Daily News Juice

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1. Javier Milei's Electoral Victory in Argentina

Introduction

Javier Milei, a 53-year-old political outsider, secures the presidency in Argentina with 56% of the vote. Milei, known for his unconventional political style, entered politics five years ago after gaining fame as a television personality. Milei's political journey began in 2021 when he was elected to the National Congress for the Libertad Avanza (Freedom Advances) party.

The election is seen as a "protest vote" fueled by voter anger against Argentina's political establishment and a desire for a new political era.



Economic Challenges Driving Voter Choice

Argentina faces severe economic challenges, including nearly 150% inflation, a plummeting peso (falling currency), rising poverty, and depleted government coffers, leading to dissatisfaction with the previous government.

Madman's Economic Shock Therapy

Milei, dubbed "El Loco" (The Madman), promises "economic shock therapy," advocating for measures such as abolishing the central bank, slashing government spending, and dollarizing the economy to bring short-term stability but relinquishing control over monetary policy.

Voters chose Milei's radical approach over the perceived continuation of catastrophic economic conditions, reflecting a desire for a potential bright future despite the associated downside risks.

Relevance: GS Prelims; International Issues

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Source: The Indian Express

2. Why Myanmar Nationals Are Seeking Refuge in Mizoram

Civil War Spillover: Myanmar's Internal Strife

Following a civil war outbreak in Myanmar, over 1,500 Myanmar nationals sought refuge in Mizoram's Champhai district. The conflict involved clashes between the Myanmar Army {also called military junta (or the Tatmadaw)} and pro-democracy militias in the western Chin State, bordering Mizoram.

Coup Fallout

In February 2021, a new junta, the State Administration Council (SAC) dominated by the Myanmar armed forces, organised a military coup that ousted the civilian National League for Democracy-government and detained its leader Aung San Suu Kyi among many other legislators and party officials. The junta said it captured power because of irregularities in the November 2020 elections, even though international observers called the elections fair. The coup led to the collapse of the democratic phase that opened up after the 2008 Constitution. This Constitution allowed for reserving 25% of the Parliament of Myanmar for serving military officers, and control over home, border affairs and defence by the military, thereby limiting civilian powers.

Ongoing Civil War

After the February 2021 coup, there were nationwide protests and civil disobedience campaigns, leading to what was called the "Spring Revolution". Members of the deposed NLD and other elected ethnic lawmakers formed a new political body called the Committee Representing Pyidaungsu Hluttaw (or National Parliament in Burmese), which along with other civil society actors, ethnic party representatives and others later formed the National Unity Consultative Council (NUCC) — a dialogue platform seeking to unite pro-democratic forces.

The junta responded by violently cracking down on the largely peaceful movement leading to the NUG announcing the creation of People's Defense Forces (PDF), and in September 2021, explicitly gave the call for the PDF and other rebels to attack the junta, launching a civil war.

What has been the ethnic organisations' response to the coup?

The ethnic armed actors, despite coming under severe attack over the years from the Tatmadaw, have managed to establish autonomous enclaves in their areas. With the Tatmadaw unable to defeat them entirely, it signed ceasefires with groups that allowed them to retain arms and some autonomy in minority areas, a situation that persists even today.

Impact on India

The junta's first punitive action against ethnic armed organisations was targeted at those in Chin State in October 2021, an initiative that failed but resulted in several refugees fleeing to Mizoram and Manipur in India. While New Delhi passed strictures not to open camps or provide assistance, the Mizoram government defied the Union government's order to deport the refugees and allowed them to take shelter. The Mizo people regard those from the Chin community as ethnic brethren. The influx of refugees in Manipur has heightened the ethnic conflict between the Kuki-Zo community and the majority Meiteis in the State.

How has China reacted?

Myanmar's closest ally, China, has leverage over some of the northern ethnic armed forces that are now engaged against the junta. While Beijing has publicly called for a cessation in hostilities, experts say that the Chinese are willing to tolerate the actions as the rebels have evinced interest in reining in illicit activities such as "telecom scam centres" in the Kokang zone. For instance, a rebel group announced that it is planning to attack the Laukkai township in Kokang which is controlled by junta-affiliated militias and is also host to many cybercrime compounds. These illicit centres have trapped thousands of Chinese nationals besides many from Southeast Asia, forcing them to carry out internet fraud, theft and cybercrime activities targeting Chinese citizens and others.

Relevance: GS Prelims & Mains Paper II; International Organisations Source: The Hindu

3. Rising Vegetable Oil imports of India

Introduction

India's edible oil imports have risen almost 1.5 times and more than doubled in rupee value terms during the last 10 years. From a 10-year perspective, India's edible oil imports have increased from 11.6 mt (valued at Rs 60,750 crore) in 2013-14 to 16.5 mt (Rs 138,424 crore) in 2022-23. During the previous 10 years between 2004-05 and 2013-14, imports had shot up even more, from 5 mt to 11.6 mt.

Dipping self-sufficiency

In 2022-23, India's edible oil production from domestically grown oilseeds and alternative sources such as cottonseed, rice bran and maize/corn amounted to around 10.3 mt. Adding imports of 16.5 mt took the total availability to 26.8 mt, with the share of domestic production in this at only 38.6%. Compare this to 2004-05, when domestic output, at 7 mt, exceeded imports of 5 mt and translated into a self-sufficiency ratio of close to 60%.

| INDIA'S EDIBLE OIL IMPORTS | | | | EDIBLE OIL PRODUCTION | | | VEGETABLE OILS INFLATION: | |
|----------------------------|----------------------|----------------------|-----------------------------|-----------------------|---------|---------|--|--|
| Dil Year | Quantity (million | Value in (For) | Value in US S billion | | 2013-14 | 2022-23 | DOMESTIC vs. GLOBAL | |
| (Nov-Oct) | | | | Mustard* | 22.72 | 39.8 | 150 | |
| 2012 14 | tonnes) | (₹cr) | Contraction of the second | Soyabean | 14.03 | 18.53 | 124.87 Domesti | |
| 2013-14 | 11.62 | 60,750 | 9.95 | Cottonseed** | 14.74 | 12.44 | | |
| 2014-15 | 14.42 | 62,862 | 9.65 | Rice Bran | 9.3 | 11 | 90 | |
| 2015-16 | 14.57 | 69,780 | 10.4 | Groundnut@ | 6.75 | 9.91 | 60-0-0-0-0-0-0-0-0-0-0-0-0-0-0-0-0-0-0- | |
| 2016-17 | 15.08 | 75,125 | 11.55 | Copra/Coconut | 4.55 | 3.9 | 30-27.72 -8.57 | |
| 2017-18 | 14.51 | 66,942 | 9.3 | Palm | 1.1 | 3.5 | -13.73 | |
| 2018-19 | 14.91 | 62,933 | 9 | Maize Germ | 0.5 | 1.5 | 19.78 7.52 | |
| 2019-20 | 13.18 | 71,625 | 9.95 | Sesame | 1.13 | 1.06 | -30- | |
| 2020-21 | 13.13 | 117,225 | 15.6 | Sunflower@@ | 2.43 | 1.03 | -60 | |
| 2021-22 | 14.03 | 156,800 | 19.6 | Others | 0.77 | 0.68 | Jan'21 Jan'21 Jan'22 Aug'22 Jan'23 Oct'23 | |
| 2022-23 | 16.47 | 138,424 | 16.65 | TOTAL | 78.02 | 103.35 | Jan'2 Aug'2 Jan'22 Jan'22 Jan'23 | |

Profile of domestic oils

Table 2 shows that the two biggest contributors to India's edible oil production now are mustard and soyabean. At No. 3 and No. 4 are cottonseed and rice bran.

Among conventional oilseeds, only mustard has retained its sheen. While groundnut oil production has also grown, roughly half of its kernels are today either directly used for table consumption or exported. That leaves not much for crushing and oil extraction. It makes groundnut more of a dry fruit and less of an oilseed. The other oils — coconut, sesame, sunflower and safflower — have all registered declines in domestic output.

Imports

The 16.5 mt of edible oil imports in 2022-23 included palm (9.8 mt; from Indonesia, Malaysia and Thailand), soyabean (3.7 mt; from Argentina and Brazil) and sunflower (3 mt; from Russia, Ukraine and Argentina). The bulk of imports comprise crude oils. Like crude petroleum, these are shipped in tankers and processed in giant refineries. Refining involves de-gumming (removing gums, waxes and other impurities), neutralisation (removing free fatty acids), bleaching (removing colour) and de-odourisation (removing volatile compounds).

Vulnerability to imports

A major side effect of high import dependence is the vulnerability of both producers and consumers to international price fluctuations. Edible oil inflation is India has broadly moved in tandem with global inflation. However, the extent of volatility — be it increases or decreases — is more in the latter's case (see chart).

What needs to be done?

Stepping up edible oil output from domestic sources will go some way in insulating Indian farmers and households from excess global price volatility. But that would require openness to technology — including GM hybrids in mustard and soyabean amenable to herbicide application — and the government providing some kind of price support to oilseed growers, whether through procurement or tariff policy.

Relevance: GS Prelims & Mains Paper III; Economics Source: The Hindu