

Course correction – Fed’s insurance policy: On Federal Reserve’s rate cut

The rate cut is aimed at insuring against global risks to favourable U.S. economic outlook

The U.S. Federal Reserve on Wednesday announced its first reduction in the funds rate since 2008, a move that was widely expected. Elaborating on the Federal Open Market Committee’s rationale in deciding policy action, Chairman Jerome Powell was emphatic that the aim was to provide a measure of insurance, especially given that the outlook for the U.S. economy remains favourable. The quarter percentage point interest rate cut, he said, was designed to support economic growth by ensuring that confidence was kept intact and “intended to insure against downside risks from weak global growth and trade policy uncertainty.” In the space of less than three quarters, the Fed has pivoted from talking of further rate increases, to being on hold, to finally cutting interest rates as a global economic slowdown is exacerbated by trade tensions unleashed by U.S. President Donald Trump’s aggressively insular approach to trade ties. The U.S. economy, which expanded by 2.9% in 2018 and posted a 3.1% expansion in the first quarter, slowed to a 2.1% pace in the second quarter, with the ongoing trade war with China blamed for a manufacturing slowdown as well as a decline in business investment. Just last week, the IMF pared its forecast for global growth in 2019 by 0.1 percentage point to 3.2%, warning that “risks to the forecast are mainly to the downside”. The IMF cautioned that further trade tensions could dent sentiment and slow investment, a theme that Mr. Powell too referred to, when he said the rate cut was intended “to help offset the effects these factors are currently having on the economy.”

The Fed Chairman, however, finds himself in an unenviable situation with the rate reduction satisfying neither the sharply critical President who appointed him in 2018, nor the markets where investors fretted that Mr. Powell had failed to signal the start of a protracted easing cycle. A fair part of the problem appears to be of his own making as the central bank chief muddled his messaging, speaking at one point during the post policy press conference of a “somewhat more accommodative stance”, and at another emphasising that the move was not the start of a long series of rate cuts. Central bankers at the best of times have a delicate balancing act to perform to ensure that policies to support growth do not lead to a dilution of focus on price stability. In the Fed’s case, Chairman Powell is clearly concerned that with inflation in the U.S. stubbornly refusing to move toward the central bank’s 2% objective, there is a risk that persistent global disinflationary pressures could at some point feed into the domestic economy, undermining its efforts to spur wage and price gains. For the RBI, the Fed’s move signals that, for now at least, it can stay on its accommodative path in the confidence that U.S. investors seeking rate arbitrage may hit the pause button on plans to head home.

Meanings of Difficult Words :

- **Federal Reserve (US)** (noun) – the central banking system of the United States (The Reserve Bank of India (RBI) is India’s central banking institution).
- **rate cut** (noun) – a decision by a central bank (like RBI in India) to reduce its main interest rate to the banks (like SBI, ICICI & etc in India) when these commercial banks get money from the central bank.

Once this rate goes down, the banks are in a position to give loans at lower interest rates to individuals and the industry.

- **insure** (verb) – protect, secure, assure.
- **outlook** (noun) – prospects/expectations; forecast, projection.
- **rationale** (noun) – reason/basis; principle.
- **emphatic** (adjective) – definite, strong, conclusive/decisive (of a result).
- **intact** (adjective) – undamaged, unimpaired, unflawed.
- **uncertainty** (noun) – instability, unpredictability, indecision.
- **pivot** (verb) – turn, revolve, rotate.
- **on hold** (phrase) – postpone, put off, delay.
- **slowdown** (noun) – economic decline, recession, slump/depression.
- **exacerbate** (verb) – make worse, worsen, aggravate, compound.
- **trade war/tensions** (noun) – a condition in which a country increase tariffs on foreign goods and impose quota restrictions to restrict other countries' trade.
- **unleash** (verb) – let loose, release, set free.
- **insular** (adjective) – isolated, separate, segregated.
- **pare** (verb) – reduce, diminish, decrease.
- **dent** (verb) – undermine, reduce, lessen.
- **offset** (verb) – balance, equalize, neutralize.
- **unenviable** (adjective) – difficult, undesirable, unpleasant.
- **fret** (verb) – trouble, bother, disturb.
- **protracted** (adjective) – sustained, prolonged, extensive.
- **muddle** (verb) – confuse, bewilder, perplex.
- **accommodative** (adjective) – accommodating, cooperative, helpful.
- **inflation** (noun) – simply meaning "cost of living"; increase of price level of goods & services and vice versa decrease of currency value.
- **persistent** (adjective) – constant, continuous, never-ending/repeated.
- **disinflationary** (adjective) – relating to the reduction in the rate of inflation.
- **undermine** (verb) – weaken, spoil, damage.
- **spur** (verb) – stimulate, prompt, propel.
- **arbitrage** (noun) – buying an asset in one market and selling the same/similar asset in another market to make a profit.
- **head home** (phrase) – return/go back to a condition where one has been before.

Course correction – **Gender justice: On Unnao rape survivor**
Poor women are even more disadvantaged as supplicants before
powerful men

Nearly seven years after the Nirbhaya tragedy shocked India and the world at large, a 19-year-old, who was allegedly raped in 2017 by a local MLA in Uttar Pradesh's Unnao district, is battling for her life. Hooked to a ventilator, the girl's latest trauma began on Sunday. She was travelling by car with two

aunts and a lawyer from Unnao to Rae Bareilly when a truck with a "blackened number plate" rammed into the vehicle. Whether it is an accident or not is now a subject matter of official investigation, but India has had a history of rogue trucks silencing those questioning the system. Since 2017, it's been a long, difficult road to justice for the family. Two years ago, the girl had gone to Kuldeep Singh Sengar, a four-time BJP legislator from Bangermau, for a job. The teenager accused him of sexually assaulting her, but the family's cry for help went unheard till April 2018, when Sengar was arrested, days after the girl threatened to immolate herself outside Uttar Pradesh (U.P.) Chief Minister Yogi Adityanath's residence in Lucknow. In the meantime, her father was arrested in an arms case and died in police custody. Helpless in the face of such brazen show of power, the family wrote to the Chief Justice of India on July 12, alleging grave danger from the accused. Ranjan Gogoi got to know of the letter only on July 30 and expressed displeasure about the delay.

The family did not get any relief from State government agencies, which appear to have been complicit in the cover-up, with the MLA belonging to the ruling party. The BJP has come under pressure from the Opposition to expel Sengar. In the Unnao case, muscle, money power and the right political alignment weighed heavily against the girl. As for crimes against women, U.P. has a high rate, not least because many are reported, unlike in some other States. According to National Crime Records Bureau figures, released in 2016 – the last time data were uploaded – of the 38,947 cases of rape reported, the second highest was from U.P. (4,816). As for all crimes against women, Uttar Pradesh reported 14.5% (49,262 out of 3,38,954 cases) of the total. The Supreme Court has ruled that five cases relating to the issue will be transferred from U.P. to Delhi, and ordered the State government to pay a Rs. 25 lakh compensation to the family. This may bring some relief, even though justice has been inordinately delayed. Despite the increased focus on women's rights, nothing changes on the ground. Till such crimes continue with impunity and patriarchal mindsets don't change, as a diverse and plural society, India would have failed the girl, and every woman.

Meanings of Difficult Words :

- **disadvantaged** (adjective) – underprivileged, depressed, deprived (people).
- **suppliant** (noun) – a person who begs/asks/appeals to someone (in power) humbly.
- **at large** (phrase) – as a whole, generally, extensively.
- **allegedly** (adverb) – supposedly, purportedly, reportedly.
- **hook** (verb) – attach, fix.
- **ventilator** (noun) – a respirator, a device (used for a patient to breathe).
- **trauma** (noun) – torment, distress, suffering.
- **blackened** (adjective) – darkened, made black, tarnished, damaged.
- **ram into** (verb) – hit, strike, crash into.
- **subject matter** (noun) – theme, direction, point.
- **rogue** (noun) – criminal, crook, villain.
- **silence** (verb) – suppress, quieten, prevent/stop.
- **assault** (verb) – rape, sexually assault, molest.
- **unheard** (adjective) – not heard, not listened to.
- **immolate** (verb) – kill/burn as a sacrifice.
- **in the face of** (phrase) – in spite of, notwithstanding, despite.

- **brazen** (adjective) – bold and shameless; unashamed, unabashed.
- **grave** (adjective) – crucial, critical, serious/terrible.
- **displeasure** (noun) – resentment, dissatisfaction, discontent.
- **complicit** (adjective) – associated/partnered with others in a wrongful/illegal activity.
- **cover-up** (noun) – whitewash, deception, suppression/concealment.
- **come under** (phrasal verb) – be subjected to.
- **expel** (verb) – oust, remove/throw out, deport.
- **muscle** (noun) – strength, power, muscularity.
- **weigh something against** (phrasal verb) – balance, contrast with, evaluate.
- **inordinately** (adverb) – excessively, unusually, disproportionately.
- **on the ground** (phrase) – in a situation/place where things are happening really/practically.
- **impunity** (noun) – immunity, exemption/freedom from punishment, special treatment.
- **patriarchal** (adjective) – cultures or societies that are controlled by men.
- **diverse** (adjective) – various, manifold/variety, very different.
- **plural society** (noun) – a society combining ethnic contrasts; the integration of different communities who practice different culture, languages, and beliefs.

Course correction – **Logged out: On protecting Amazon rainforest**

Brazil must recognise that the Amazon rainforest is a universal treasure

It is a matter of global concern that deforestation in the Amazon rainforest in Brazil is increasing rapidly since January, when Jair Bolsonaro took office as President. Satellite images show that about 4,200 sq km of **forests** have been destroyed up to July 24 under the new government. While most nations tend to view their land and forests through the narrow prism of short-term economic gain, climate science data show that they play a larger environmental role. The Amazon basin, spread across millions of hectares in multiple countries, hosts massive sinks of sequestered carbon, and the forests are a key factor in regulating monsoon systems. The rainforests harbour rich biodiversity and about 400 known indigenous groups whose presence has prevented commercial interests from overrunning the lands. Much of the Amazon has survived, despite relentless pressure to convert forests into farmlands, pastures and gold mines, and to build roads. That fragile legacy is now imperilled, as Mr. Bolsonaro has spoken in favour of “reasonable” exploitation of these lands. Although the forest code has not been changed, his comments have emboldened illegal expansion into forests. Armed gold-hunting gangs have reached tribal areas and the leader of one tribe has been murdered in Amapa in an incursion. These are depressing developments, and the Brazilian leader’s criticism of satellite data and denial of the violence are not convincing at all.

As the custodian of forests in about 5 million sq km of Amazon land, Brazil has everything to gain by engaging with the international community on meeting the opportunity cost of leaving the Amazon undisturbed. Mr. Bolsonaro lost a valuable opportunity to seek higher funding for forest protection by refusing to host the annual convention of the UN Framework Convention on Climate Change this year, but he has been wise not to exit the Paris Agreement. Abandoning that pact would jeopardise Brazil’s

access to the important European Union market. Globally, there is tremendous momentum to save the Amazon forests. Brazil must welcome initiatives such as the billion-dollar Amazon Fund backed by Norway and **Germany**, which has been operating for over a decade, instead of trying to shut them down. Remedial funding, accounting for the value of environmental services, is the most productive approach, because forest removal has not helped agriculture everywhere due to soil and other factors. One estimate by the World Bank some years ago noted that 15 million hectares had been abandoned due to degradation. Brazil's President must recognise that rainforests are universal treasures, and the rights of indigenous communities to their lands are inalienable. The international community must use diplomacy to convince Mr. Bolsonaro that no other formulation is acceptable.

Meanings of Difficult Words :

- **deforestation** (noun) – it is when humans remove or clear large areas of forest lands and related ecosystems for non-forest use.
- **prism** (noun) – a viewpoint which clarifies/distorts something.
- **basin** (noun) – the portion of land drained by a river and its tributaries (branch rivers).
- **carbon sink** (noun) – also known as carbon sequestration; a natural environment (forest or reservoir) which absorbs and stores carbon (greenhouse gases) from the atmosphere and thereby maintain a balance. (carbon sequestration is the process by which the forest removes and stores carbon from the atmosphere).
- **harbour** (verb) – nurse, nurture, foster.
- **biodiversity** (noun) – the existence of a number and variety of species (plants & animals) in a particular geographic region/ environment.
- **indigenous** (adjective) – native/local, original, domestic.
- **overrun** (verb) – invade, occupy, spread over.
- **relentless** (adjective) – persistent, continuing, constant.
- **pasture** (noun) – grassland, pastureland, open country.
- **fragile** (adjective) – weak, shaky/risky, feeble/unsound.
- **legacy** (noun) – footprint, effect/outcome (something received from a predecessor or from the past).
- **imperil** (verb) – endanger, jeopardize, risk.
- **exploitation** (noun) – utilization, use, capitalization.
- **embolden** (verb) – give courage, encourage, strengthen/fortify.
- **incursion** (noun) – attack on, assault on, invasion.
- **depressing** (adjective) – upsetting, distressing, painful.
- **custodian** (noun) – curator, guardian; caretaker/protector.
- **convention** (noun) – conference, meeting, summit.
- **climate change** (noun) – a long-term change in the Earth's climate, or of a region on Earth (Courtesy: NASA).
- **Paris Agreement/Agreement** (noun) – The Paris Agreement builds upon the Convention (agreement) and for the first time brings all nations into a common cause to undertake ambitious efforts to combat climate change and adapt to its effects, with enhanced support to assist developing countries to do so.

- **jeopardise** (verb) – threaten, endanger/imperil, put in danger/put at risk.
- **tremendous** (adjective) – massive, huge, immense.
- **back** (verb) – support, endorse, uphold.
- **shut down** (phrasal verb) – discontinue, cease activity, close.
- **remedial** (adjective) – restorative, reparative, corrective.
- **account for** (verb) – consider, regard as, take for.
- **degradation** (verb) – deterioration, degeneration, decay.
- **inalienable** (adjective) – inviolable/unchallengeable, absolute/inherent.
- **diplomacy** (noun) – statesmanship, negotiations/discussions; tactfulness, thoughtfulness/cleverness.

Course correction – **Beyond talaq: On Muslim divorce bill**

India needs a non-sectarian, gender-neutral law that addresses desertion of spouses

Both Houses of Parliament have passed a Bill making instant triple talaq a criminal offence, amidst persistent doubts whether it ought to be treated as a crime or just a civil case. It is true that the Muslim Women (Protection of Rights on Marriage) Bill, 2019, is a diluted version of the Bill as it was originally conceived. Earlier, it did not specify who could set the law in motion. Now the offence is cognisable only if the affected wife, or one related to her by blood or marriage, files a police complaint. A man arrested under this law may get bail, after the Magistrate grants a hearing to the wife. Thirdly, the offence is compoundable, that is, the parties may arrive at a compromise. The government says its main objective is to give effect to the Supreme Court's 2017 verdict declaring instant triple talaq illegal. It claims that despite the court ruling, several instances have been reported. Making it an offence, the government says, will deter further resort to triple talaq, and provide redress for women in the form of a subsistence allowance and custody of children, besides getting the erring husband arrested. However, the core question regarding the necessity to criminalise the practice of *talaq-e-biddat* has not been convincingly answered.

In the light of the Supreme Court ruling on its validity, there is really no need to declare instant triple talaq a criminal offence. The practice has no approval in Islamic tenets, and is indeed considered abhorrent. Secondly, once it has been declared illegal, pronouncing talaq obviously does not have the effect of "instantaneous and irrevocable divorce" as this Bill claims in its definition of 'talaq'. The provisions that allow a woman to claim a subsistence allowance from the man and seek custody of her children can be implemented in the event of the husband abandoning her, even without the man's arrest. If triple talaq, in any form, is void, how the questions of children's custody and subsistence allowance arise while the marriage subsists, is not clear. And then, there is the practical question of how a man can provide a subsistence allowance while he is imprisoned. It has been argued by the Bill's proponents that dowry harassment and cruelty towards wives are treated as criminal offences even while the marriage subsists. It is a patently wrong comparison, as those acts involve violence and cruelty and are rightly treated as criminal offences. The same cannot be said of a man invoking a prohibited form of **divorce**. The BJP projects the passage of the Bill as a historic milestone in the quest for gender justice. Such a claim will be valid only if there is a non-sectarian law that addresses abandonment and desertion of spouses as a common problem instead of focusing on a practice, which is no more legally valid, among Muslims.

Meanings of Difficult Words :

- **non-sectarian** (adjective) – universal, all-embracing, all-inclusive.
- **gender-neutral** (adjective) – applicable to both genders (male and female).
- **address** (verb) – deal with, tackle, focus on.
- **desertion** (noun) – abandonment, leaving; betrayal/neglect.
- **spouse** (noun) – husband, wife, better off/partner.
- **amidst** (preposition) – amid, in the middle of; during.
- **persistent** (adjective) – constant, continuous, never-ending/repeated.
- **ought to** (modal verb) – must, should.
- **diluted** (adjective) – weakened, modified, moderated.
- **conceive** (verb) – think up, devise, originate.
- **set something in motion** (phrase) – move forwards, propel/drive, start/begin.
- **cognisable offence** (noun) – an offence for which, a police officer without any warrant has authority to arrest and to start an investigation with or without the permission of a court.
- **compoundable** (adjective) – compromised, settled.
- **deter** (verb) – prevent, stop, obstruct.
- **resort to** (verb) – use, utilize, turn to.
- **redress** (noun) – compensation, reparation/restitution; requital.
- **subsistence** (noun) – support, livelihood, living.
- **erring** (adjective) – having done wrong.
- **criminalise** (verb) – make something (an activity) illegal.
- **in the light of** (phrase) – considering, taking into account, keeping in mind.
- **tenet** (noun) – principle, belief, doctrine/rule.
- **abhorrent** (adjective) – hateful, offensive, repugnant.
- **pronounce** (verb) – announce, rule, declare.
- **obviously** (adverb) – clearly, evidently, visibly.
- **irrevocable** (adjective) – unrectifiable, irreversible, unchangeable.
- **provision** (noun) – term, clause, requirement.
- **in the event of** (phrase) – if it happens.
- **void** (adjective) – invalid, ineffective, useless,
- **subsist** (verb) – continue, live/carry on, endure.
- **imprison** (verb) – put in prison, send to prison, jail.
- **proponent** (noun) – advocate, supporter, upholder/promoter.
- **harassment** (noun) – persecution, persistent annoyance, coercion/intimidation.
- **invoke** (verb) – cite, refer to, adduce.
- **prohibited** (adjective) – banned, not allowed, forbidden.
- **quest** (noun) – search, hunt, pursuit; mission.

IMPORTANT IDIOMD & PHRASES

1. Beating around the bush

Example – The politician was beating around the bush when people demanded a reason for the scam.

Meaning – Avoiding the topic.

2. Chip on your shoulder

Example – He has a chip on his shoulder for being abandoned by his friends in school days.

Meaning – When someone is upset about something that happened a while ago.

3. A piece of cake

Example – Music is my piece of cake.

Meaning – Something that is easy to understand or do.

4. Blessing in disguise

Example – The course that I took was a blessing in disguise and I realize it now.

Meaning – Something good or useful that did not initially seem that way.

5. Come hell or high water

Example – I have decided that come hell or high water, I will finish my work.

Meaning – Possible obstacles in your path.

6. Taste of your own medicine

Example – Bad people will surely have a chance to taste their own medicine.

Meaning – When someone receives the same treatment, usually negative, that he/she gives to others.

7. Golden handshake

Example – It's better to offer a golden handshake to the aged employees.

Meaning – A big amount of money given to a person when he/she leaves a company or retires.

8. Apple of one's eye

Example – My mother is always an apple of my family's eye.

Meaning – Being cherished more than others are.

9. Feeling a bit under weather

Example – I am not going to gym today as I am feeling a bit under weather.

Meaning – Feeling slightly ill.

10. Mean business

Example – The border is surrounded by forces who mean business.

Meaning – Being serious/ dedicated.

☞ **“Luxury And Lies Have Huge Maintenance Costs.
But..
Truth And Simplicity Are Self Maintained Without Any Cost.”** ☞