



C.A Dated On 06-05-2019

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Ex- Varuna

Why in News?

End of this month, India and France will hold anti-submarine warfare games off Djibouti coast near the Horn of Africa, as part of the 17th edition of the bilateral Varuna exercise series which is currently underway.

About the Exercise:

- The first part of the Indo-French joint naval exercise, Varuna 19.1, will be conducted off the Goa coast from May 1-10.
- The second part, Varuna 19.2, is scheduled to be held at the end of May in Djibouti.
- Under the Mutual Logistics Support Agreement (MLSA) signed as part of its foreign cooperation initiatives, the Indian Navy has sought access to the French base in Djibouti for refit and refuelling.
- However, as Djibouti is a sovereign country, its clearance is needed for Indian ships and the onus to get it is on France..
- Interestingly, several countries have bases in Djibouti, and China opened its first overseas base there last year.

Phase I will see the participation of INS Vikramaditya and French carrier FNS Charles de Gaulle and the two air wings, comprising Mi-29Ks and Rafale-M, will perform joint drills.

Focus Areas:

- Apart from carrier drills, other focus areas during the exercise are explosive detection, mine hunting and protection of offshore assets, a specific area of interest for France.
- The bilateral naval exercise was initiated in 1983 and was christened as 'Varuna' in 2001.
- Of late, submarine hunting has become a major area of focus for the Indian Navy in its military cooperation with major countries.



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Military Expenditure Report:

Why in News?

Worldwide, military expenditure rose by 2.6% from 2017 to reach \$1.8 trillion in 2018, according to [SIPRI data](#).

Details:

- The U.S. registered a substantial rise in spending for the first time since 2010.
- India's spending rose by 3.1%, while Pakistan's military spending rose by 11%.
- The five biggest spenders were the U.S., China, Saudi Arabia, India and France. Saudi Arabia was third on the list despite spending 6.5% lesser than 2017.
- In 2018 the USA and China alone accounted for half of the world's military spending. The largest absolute increase in spending in 2018 was by the USA (\$27.8 billion), while the biggest decrease was by Saudi Arabia (−\$4.6 billion), according to the SIPRI report.

Per capita patterns

- Saudi Arabia's military spending as a percentage of its GDP was highest at 8.8%. It also spent the highest on military per capita.
- In India's case, the spending as a percentage of GDP is slightly above average (2.4%) while its per capita spending is below average (\$49).
- On average, world military spending in 2018 represented 2.1% of GDP and \$239 per person.
- According to the SIPRI report, six of the 10 countries with the highest military burden (military spending as a proportion of GDP) in the world in 2018 are in West Asia: Saudi Arabia, Oman, Kuwait, Lebanon, Jordan and Israel.

Masood Azhar issue:



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Why in News?

After years of resistance to [listing Masood Azhar, founder of Pakistan-based terrorist group Jaish-e-Mohammed, as a global terrorist](#), China has finally changed its position.

Earlier attempts to add him to the United Nations blacklist, under the 1267 Committee, failed as Beijing put a hold on the process, saying the issue should be resolved through consultations.

Background:

- After the February 14 Pulwama attack, which killed at least 40 Indian security personnel, France, the United Kingdom and the United States co-sponsored a new listing application, which was also blocked by the Asian giant.
- However, when its hold expired, [China](#) raised no fresh opposition, leading to the listing of Azhar, which means there will be a travel ban, an arms embargo on him and freezing of his assets.

Why China Opposed?:

- The main reason for China's opposition to Azhar's terror designation was the [Pakistan](#) factor.
- Islamabad has robust economic and strategic ties with Beijing.
- China is also investing billions of dollars in Pakistan to build an ambitious economic corridor, connecting Kashgar in western China to Pakistan's Gwadar, a port city on the Arabian Sea.

So Why did China change its position now?

- First, both India and China have manifested their desire to deepen bilateral ties despite the structural problems they face.
- The shadows of the Doklam stand-off between India-China armies and Beijing's repeated hold on Azhar as well as its opposition to India's Nuclear Suppliers Group membership continued to impinge on bilateral ties.



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- Still India preferred to stay engaged with China as the Wuhan summit suggested.
- Last year, it dropped its opposition to adding Pakistan to the Financial Action Task Force (FATF) grey list, which allowed the listing to go through smoothly.

The U.S. factor

- Second, the Azhar issue has cast shadows on China's commitment to fighting terrorism. Jaish, which Azhar leads, has been an internationally designated terrorist outfit.
- And its role in multiple terrorist attacks in India has been well established. China's continued hold on his listing had weakened internationally its position against terror. After all, China has its own terror problem.
- After it used its hold on Azhar following the Pulwama terror attack, the U.S. distributed a draft resolution at the U.N. Security Council (outside the 1267 Committee) to ban Azhar.
- If the resolution is put to vote, China would be left with an awkward choice — either to back it or use its precious veto power, further isolating itself among global peers.
- This appeared to have put China in a fix.

Compromise for India:

- The official listing talks about Azhar's ties with Jaish and al-Qaeda, but has no reference to his role in Kashmir violence.
- This was the compromise that India (or its allies at the UNSC) had to make to get Azhar listed.
- It allowed India to clinch a diplomatic victory, while China can say it changed its position not under any pressure but based on the "revised" listing request, and Pakistan can claim that the listing went through after "all the political references" were removed.

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Gold Reserves Soaring:



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Context:

Central banks across the globe are building up gold reserves with the first quarter of 2019 seeing significant buying from such entities.

According to the latest Gold Demand Trends report by the World Gold Council, central banks bought 145.5 tonnes of gold in the first quarter — a 68% jump from the same period in 2018 and also the strongest start to a year since 2013.

Meanwhile, the overall global gold demand rose to 1,053.3 tonnes in the first quarter of 2019, up 7% compared to the same period last year.

Reasons Behind:

- This year-on-year increase was largely due to continued growth in central bank buying, as well as growth in gold-backed exchange-traded funds (ETFs).
- Diversification and a desire for safe, liquid assets were the main drivers of the purchases.

Jewellery demand in India

A lower local rupee gold price in late February and early March coincided with the traditional gold buying wedding season, lifting jewellery demand in India to 125.4 tonnes, a 5% increase on the same period last year and the highest Q1 since 2015," stated the report.

Why so?

- According to the WGC, this was purely due to a fall in demand for gold bars, as official gold coin buying grew 12% to 56.1 tonnes even as China and Japan were the main contributors to the decline.

The beginning of 2019 saw a sharp recovery in investor sentiment in both the equity and debt markets, but appetite for gold remained solid.

Crying Snake:



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Why in News?

A new species of 'crying' snake has been discovered in Lepa-Rada district of [Arunachal Pradesh](#).

Details:

- The discovery of the non-venomous crying keelback, whose zoological name is *Hebius lacrima*, has been published in *Zootaxa*, the New Zealand-based scientific mega-journal for animal taxonomy.
- The name for this keelback was suggested because of a dark spot under its eyes looking like a black tear that interrupts a white stripe running along the upper jaw to the back of its head and beyond.
- Lacrima' means tear in Latin.
- The snake, preferring to live near streams along paddy fields, was found to feed on small fish, tadpole, frogs and geckos.
- Globally snakes are represented by 3,709 species. The northeast is home to some 110 species, with Arunachal Pradesh accounting for 55.

Other Discoveries:

- Several animals, birds, amphibians and insects have been discovered in Arunachal Pradesh in a little more than two decades.
- Assam-based Anwaraddin Choudhury discovered the Arunachal macaque (*Macaca munzala*) in 1997 but it was recognised as a new primate species in 2004.
- Another primate species called the white-cheeked macaque (*Macaca leucogenys*) was discovered by a four-member team in 2015.
- Another team led by Aparajita Dutta discovered the leaf deer (*Muntiacus putaoensis*) in 2002.
- Another major discovery was that of the Himalayan forest thrush in 2016. It was given the scientific name *Zoothera salimalii* after legendary ornithologist Salim Ali.