## **Mains Matrix**

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## "It's Time for Maoists to Lay Down Arms"

(Source: The Hindu | Author: Sumit Bhattacharjee)

#### 1. Context

- Union Home Minister Amit Shah recently ruled out talks with Maoists, urging them to surrender and join the mainstream under the government's surrender and rehabilitation policy.
- The government aims to eradicate Maoism by 2025, as the insurgency faces its weakest phase in decades.
- 2. Background: The Maoist Movement in India
  - The CPI (Maoist) was formed in 2004 through the merger of the People's War Group (PWG) and the Maoist Communist Centre (MCC).
  - Rooted in peasant struggles and land movements, Maoism

- expanded across the **Red Corridor**, from Andhra Pradesh
  to Bihar.
- The movement once had 42
   Central Committee members
   and around 10,000 active
   cadres.

#### 3. Current Status and Decline

- The Central Committee has now reduced to 13 aged and ailing members; the Politburo from 25 to 7–8.
- Cadre strength dropped to below
   2,000, marking the lowest point in Maoist history.
- Even traditional strongholds in Chhattisgarh (Bastar region) have witnessed a waning influence.

## 4. Causes of Decline

## (a) Security Measures

Modernisation of Forces:
 Deployment of Commando

 Battalion for Resolute Action
 (CoBRA) and District Reserve

- **Guard (DRG)** (comprising surrendered Maoists).
- Operation Black Forest:
   Destroyed major Maoist bases in Karrmetta Hills.
- In the past 18 months, over 430
   Maoists killed, 1,450
   surrendered, and 1,460
   arrested.

### (b) Leadership Crisis

- Death of Nambala Keshava Rao alias Basava Raju exposed internal divisions.
- Leadership largely upper caste from Andhra-Telangana, causing alienation among tribal cadres (Gonds).
- Appointment of Tippiri Tirupathi alias Debuji (a Dalit from Telangana) reflects internal tension.

## (c) Loss of Ideological and Social Base

- Decline in intellectual support and urban networks.
- Shift from ideological struggle to militarisation eroded popular legitimacy.
- Tribal alienation increased due to violence and coercion by Maoists themselves.

## (d) Governance and Development Initiatives

 Improved infrastructure, welfare schemes. and

- **administrative outreach** in affected districts.
- Civil society participation and democratic mobilisation (e.g., Nyamgiri, Odisha) showed peaceful alternatives.

#### 5. Role of Chhattisgarh

- Once the Maoist "safe house" after their eviction from Andhra Pradesh and Bengal.
- The Salwa Judum movement (2005) initially backfired, pushing tribals to Maoists.
- Over time, atrocities and prolonged conflict caused disillusionment among tribals, leading to mass surrenders.

## 6. Key Insights

- The Maoist movement's strategic retreat is due to:
  - Leadership vacuum
  - Intelligence-driven operations
  - Declining ideological commitment
  - Social fatigue and tribal alienation
- The movement's militarisation, rather than political or social mobilisation, accelerated its decline.

### 7. Lessons for Internal Security Policy

- Holistic approach: Security operations must be paired with development and governance reforms.
- Rehabilitation focus:
   Encouraging surrender and
   reintegration over elimination.
- Democratic alternatives:
   Grassroots and civil society
   movements offer sustainable
   conflict resolution models.
- Address root causes: Land alienation, displacement, and governance deficits must be tackled to prevent recurrence.

#### 8. Conclusion

The Maoist movement in India is in its terminal phase, weakened by internal decay and state modernisation.

A sustained, people-centric development model and inclusive governance are essential to ensure lasting peace and integration in erstwhile LWE-affected regions.

#### How to use it

Primary Relevance: GS Paper III (Internal Security)

The topic falls under "Linkages between Development and Spread of Extremism" and "Challenges to Internal Security."

1. Challenges to Internal Security:

- How to use: The article provides a complete "before and after" analysis of one of India's most significant internal security challenges.
  - Decline: Instead of just stating that LWE is a problem, you can use the specific reasons for its decline:
    - Security
       Measures: Cite the role of specialized forces
       like CoBRA and DR
       G, and the success of operations
       like "Operation
       Black Forest." The data (430 killed, 1,450 surrendered) provides concrete evidence of the strategy's success.
      - Leadership and
        Ideological
        Crisis: The
        reduction of the
        Central
        Committee, the
        death of key
        leaders, and the
        alienation of tribal
        cadres show
        the internal
        decay of the
        movement.

Development: Thi s is a critical point. The article highlights that improved infrastructure, welfare schemes, and administrative outreach were key to winning the trust of the local population, addressing the "root causes."

## 2. Role of External State and Nonstate Actors:

 How to use: While not explicitly mentioned, the decline of safe havens and external support networks can be inferred from the overall weakening of the movement's structure.

## Secondary Relevance: GS Paper II (Governance)

The solution to LWE is deeply connected to governance.

## 1. Development Processes and the Development Industry:

- How to use: The "Governance and Development Initiatives" section is key here.
  - You can argue that the final and most sustainable solution to LWE is not military victory

## but good governance.

The mention of civil society movements (e.g., Nyamgiri) providing "peaceful alternatives" is a powerful example of democratic conflict resolution.

## 2. Government Policies and Interventions:

How to use: The
government's surrender and
rehabilitation policy is a
specific intervention that can be
evaluated. Its success, as
indicated by the high number of
surrenderees, shows the
importance of a compassionate
approach alongside a firm
security stance.

# A Path to Progress That Is Paved with Gold

**Author:** Gourav Vallabh

**Position:** Part-Time Member, Economic Advisory Council to the Prime Minister (EAC-PM); Professor of Finance

Note: Views are personal

#### 1. Context

 Amid shrinking global capital flows and volatile foreign investments, India must look inward to fund its developmental aspirations.  The article advocates financial Atmanirbharta (self-reliance)
 by unlocking domestic wealth, particularly household gold reserves.

### 2. Core Argument and Philosophy

- Atmanirbharta (Self-Reliance)
   is framed as a civilizational
   philosophy, where crises have
   historically been converted into
   capabilities
  - Examples: The Green Revolution, India's indigenous COVID-19 vaccine development.
- India should now apply this philosophy to finance by mobilizing its internal assets rather than depending on external capital.
- The slogan evolves from "Make in India" to "Fund in India".

#### 3. The Gold Paradox

#### (a) Immense Domestic Holdings

 Indian households collectively hold ~25,000 tonnes of gold, valued at \$2.4 trillion — about 55% of India's projected FY26 GDP.

### (b) Heavy Import Dependence

 Despite this vast reserve, India meets 87% of its gold demand

- through imports, making it one of the world's largest importers.
- This paradox aggravates the trade deficit and pressures the current account.

# 4. Proposed Solution — A Revitalized Gold Monetization Scheme (GMS)

- The author rejects coercive policies, noting gold's deep cultural and emotional significance in India.
- Instead, he advocates a trustbased, reimagined monetization framework inspired by global best practices.

#### 5. Three Pillars for Success

### (1) Infrastructure

- Establish a formal, nationwide network of trusted hallmarking and purity testing centres.
- Standardized valuation is crucial to gain public confidence.

## (2) Logistics

- Create a secure, transparent supply chain:
  - Banks handle monetary transactions.
  - Specialised centres
     handle physical gold
     collection, storage, and
     redemption.

### (3) Digitalisation & Trust

- Introduce a digital "metal balance" system, allowing depositors to track gold holdings online.
- Build trust by removing procedural frictions:
  - No GST or customs scrutiny on deposits.
  - "No questions asked" framework.
  - Transparent interest or return structure.

#### 6. Economic Benefits

#### (a) Cheaper Source of Funds

 Gold-based deposits can raise funds at 4.5%-6.5% interest, significantly lower than international borrowing costs.

### (b) Macroeconomic Impact

- Even partial mobilization of household gold can:
  - Reduce import dependency and improve current account balance.
  - Free up domestic capital for infrastructure, manufacturing, and innovation.
  - Enhance financial inclusion and trust in

formal financial systems.

## 7. Philosophical and Strategic Dimension

- The initiative symbolizes a
   civilizational choice —
   transforming passive wealth into
   productive capital.
- Embodies the vision that "Bharat can fund Bharat", redefining self-reliance in financial terms.
- Moves India from being a saver nation to an investor nation.

#### 8. Conclusion

Mobilizing domestic gold is not merely an economic reform but a philosophical and strategic assertion of sovereignty.

By building trust-based financial infrastructure and empowering citizens to contribute their wealth, India can finance its growth on its own terms, making *Atmanirbhar Bharat* not just a slogan, but an economic reality.

#### **How to use**

# Primary Relevance: GS Paper III (Indian Economy)

The topic falls under "Indian Economy and issues relating to planning, mobilization of resources, growth, development and employment."

#### 1. Mobilization of Resources:

- How to use: The article provides a concrete, innovative solution to the classic problem of resource mobilization.
  - o The "Gold Paradox": The data that Indian households hold \$2.4 trillion in gold (55% of GDP) while the country remains a top importer is a powerful illustration of a massive, underutilized national resource. This is an excellent example to use when discussing domestic savings and investment.
  - o Financial Inclusion & Deepening: A successful Gold Monetization Scheme (GMS) would bring a huge stock of informal, non-financial wealth (gold) into the formal financial system. This is a key aspect of financial deepening.
- Potential Question: "Despite high domestic savings, India faces a challenge in mobilizing these resources for productive investment." Discuss the bottlenecks and suggest measures to improve resource mobilization."
- 2. Effects of Liberalization on the Economy:

- How to use: The proposal for "financial Atmanirbharta" is a strategic response to global economic volatility.
  - Vulnerability: By relying more on domestic capital (like mobilized gold) and less on volatile foreign capital, India can make its economy more resilient to global shocks. This reduces the risk of currency crises and enhances macroeconom ic stability.

## 3. Government Budgeting:

- How to use: The scheme has direct implications for fiscal and monetary policy.
  - Cheaper Government
     Borrowing: If the
     government can borrow
     against these gold
     reserves at 4.5%-6.5%, it
     reduces the cost of
     financing the fiscal deficit
     compared to market
     borrowings.
  - Current Account Deficit
    (CAD): Reducing gold
    imports by meeting
    demand through
    domestic reserves would
    directly improve
    the Current Account
    Deficit, a key

macroeconomic indicator.

## Secondary Relevance: GS Paper II (Governance)

The success of such a scheme is a test of governance and implementation.

- 1. Government Policies and Interventions for Development:
  - How to use: The "Three Pillars for Success" are essentially a governance roadmap.

Infrastructure, Logistics, and Digitalisation: The need for a nationwide network of hallmarking centres, secure logistics, and a transparent digital platform highlights the critical role of the state in creating enabling infrastructure and building trust for policy success.

## Today's Mains Practice Question

Q.1 "A multi-pronged strategy has led to a significant decline in Left-Wing Extremism in India." Elaborate on this strategy and discuss the way forward for lasting peace." ( 15 )

Q.2 "The success of 'Atmanirbhar Bharat' is contingent on achieving 'Financial Atmanirbharata'." In this context, discuss the potential of India's gold reserves in mobilizing domestic capital for national development." (15 M)

