13 hydro projects developed as part of Bhutan's initiative to generate 10GW of hydropower with support from India.



India assisted projects to develop 10GW in Bhutan

Relevance: GS Prelims & Mains Paper I; Social Issues

Source: The Hindu

2. How Jews first migrated to Palestine, and how Israel was born

Introduction

In this article we will discuss how did the Jewish migration to 'Israel' first begin? Before the official declaration in May 1948 of the creation of Israel, how was the stage set for it? What was the role played by the British in it?

Anti-semitism and Zionism

According to the Hebrew Bible, 'Israel' is the name God gave to Jacob, the grandson of Abraham, who is considered the patriarch of all three 'Abrahamic' religions: Judaism, Christianity, and Islam. The descendants of Abraham settled in Canaan, which is roughly the territory of modern Israel.

After around 1000 years, in the late 19th century, the land of Canaan was a part of the Ottoman Sultanate after passing through several empires (Greeks, Romans, Persians, Crusaders, Islamists, to name a few). The followers of Judaism, or Jews, were living in many countries — often as prosperous minorities, but vulnerable to persecution, especially in Europe.

In Imperial Russia, there were pogroms targeting Jews in the 1880s. In France, the Dreyfus affair of 1894, in which a Jewish soldier was falsely convicted of passing on vital information to Germany, highlighted the prevalent anti-Semitic prejudices.

Antisemitism (also spelled anti-semitism or anti-Semitism) is hostility to, prejudice towards, or discrimination against Jews.

A feeling began to grow in the Jewish community that they would not be safe till they had a country to call their own. This movement — of trying to establish a Jewish homeland — came to be known as Zionism.

In 1896, Theodor Herzl, an Austro-Hungarian, published a pamphlet called 'Der Judenstaat', describing his vision of a Jewish nation. This pamphlet attained such popularity that Herzl is considered the father of political Zionism.

Initially, countries like Uganda and Argentina were considered as potential locations for this homeland. However, opinion soon settled on Palestine, where the biblical home of the Jews had once stood, and where many of their holy sites were still located.

Before World War I

Soon, Jewish migration (Aliyah) to Palestine began. The first wave of arrivals, from 1881 to 1903, is known as the First Aliyah. The migrants began to buy large tracts of land and set to farming it. Very soon, these arrivals meant losses for the native Palestinians.

Palestine at this time was just one province of the vast and not-well-governed Ottoman empire. The residents did not necessarily see themselves as 'Palestinians', identifying more as Ottoman subjects, Arabs, Muslims, or along clan and family lines.

Outside Palestine, Jews in other countries worked to gain international support for their cause. The enterprise in Israel was being funded by wealthy Jews abroad, like the Rothschild family.

Local alarm and resentment against the newcomers grew. Ottoman officials did forbid the sale of land to foreign Jews, but the order was never effectively implemented. In 1908, after the Young Turks revolution overthrew the Ottoman Sultan, Jewish migration efforts became more streamlined.

The Balfour Declaration

What possibly changed the face of West Asia forever was the Balfour Declaration of 1917, when a letter sent by a British official to a wealthy British Jew sealed the fate of lakhs of Palestinians. The British government needed Jewish support in its World War I efforts. To secure that, Foreign Secretary Arthur James Balfour backed the Zionist cause.

By now, Palestinian nationalism was growing. Various groups and organisations had come up to voice opposition to the growing Jewish influence. However, these were

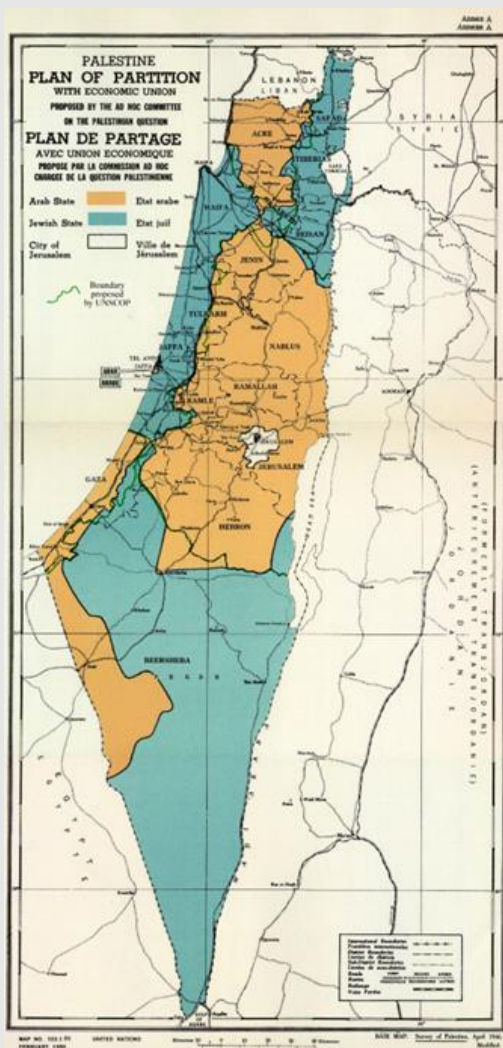
ridden by factionalism, and lacked the organisation and single-minded focus of the Jewish bodies.

British Mandate and World War II

After the defeat of the Ottoman empire in World War I, its erstwhile domains were divided among the Allies, with the eventual aim of promoting self-governance. Palestine fell under the British mandate. The three decades of the Mandate saw various commissions, white papers, and resolutions, even as violence raged and thousands of lives were lost.

Eventually, the British did what they had with Partition violence in India — let trouble simmer to breaking point and then withdraw. In 1947, with neither side agreeing to a partition or any other solution, and distrust and hostility at an all-time high, the British announced they were exiting Palestine, and the question would be settled by the UN.

UN resolution and wars



Throughout this period, one thing had been clear — the Jewish determination to fight and win. The Jews were very much a minority, but whenever violence broke out, they dominated. A crucial factor was they also mobilised better medical treatment facilities, while for the Palestinians, even treatable injuries could mean disaster.

On November 29, 1947, the UN General Assembly voted to divide Palestine into Jewish and Arab states, with Jerusalem under UN control. The proposed Jewish state was to consist of 55 per cent of the country, including the largely unpopulated Negev desert. Its population would comprise some 500,000 Jews and 400,000 Arabs. The Arab state was to have 44 per cent of the land and a minority of 10,000 Jews. The Arab areas would include the West Bank and Gaza.

Rejection of UN plan

The outraged Palestinian side rejected the resolution. Israel, on the other hand, declared independence on May 14, 1948. This entire period by was marked by civil war, and the Israeli military groups managed to drive out a large

number of Palestinians. The creation of Israel is called Naqba, or the catastrophe, by Palestinians, who see it as the day they lost their homeland.

Immediately after Israel's declaration of independence, it was invaded by Egypt, Jordan, Iraq, Syria, and Lebanon. However, the determined Israeli side, bolstered by arms and funds from the US, managed to beat them back. This was followed by more Arab-Israeli wars, with Israel capturing large territories.

Today, of the 193 member states of the United Nations, 139 recognise Palestine, while 165 recognise Israel. Gaza and the West Bank remain under Israeli military control.

Relevance: GS Prelims & Mains Paper II; International Relations

Source: The Indian Express

3. Angel tax for start-ups

Meaning

Angel tax – which is income tax at the rate of 30.6 per cent – is levied when an unlisted company issues shares to an investor at a price higher than its fair market value. Earlier, it was imposed only on investments made by a resident investor. However, the Finance Act 2023 proposed to extend angel tax even to non-resident investors from April 1.

What were the changes for angel tax in Budget 2023-24?

The Finance Act, 2023, had amended Section 56(2)(viib) of the Income-tax Act. The provision, colloquially known as the 'angel tax' was first introduced in 2012 to deter the generation and use of unaccounted money through the subscription of shares of a closely held company at a value that is higher than the fair market value of the firm's shares.

The provision had stated that when an unlisted company, such as a start-up, receives equity investment from a resident for issue of shares that exceeds the face value of such shares, it will be counted as income for the start-up and be subject to income tax under the head 'Income from other Sources' for the relevant financial year. With the latest amendment, the government had proposed to also include foreign investors in the ambit, meaning that when a start-up raises funding from a foreign investor, that too will now be counted as income and be taxable. The DPIIT-recognised startups were excluded from the angel tax levy.

Exemptions to few countries

In May, the Finance Ministry had exempted investors from 21 countries including the US, UK and France from the levy of angel tax for non-resident investment in unlisted Indian start-ups. However, the list excluded investment from countries like Singapore,

Relevance: GS Prelims & Mains Paper III; Economics

Source: The Indian Express