

To receive Daily news juice pdf on your WhatsApp, send name and city through WhatsApp on 75979-00000.

### **1. Macron for Republic Day 2024: How India chooses its Republic Day chief guest**

#### **Why in news?**

France's President Emmanuel Macron will be India's chief guest for its 2024 Republic Day celebrations. Here is a look at how India's Republic Day chief guest is chosen, why it is an honour to be invited as the chief guest, and what is the significance of the invitation.



#### **Why is being India's Republic Day chief guest an honour?**

Being invited as the chief guest at Republic Day celebrations is the highest honour a country accords in terms of protocol. The chief guest is front and centre in many ceremonial activities which have over time become a part of the fabric of the event and the run-up to it.

They are given the ceremonial guard of honour at Rashtrapati Bhavan followed by a reception hosted by the President of India in the evening. They also lay a wreath at Rajghat, to honour Mahatma Gandhi. There is a banquet in their honour, a lunch hosted by the Prime Minister, and calls by the Vice-President and the External Affairs Minister.

The visit of the Chief Guest is full of symbolism — “it portrays the Chief Guest as participating in India’s pride and happiness, and reflects the friendship between the two peoples represented by the President of India and the Chief Guest”.

This symbolism serves as a powerful tool to forge and renew ties between India and the nation of its invitee, having greater political and diplomatic significance as well.

### **So how is the Republic Day chief guest chosen?**

The process starts nearly six months in advance of the event. All kinds of considerations are taken into account by the MEA before extending the invitation.

The most central consideration is the nature of the relationship between India and the country concerned. Invitation to be the Chief Guest of the Republic Day parade is the ultimate sign of friendship between India and the country of the invitee. Political, commercial, military and economic interests of India are crucial drivers of the decision, with MEA seeking to use the occasion to strengthen ties with the country of the invitee in all these respects.

Another factor that has historically played a role in the choice of the Chief Guest is the association with the Non-Aligned Movement (NAM) which began in the late 1950s and early 1960s. The NAM was an international political movement of newly decolonised nations to stay out of the squabbles of the Cold War and support each other in their nation-building journeys. The first Chief Guest of the parade in 1950 was President Sukarno of Indonesia, one of the five founding members of the NAM.

### **What happens after the MEA has zeroed in on its options?**

After due consideration, the MEA seeks the approval of the PM and the President on the matter. After the MEA gets approval, Indian ambassadors in the concerned country try to discreetly ascertain the availability of the potential chief guest. This is crucial as it is not uncommon for heads of state to have packed schedules and unavoidable prior commitments. This is also a reason why the MEA doesn’t just choose one option but a list of potential candidates. Discretion is of utmost importance as no formal invitation has yet been made by India.

After a candidate is finalised, more official communication takes place between India and the invitee’s country. Territorial divisions in the MEA work towards meaningful talks and agreements. The Chief of Protocol works on the details of the programme and logistics. A detailed programme for the trip and the Republic Day ceremonies is shared by the Protocol Chief with his counterpart from the visiting nation.

The planning of the visit involves the Government of India, state governments which the foreign dignitary might visit, and the government of the concerned country.

### **The big picture of the chief guest's visit**

The chief guest of the Republic Day is a ceremonial honour presented to the head of state of a country but its significance rises beyond purely the ceremonial. Such a visit can open new possibilities and go a long way in furthering India's interests in the world.

Relevance: GS Prelims & Mains Paper II; Bilateral Relations

Source: The Indian Express

## **2. Why has the Indian government criticised the methodologies of global credit rating agencies?**

### **Why in news?**

Recently, the Finance Ministry released a document titled Re-examining Narratives: A Collection of Essays, which Chief Economic Advisor V Anantha Nageswaran said was an "attempt to present alternate perspectives on diverse areas of economic policy that have long-term implications for India's growth and development priorities".

The first of the five essays in the document is a criticism of what the government calls the "opaque methodologies adopted by credit rating agencies to arrive at sovereign ratings".

The essay seeks to flag issues with the methodology adopted by the three main global credit rating agencies, and to show, based on calculations by the Finance Ministry, how these gaps affect India adversely.

### **Why do sovereign ratings matter?**

Sovereign ratings are about the creditworthiness of governments. They provide a marker for investors around the world about the ability and willingness of governments to pay back debt. Just as an individual's credit rating is critical to whether she gets a loan and at what interest rate, sovereign ratings affect a country's ability to borrow money from global investors.

Sovereign ratings matter not just for the government but also for all businesses in that country. That's because the government is considered to be the safest bet in a country. If the sovereign rating of a country's government is low, the businesses of that country end up forking out an even higher interest rate when they borrow from global investors.

### **Which are the main rating agencies?**

Sovereign credit ratings predate the Bretton Woods institutions, i.e., the World Bank and the International Monetary Fund. There are three main globally recognised credit rating agencies: Moody's, Standard & Poor's and Fitch.

Moody's is the oldest; it was established in 1900 and issued its first sovereign ratings just before World War I. In the 1920s, Poor's Publishing and Standard Statistics, the predecessor of S&P, started rating government bonds.

### **What is the government's criticism?**

The Finance Ministry has pointed out three main issues with the methodologies used by the rating agencies.

First, they "are opaque and appear to disadvantage developing economies" in certain ways. "For instance," the Ministry says, "the Fitch document mentions that the rating agency "takes comfort from high levels of foreign ownership" in the banking sector and that "public-owned banks have historically been subject to political interference"."

"Such an assessment", the government argues, "tends to discriminate against developing countries, where the banking sector is primarily run by the public sector". According to the government, such an assessment also ignores the welfare and development functions that public sector banks have in a developing country, including playing an important role in promoting financial inclusion.

Second, the government says, "the experts generally consulted for the rating assessments are selected in a non-transparent manner, adding another layer of opaqueness to an already difficult-to-interpret methodology".

Third, the rating agencies do not convey clearly the assigned weights for each parameter considered. "While Fitch does lay out some numerical weights for each parameter, they do go on to state that the weights are for illustrative purposes only," the essay says.

Relevance: GS Prelims & Mains Paper III; Economics

Source: The Indian Express

### **3. What's the latest blip in India-Maldives ties?**

#### **Why in news?**

Earlier this month, the Maldives Cabinet decided against renewing a Memorandum of Understanding (MoU) with India for cooperation in hydrography. The agreement, which was signed in 2019, is due to expire in 2024. Coming soon after newly elected President Mohamed Muizzu's pledge to send back Indian troops currently stationed in the Indian Ocean archipelago, the move was yet another indication of his government's intention to reverse the former Ibrahim Mohamed Solih administration's 'India first' policy.

### **What is hydrography?**

It is the science of studying oceans, seas, and other water bodies, by compiling and analysing data, maps, and charts. Branching off from applied sciences, it looks at measuring and describing the physical attributes of water bodies and predicting how they might change over time. While it is said to be undertaken primarily for safety of navigation, it also supports other activities, such as economic development, security and defence, scientific research, and environmental protection. Hydrographical measurements include tidal, current and wave information.

### **What is India's expertise?**

India has been an active member of the International Hydrographic Organization (IHO) since 1955. The Indian Naval Hydrographic Department (INHD) was established in 1874 in Kolkata. It is the nodal agency for hydrographic surveys and has a fleet of indigenously built modern survey ships. India partners with many countries in the Indian Ocean Region and African and East Asian countries such as Mauritius, Seychelles, Tanzania, Maldives, Mozambique, Vietnam, Myanmar, Kenya, and Sri Lanka. According to the INHD, its role has broadened over time, owing to the heightening global character of hydrography and "its growing potential as a force multiplier" in terms of maritime diplomacy. Personnel from 39 countries have trained at the National Institute of Hydrography, functioning under the INHD.

### **Why was the 2019 MoU significant?**

The MoU was signed in June 2019, during Prime Minister Narendra Modi's state visit to the Maldives. It was Mr. Modi's second visit to the Maldives since he participated at President Solih's swearing-in ceremony in 2018. Months before the time the MoU was inked, President Solih and the ruling Maldivian Democratic Party (MDP) had secured a landslide win in the general elections. The two Indian Ocean neighbours, and their leaders, backed by a decisive majority, committed to close cooperation in development, defence and maritime security. The first meeting of the Joint Commission on Hydrography was held in the Maldives in September 2019. Following the agreement, the Maldives National Defence Force (MNDF) and the Indian Navy have carried out three joint hydrographic surveys in 2021, 2022, and 2023.

### **Why has the Cabinet decided against renewing the agreement?**

While President Muizzu has not made a statement specifically on the MoU on the joint hydrographic survey, a senior official told Maldivian media that the decision was aligned to the current administration's pledge to terminate all agreements with foreign parties that are detrimental to or endanger the national security of the Maldives. "It is in the best interest of Maldivian sovereignty that this capacity is improved within our own military, entrusting them with the responsibilities of surveilling and policing our waters, and excluding the participation of any foreign party in such an endeavour," Under Secretary for Public Policy Mohamed Firzul told a media conference.

The message appeared to be in line with Mr. Muizzu's broad election campaign, pledging to remove Indian troops from the country and "restoring the Maldives's sovereignty". Once he assumed charge, the core demand of the 'India Out' campaign led by former President Abdulla Yameen, found mention in President Muizzu's first set of official announcements.

### **How has India responded?**

In its first response yet to the Cabinet decision, the Ministry of External Affairs on Thursday said India had a "proven track record" in the field. "Let me just say that India has a proven track record in the field of hydrography. And we have also been cooperating with many countries in the Indian Ocean region on hydrography and various elements related to that. The benefits to partner countries are visible, I would like to just leave it at that," spokesperson Arindam Bagchi told the weekly media conference.

### **What does this mean for India-Maldives ties?**

Going by recent developments, it appears as if New Delhi will have to brace for a challenging phase of its Male partnership. Maldives is a member of the Colombo Security Conclave, an initiative aimed at enhancing Indian Ocean maritime security, that includes India, Sri Lanka, and Mauritius. However, earlier this month, the Maldives skipped the latest round of the Conclave's NSA-level meet held in Mauritius. Notably, it coincided with Maldivian Vice-President Hussain Mohamed Latheef's visit to China, to attend the China-Indian Ocean Region Forum on Development Cooperation, where he said the Maldives was "eager to explore novel avenues of collaboration and cooperation with China". The MEA's response to the termination of the Maldives's joint hydrographic initiative with India, pointed to New Delhi's belief that its neighbours should tap the "benefits" of India's expertise. How it will navigate the choppy waters connecting its southern neighbour will be closely watched.

Relevance: GS Prelims & Mains Paper II; Bilateral Relations

Source: The Hindu