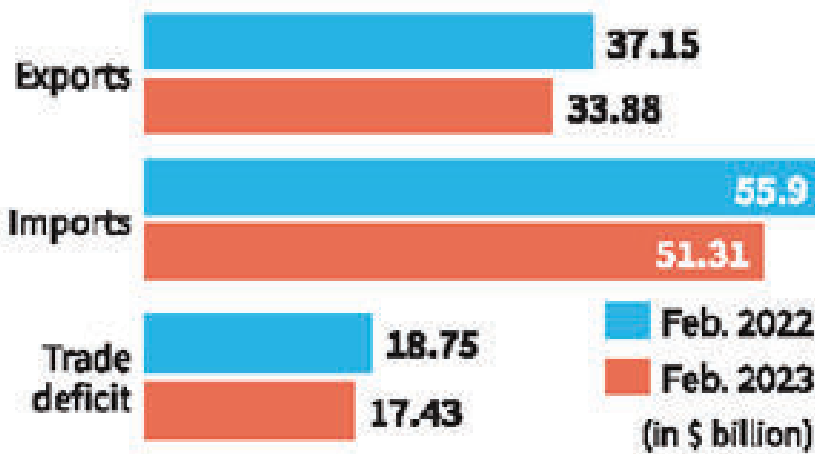


## EXPORTS FALL 8.8%, TRADE DEFICIT SHRINKS OVER 7%

### Narrowing deficit

India's trade deficit narrowed by 7.04% to \$17.43 billion in February 2023 compared to the same month in 2022. Exports shrank by 8.8% while imports declined by 8.2%



*Outbound shipments' value dropped for as many as 16 of India's top 30 export items in Feb.; this is the third time in five months that merchandise exports have contracted; gold imports surge*

Tentative global demand pulled India's goods exports down 8.8% in February to \$33.9 billion, while imports fell 8.2% from a year ago to \$51.31 billion, according to Commerce Ministry estimates released on Wednesday. This is the third time in five months that merchandise exports have contracted, following an 11.6% drop in October 2022 and a 3% fall in December 2022.

Outbound shipments' value dropped for as many as 16 of India's top 30 export items in February, with 14 of them recording close to or higher than double digit declines. This included a 9.7% dip in engineering exports, which have been a bulwark of India's exports in recent years.

The merchandise trade deficit during February 2023 fell 7% to \$17.43 billion, slightly higher than January's \$16.56 billion deficit, which in turn was the lowest in at least 18 months. The first two months of 2023 clocked a sharply lower average deficit than seen through all of 2022, when the monthly deficit hit a record \$29.23 billion in September.

#### Oil exports fall

"While both oil and non-oil exports contracted, oil exports fell sharply by 28.8%, while imports went below the \$52 billion mark, a level not seen for almost a year," said CareEdge Ratings chief economist Rajani Sinha.

Although gold imports dropped almost 45% from February 2022 levels to \$2.63 billion, this constituted a 277% month-on-month jump from January's imports of the yellow metal.

For the first 11 months of 2022-23, India's total goods exports now stand at \$405.94 billion, 7.55% higher than in the corresponding period of 2021-22. Imports have grown 18.82% over the corresponding period to \$653.47

billion from about \$550 billion a year ago. Consequently, India's goods trade deficit for this year is now 43.5% higher than in the first 11 months of 2021-22, at \$247.53 billion.

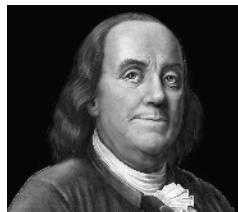
"Imports have been coming down month by month as has the trade deficit, which shows that efforts led by the Commerce and Industry Minister to bring down inessential imports are bearing fruit," said Commerce Secretary Sunil Barthwal.

On the exports front, despite the dip, India has "kept the momentum" and will "exceed the year's target", he said, referring to a \$750 billion goalpost for goods and services exports in 2022-23.

Though the moderation in trade deficit is a positive, Ms. Rajani Sinha pointed out that this is mainly due to lower imports amid softening commodity prices. "In the months to come... export slowdown is likely to aggravate further amid uncertain global scenario," she reckoned.

While the government had initially estimated a 6.6% drop in exports for January, the month's exports have now been revised upward to \$35.76 billion, reflecting a 1.5% rise from January 2022 levels. Import numbers for January have also been upgraded from \$50.66 billion to \$52.33 billion.

On a sequential basis, February's exports were 5.25% lower than January while the import bill was about 2% below the previous month's level. "Some employment-intensive sectors have been impacted due to contraction in demand, with rising inflation and increasing recession in some of the markets. However, we expect them to recover in the next few months," said Federation of Indian Exporters' Organisations president A. Sakthivel.



*I didn't fail the test,  
I just found Hundred ways to do it wrong.*

- BENJAMIN FRANKLIN

## TRADE POLICY MAY BE REVISED AFTER EIGHT YEARS FROM APRIL 1

### Overdue reboot

India's Foreign Trade Policy is set to be finally recast, with the refreshed version likely to be unveiled by the end of this month



- The current policy, originally set to end after five years on March 31, 2020, was repeatedly extended during the COVID-19 pandemic

- Last September, the Commerce Ministry abandoned plans for the reboot and extended the FTP for six more months

- Extra time was used to review plans and goals, says Barthwal

Commerce Secretary says FTP focusses on realising \$1 tn of goods, services exports; Ministry has in concert with other ministries reviewed list of essential, non-essential items to help cut imports

The much-delayed reboot of India's Foreign Trade Policy, which has been unchanged since 2015 and whose revision has been due for three years, may finally be announced by the end of this month, Commerce Secretary Sunil Barthwal said. The Commerce Ministry had planned to announce a new trade policy last September but instead extended the 'Foreign Trade Policy 2015-20' by six more months till March 31.

"During these six months, we have looked at various aspects of that policy and undertaken a visioning exercise, keeping our aspirations to achieve \$1 trillion of merchandise and services exports each," Mr. Barthwal said. "So, within that framework, we have worked out the Foreign Trade Policy and we are expecting that it would be released by the end of the month."

Pointing to the recent decline in the goods import bill, the official said this reflected the efforts steered by Commerce Minister Piyush Goyal to curb unnecessary imports.

"We have been working with all ministries and have shared the import figures for each product to examine if they are essential... imports," Mr. Barthwal explained.

## GOVERNOR CANNOT PRECIPITATE THE FALL OF AN ELECTED GOVT.: SC



Dissension in a ruling party is not a ground to call a trust vote, says Chief Justice D.Y. Chandrachud.

The Supreme Court on Wednesday said that Governors seriously undermine democracy if they use their constitutional office to call for a trust vote, citing dissension within a ruling political party, and precipitate the fall of a legitimately established and functioning government.

"A Governor must be aware of the fact that his very calling for a trust vote may precipitate the loss of majority for a government. Calling for a trust vote may itself lead to the toppling of a government... Governors must not lend their offices for effectuating a particular result... The Governor cannot enter into any area by which his action would precipitate the fall of a government," Chief Justice of India D.Y. Chandrachud, heading a Constitution Bench, observed.

The Bench was referring to then Maharashtra Governor Bhagat Singh Koshiyari's call for a trust vote in the Assembly, which eventually led to the fall of the Uddhav Thackeray government and the appointment of Eknath Shinde as the Chief Minister in June 2022.

The court questioned the version of the Governor's office, represented by Solicitor-General Tushar Mehta, that there was a serious difference of opinion in the Shiv Sena between the Shinde faction and the Thackeray camp. The Shinde camp had felt that Mr. Thackeray had cheated the party's core ideology by joining hands with the Congress and the Nationalist Congress Party to form the ruling Maha Vikas Aghadi coalition.

"They [Shinde group] had a remedy then... They could have voted their leader out. But can the Governor say there is dissension about certain aspects of the leadership and a trust vote is called for? Can the Governor, I ask again, use his powers to precipitate the fall of an elected government? This is very, very serious for our democracy," Chief Justice Chandrachud observed.

Mr. Mehta said the majority in the Shiv Sena had found the leadership joining hands with ideologically non-aligned parties a "sad spectacle".

"But then you cohabited with them for three whole years... What happened after three years of happy marriage that made you suddenly unhappy overnight? Many of them were Ministers in the alliance... You enjoy the spoils and suddenly you wake up, is that it? The fact that the conduct of a government has gone against the core ideology of a party is not a ground for calling of a trust vote by the Governor," Chief Justice Chandrachud noted.

# WE AIM TO INSPIRE YOU

## LESSONS LEARNT

*RBI should ensure banks are protected from global contagion, mismanagement*

A faltering bank, this time on the U.S. West Coast, sparked a déjà vu moment across global markets last week as fears of a Lehman redux triggered sharp declines in banking stocks worldwide and saw investors make a beeline for safe haven assets such as gold. However, over the course of four days from Friday, regulators in the world's largest economy acted with alacrity to bolster public confidence in the banking system. The Federal Deposit Insurance Corporation (FDIC) first took over the Silicon Valley Bank in California, and on Sunday took control of New York-based Signature Bank and in concert with the Federal Reserve and the Treasury Department announced that depositors in both the banks would be repaid in full. Shareholders of the two banks would, however, not be protected, regulators said. On Monday, U.S. President Joe Biden sought to reassure the nation and global markets that the U.S. was committed to maintaining a resilient banking system, and would move to simultaneously tighten regulations for banks to make it less likely for such failures to occur again. While the coordinated steps have, at least for now, restored a degree of calm in most markets, there are lessons that have been learnt and others that could, perhaps, be gleaned over time.

Silicon Valley Bank's case is fairly unique. With the depositor base comprising

start-ups and venture capitalists, mostly from the tech hub of Silicon Valley, the customers were geographically and sectorally concentrated. The bank had also invested extensively in a portfolio of U.S. Treasuries and mortgage bonds, which had as a result of the recent sharp interest rate increases by an inflation-battling central bank accumulated unrealised losses that became too costly to liquidate in a distress situation. Signature, on the other hand, had exposed itself to highly volatile cryptocurrencies by providing services to those investing in digital assets. That, along with a run on deposits, ultimately proved to be its undoing. Blaming the Fed's monetary tightening as the proximate cause for the bank failures is a case of being unable to see the wood for the trees. Interest rates move in cycles and all banking is fundamentally predicated on managing the risks associated with interest rate moves as well as ensuring that the deposits banks accept to fund lending are always reasonably matched with income or holdings that could be used to meet withdrawals. The Reserve Bank of India's guidelines of 2018 advising banks to create an Investment Fluctuation Reserve is just the kind of countercyclical tool that has relatively insulated Indian lenders from interest rate risks. Still, the RBI must remain on guard to ensure neither global contagion nor management missteps threaten any local lender.

## SHARP DIVIDES

*AUKUS pact should serve as a deterrent, not exacerbate conflict*

The joint appearance by the leaders of the United States, the United Kingdom and Australia, at the Naval Base Point Loma, U.S., this week, and their detailing about their "AUKUS" trilateral defence pact are significant in optics and substance, suggesting a new chapter in the global great power rivalry. There will be three phases in the agreement in the Indo-Pacific region, first announced in September 2021. Beginning this year, the U.S. and the U.K. navies will embed Australian personnel, and increase port visits to Australia to train together. In the second phase, U.S. and U.K. nuclear submarines will travel rotationally to Australia, and the U.S. will sell Australia up to five nuclear-powered Virginia-class submarines. Subsequently, a new submarine called the SSN-AUKUS, will be built and used by all three navies, with interoperable workings. The deal, the biggest for Australia, using British design and U.S. technology, is expected to cost \$368 billion. It is not hard to imagine who the target of such an alliance is. In his speech, U.K. leader Rishi Sunak said that the most recent challenges to the world have come from "Russia's illegal invasion of Ukraine, China's growing assertiveness [and] the destabilising behaviour of Iran and North Korea". The new alliance is seen as a counter to China exerting its claims on Taiwan,

with the idea that a naval fleet including nuclear-powered submarines based in Australia would be able to reach the South China Sea quickly.

Predictably, Beijing's opposition has been the toughest — a "wrong and dangerous path" — while Russia has raised questions over nuclear proliferation, as Australia would join a group of countries that use nuclear-powered submarines. While U.S. President Joe Biden insisted the submarines would be nuclear-powered, but not nuclear-armed, Russia and China are expected to raise concerns over any violation of the Non Proliferation Treaty regime, at a meet between Chinese President Xi Jinping and Russian President Vladimir Putin in Moscow. New Zealand, Malaysia and Indonesia have indicated more muted discomfort. India has not reacted yet, in part due to the fact that the AUKUS countries have no doubt kept New Delhi briefed. For New Delhi, which has always seemed hesitant to explore more strategic and defence aspects in the Quad, AUKUS gives it a breather in the Indo-Pacific military calculus. India, as a voice for the global south, must do what it can to ensure that the announcement does not exacerbate already sharp divides between U.S.-led alliances and the Russia-China combine, and proves to be a deterrent rather than accelerating global conflict instead.

## BRAHMAPURAM AS A POLICY GAME-CHANGER FOR KERALA



*Pulapre Balakrishnan teaches at Ashoka University, Sonapat, Haryana*

For over a week now we have been absorbed in news from Kerala of a fire and its aftermath at a landfill of over a 100 acres, at Brahmapuram on the outer fringes of Kochi. Though the fire was doused within a couple of days, with assistance from the Indian Navy, a haze of smoke remained. The after effects have reportedly been experienced even in the neighbouring district of Alappuzha, a tourist destination prized for its extraordinary natural beauty. In Kochi, schools had to be shut to ensure the safety of children and residents advised to wear masks and stay indoors. While the precise medical implications of burning plastic and metal are yet to be ascertained, there is speculation that there may be carcinogens in the air. All this must be disheartening for the population as may be gathered from television grabs of residents preparing to leave for areas further away in the State to escape from the stench and the toxins.

Kochi's future as a congenial home and a major tourist centre is at stake, but no one can say that its garbage crisis came as a surprise. Over a decade ago, the Kerala High Court had ordered the closing down of the city for a couple of days so that it could be cleared of garbage. At a more personal level, when the serving Chief Minister of Kerala, V.S. Achuthanandan, had called on the writer, Kamala Das Suraiyya, as she was preparing to leave for good the city that had been her home, she said that a reason for her departure was that the garbage problem in Kochi was unbearable. Finally, even when he had been the State Chief Minister, A.K. Antony had pointed out that while the effort to keep Kerala clean with an eye on the revenue from tourism may be laudable, we needed to be motivated by the desire to keep our home clean for our own well-being.

What Brahmapuram shows

At the heart of the problem being faced at Brahmapuram is the failure to see that economic growth, and thus consumption, is limited by Nature's capacity to supply the 'goods and services' we all rely on. This has defined our treatment of the earth. The practice is manifest at two levels — at the level of public policy, which is the domain of the government, and of the public itself. Only a response from both these sections in Kerala can result in a lasting solution.

First, public policy. The approach of the managers of the State may be seen in the speech given by the State Chief Minister, Pinarayi Vijayan, during the welcome extended to a visiting Nobel Laureate in Economics last week. The Chief Minister spoke of how public policy in Kerala had enabled an improved standard of living for the majority of the population. This is incontestable. But, ironically, Mr. Vijayan was speaking at the time when Brahmapuram was smouldering.

The natural environment has never been a part of the official discourse in Kerala even as there has been signs of its degradation for some time now. Instead, the focus has been on what may be termed distributivism or the distribution of goods, services and cash by the State. The meta narrative seems to be that the public are entitled to these goods, and the government's principal duty is to respond to this. Kerala may have over-reached itself with its distributivism, which has meant that limited public funds have been spread thin.

Consider this. If you move to cash transfers before you have well-provisioned public health and education, the quality of the latter would be sub par. This extends to all the services that only the State can provide. It has long been recognised that poorly-funded and badly-managed public services, including power supply and transportation, with prices not aligned with costs, means that the utilities will not only run into financial ruin but also hold back the generation of income elsewhere in the economy due to unreliable services.

Now, Brahmapuram has shown that poor public services in the form of waste management can induce deep insecurity among the public. However, from the point of view of the environment, the failure has also been the ineffective regulation of harmful human activity. Kochi's current predicament is not unique. All over Kerala, there is no arrangement in place for the scientific disposal of garbage, and the government machinery appears to be unconcerned and incapable. It is just that the crisis emerged first, and in an extreme form, in a city with high consumption levels and poorly-managed infrastructure. Which way for public policy

The direction in which public policy in Kerala must now re-orient itself is clear. The first is specific to the crisis at Brahmapuram. That the situation must be brought under control immediately goes without saying, but it would be unfor-

fortunate to treat it as a fire-fighting exercise. There must be a determination to avoid a similar incident in the future. This would involve the following.

Responsibility for the scientific treatment of garbage at the site must be fixed with the Kochi Municipal Corporation, given its proximity to the action. Garbage segregation by households must become a condition in order for a person to reside in the city. Adequate funding for garbage clearance would have to be ensured. This may require revisiting the municipal taxes levied on property ownership and the user rates for municipal services. Finally, there must be a periodic independent review of the functioning of the site, and the assessment made public. Once the specific case of Brahmapuram is resolved, public policy in Kerala must pivot towards conservation of natural capital, the central aspect of which would be to ensure that the carrying capacity of the earth is recognised. The Narendra Modi government, bent on leaving a mark before the general election of 2024, has shown scant regard for the consequence of building elevated highways in a geography with laterite presence, vulnerable to subsidence induced by heavy concrete structures. For the State government, on the other hand, to press on with its high-speed SilverLine rail project after the disaster at Kochi would be rather like fiddling after the city burned. The government's 'Make in Kerala' is a much delayed and welcome recognition that public policy must go beyond distributivism and actually encourage production, which alone can provide employment to the population. But Brahmapuram has flagged an ecological aspect of life in Kerala which should now take priority over all else. A government machinery attuned to delivering private goods must be re-directed to building public goods, of which waste management is among the most important.

People must have a stake

But leaving any part of the responsibility to politicians or persisting with a complacent discourse on Kerala would be to evade the issue. Starting with economists, public commentators close to the establishment have propagated the idea that Kerala's development path, characterised by the public provision of health and education, is ideal. Not only has the natural environment been kept out of the assessment but this also gives the impression that the public have no responsibility for their own condition.

As Kerala is almost continuously inhabited, all transportation channels, be it road or rail, are littered with refuse on either side. It reflects the general attitude that 'clearing up after me is, somehow, someone's else's responsibility'. This combined with conspicuous consumption is what has inevitably led to Brahmapuram. It is only by consuming less and disposing of the waste in a responsible manner that we can avert the repetition of a similar disaster. If we continue to act as if we are entitled to nature's indulgence, we stand to lose our home.

## CHINA, INDIA AND THE PROMISE OF THE POWER OF TWO



*Ma Jia is Chargé d'affaires ad interim, Embassy of the People's Republic of China, in India*

The year 2023 marks a high point in India's diplomacy, with its presidency of the Shanghai Cooperation Organisation (SCO) and the G-20. The focus is also on China which held "two sessions" recently: the annual sessions

of the National People's Congress of the People's Republic of China and the National Committee of the Chinese People's Political Consultative Conference. Here are some insights into China's development.

China is advancing modernisation on all fronts. Here, the path to modernisation is based on China's practices with a focus on high-quality development. It means the modernisation of a huge population, where there is common prosperity for all, material and cultural-ethical advancement, harmony between humanity and nature, and peaceful development. This will spell new opportunities to all countries in the world, especially neighbouring countries.

As two neighbouring and ancient civilisations, with a combined population of 2.8 billion, China and India are representatives of developing countries and emerging economies. India and China are both in the process of national rejuvenation and a crucial period of modernisation where challenges need to be overcome and problems need to be solved. China and India have far more common interests than differences.

**China's focus areas**

The development of China in recent years can be summarised in four points. The first is "steady growth". In 2022, China's economy grew by 3% with a total of 12.06 million urban jobs added. China's GDP increased to 121 trillion yuan (approximately \$18 trillion), registering an annual growth rate of 5.2% over the past five years and an annual growth of 6.2% over the past decade with GDP increasing by nearly 70 trillion yuan. China's economic strength is steadily reaching new heights.

The second is "people's well-being". As a result of continued efforts of the past eight years, China has historically resolved absolute poverty, with the alleviation of close to 100 million rural residents from poverty. Over 70% of the govern-

ment's expenditure went toward ensuring people's well-being. Basic old age insurance covers 1.05 billion people, an increase of 140 million. Living standards continue to witness new improvements.

The third is "opening up". In 2022, China's total volume of trade in goods exceeded 40 trillion yuan, registering an annual growth rate of 8.6%. China's actual use of foreign capital was up by 8% and the country remained one of the top destinations for foreign investors. The overall tariff level continues to fall, from 9.8% to 7.4%. China's doors to the outside world are opening even wider.

The fourth is "win-win cooperation". In the period 2013-2021, China's contribution to global economic growth averaged 38.6%, higher than that of G7 countries combined (25.7%). Ever since the Chinese President, Xi Jinping, proposed the Global Development Initiative (GDI) in a speech at the United Nations General Assembly in 2021, more than 100 countries have expressed their support and over 60 countries have joined the Group of Friends of the GDI.

#### On trade

China and India are important trading partners, with bilateral trade volume reaching \$135.984 billion in 2022. Though there is a trade deficit, India's import of equipment and materials from China does reduce the overall cost of "Made-in-India" products, benefits Indian downstream industries and

consumers, enhances the competitiveness of Indian exports, and in turn facilitates India's integration into global industrial and supply chains.

The Chinese market is open to India, and the Chinese side is happy to see more high-quality Indian goods, cultural and other products entering the Chinese market. Investments by Chinese enterprises have created a large number of jobs for the Indian people and contributed to India's economic development. We hope that the Indian side could provide a fair, just and non-discriminatory business environment for Chinese companies with their investment and operations in India.

#### Facilitating an 'Asian Century'

In his recent meeting with India's External Affairs Minister S. Jaishankar, Chinese Foreign Minister Qin Gang said that the development and revitalisation of China and India embody a boost to the force of developing countries; it is one that will change the destiny of a third of the world's population and having bearing on the future of Asia and beyond. This echoes what Mr. Jaishankar had expressed in 2022 — that the Asian Century will happen when China and India come together.

China is willing to strengthen communication and coordination with India, be a partner on the path to modernisation, safeguard the respective legitimate rights and the common interests of developing countries, and make contributions to peace and stability in the region and beyond

## ON RESERVATION FOR WOMEN IN POLITICS



*What is the history behind the Women's Reservation Bill? How was reservation for women in local bodies implemented? Why are people opposed to reserving seats for women in Parliament and State Legislative Assemblies?*

The story so far:

A day before her appearance in front of the Enforcement Directorate in the Delhi liquor policy case, Bharat Rashtra Samithi (BRS) leader K. Kavitha launched a six-hour hunger strike on March 10 seeking early passage of the long-pending Women's Reservation Bill. The protest at Jantar Mantar in Delhi was inaugurated by Communist Party of India (Marxist) leader Sitaram Yechury. More than 10 parties participated in the protest, including the Samajwadi Party (SP), the Rashtriya Janata Dal (RJD) and the Rashtriya Lok Dal (RLD). The Bharatiya Janata Party said the protest was "preposterous" and termed it a ploy to change the narrative on the Delhi excise case.

#### What has been the history of political reservation for women?

The issue of reservation for women in politics can be traced back to the Indian national movement. In 1931, in their letter to the British Prime Minister, submitting the official memorandum jointly issued on the status of women in the new Constitution by three women's bodies, leaders Begum Shah Nawaz and Sarojini Naidu wrote, "To seek any form of preferential treatment would be to violate the integrity of the universal demand of Indian women for absolute equality of political status."

The issue of women's reservation came up in Constituent Assembly debates as well, but it was rejected as being unnecessary. It was assumed that a democracy would accord representation to all groups. For instance, in 1947, noted freedom fighter Renuka Ray said, "We always held that when the men who have fought and struggled for their country's freedom came to power, the rights and liberties of women too would be guaranteed...". However, in the following decades, it became clear that this was not to be the case. As a consequence, women's reservation became a recurrent theme in policy debates. For instance, the Committee of the Status of Women in India, set up in 1971, commented on the declining political representation of women in India. Though a majority within the Committee continued to be against reservation for women in legislative bodies, all of them supported reservation for women in local bodies. Slowly, many State governments began announcing reservations for women in local bodies.

The National Perspective Plan for Women recommended in 1988 that reservation be provided to women right from the level of the panchayat to that of Parliament. These recommendations paved the way for the historic enactment of the 73rd and 74th amendments to the Constitution which mandate all State governments to reserve one-third of the seats for women in Panchayati Raj

Institutions and one-third of the offices of the chairperson at all levels of the Panchayati Raj Institutions, and in urban local bodies, respectively. Within these seats, one-third are reserved for Scheduled Caste/Scheduled Tribe women. Many States such as Maharashtra, Andhra Pradesh, Bihar, Chhattisgarh, Jharkhand and Kerala have made legal provisions to ensure 50% reservation for women in local bodies.

### What is the Women's Reservation Bill?

After local bodies, the next step was to ensure reservation in Parliament, but this has been a difficult fight. The Women's Reservation Bill proposes to reserve 33% of seats in the Lok Sabha and State Legislative Assemblies for women. It was first introduced in the Lok Sabha as the 81st Amendment Bill in September 1996 by the Deve Gowda-led United Front government. The Bill failed to get the approval of the House and was referred to a joint parliamentary committee which submitted its report to the Lok Sabha in December 1996. But the Bill lapsed with the dissolution of the Lok Sabha.

In 1998, the Atal Bihari Vajpayee-led National Democratic Alliance (NDA) government reintroduced the Bill in the 12th Lok Sabha. After the Law Minister M. Thambidurai introduced it, an RJD MP went to the well of the House, grabbed the Bill and tore it to bits. The Bill failed to get support and lapsed again. The Bill was reintroduced in 1999, 2002 and 2003. Even though there was support for it within the Congress, the BJP and the Left parties, the Bill failed to receive majority votes.

In 2008, the Manmohan Singh-led United Progressive Alliance government tabled the Bill in the Rajya Sabha and it was passed with 186-1 votes on March 9, 2010. However, the Bill was never taken up for consideration in the Lok Sabha and lapsed with the dissolution of the 15th Lok Sabha. At the time, the RJD, the JD(U) and the SP were its most vocal opponents. They demanded 33% reservation for backward groups within the 33% quota for women. JD(U) leader Sharad Yadav infamously demanded to know how short-haired women could represent "our women" (women from rural areas). In 2014, the BJP promised 33% reservation for women in its manifesto and repeated the promise in its 2019 agenda. But there has been no movement from the government in this regard.

### What are the arguments for the Bill?

Proponents of the Bill argue that affirmative action is imperative to better the condition of women since political parties are inherently patriarchal.

Second, despite the hopes of the leaders of the national movement, women are still under-represented in Parliament. Reservations, proponents believe, will ensure that women form a strong lobby in Parliament to fight for issues that are often ignored. There is now evidence that women as panchayat

leaders have shattered social myths, been more accessible than men, controlled the stranglehold of liquor, invested substantially in public goods such as drinking water, helped other women express themselves better, reduced corruption, prioritised nutrition outcomes, and changed the development agenda at the grassroots level. Esther Duflo, Raghav Chattopadhyay et al found that in States such as West Bengal and Rajasthan, while women leaders were often rubber stamps of their husbands or fathers, they were more likely to invest in goods that were important to the interests of women. Today, India has a high percentage of crimes against women, low participation of women in the workforce, low nutrition levels and a skewed sex ratio. To address all these challenges, it is argued, we need more women in decision-making.

Third, proponents such as Brinda Karat argue that the discussion is not about a Bill alone, but about changing powerful, entrenched interests in India's polity.

### What are arguments against the Bill?

Professor Nivedita Menon writes that opponents of reservation for women argue that the idea runs counter to the principle of equality enshrined in the Constitution. They say that women will not be competing on merit if there is reservation, which could lower their status in society.

Second, women are unlike, say, a caste group, which means that they are not a homogenous community. Therefore, the same arguments made for caste-based reservation cannot be made for women.

Third, women's interests cannot be isolated from other social, economic and political strata. Fourth, some argue that reservation of seats in Parliament would restrict the choice of voters to women candidates. This has led to suggestions of alternate methods including reservation for women in political parties and dual member constituencies (where constituencies will have two MPs, one of them being a woman). But some parties have pointed out that even these may not work as parties may field women candidates in unwinnable seats, or women may contest the elections but not get voted to power, or they may get relegated to a secondary role. Fifth, as men hold primary power as well as key positions in politics, some have even argued that bringing women into politics could destroy the "ideal family".

### How many women are in Parliament?

Only about 14% of the members in Indian Parliament are women, the highest so far. According to the Inter-Parliamentary Union, India has a fewer percentage of women in the lower House than its neighbours such as Nepal, Pakistan, Sri Lanka and Bangladesh — a dismal record.

## CURRENT PROCEDURE FOR INCLUSION ON ST LIST ADEQUATE: GOVT.

The Tribal Affairs Ministry on Wednesday insisted once again that the current procedure for inclusion of communities on the Scheduled Tribes list was "adequate". It was responding to a question in the Rajya Sabha, which raised concern about the need for a revision in the criteria and procedure for inclusion on the list.

According to the modalities for inclusion first framed in 1999, the proposal for inclusion must originate from the respective State or Union Territory government.

Following this, the proposal is sent to the Union Tribal Affairs Ministry, which sends it to the Office of the Registrar General of India (ORGI). If the ORGI approves the inclusion, the proposal is forwarded to the National Commission for Scheduled Tribes.

Only after the concurrence of these institutions, will the proposal go

forward to the Cabinet to bring in the appropriate amendment to the Constitution (Scheduled Tribes) Order, 1950.

In response to an RTI query from The Hindu, the ORGI had said in January, 2022 that it continues to follow the criteria set out by the Lokur Committee in 1965 to decide whether a community can be included in the ST list.

These criteria include: indications of "primitive traits", distinctive culture, geographical isolation, shyness of contact with the community at large, and backwardness.

Both the procedure and criteria for inclusion of communities had been strongly criticised by an internal government task force formed in February 2014, for being "obsolete", "condescending", "dogmatic" and "rigid".

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## FOREIGN LAWYERS, FIRMS CAN OPERATE IN INDIA, SAYS BCI



*Legal point: Foreign lawyers and firms will not be entitled to practise law in India without registration with the BCI.*

*The rules allowing the registration of foreign lawyers and firms with BCI will make India a hub for international commercial arbitration and address concerns about FDI flow, says the body*

The Bar Council of India (BCI) has opened up law practice in India to foreign lawyers and law firms.

The BCI, a statutory body governing legal practice in India, has framed the 'Bar Council of India Rules for Registration of Foreign Lawyers and Foreign Law Firms in India, 2021' to enable foreign lawyers and law firms "to practise foreign law, diverse international law and international arbitration matters in India on the principle of reciprocity in a well-defined, regulated and controlled manner".

The BCI said that the move would benefit Indian lawyers, whose standards of proficiency in law are comparable to the international standards. "The legal fraternity in India is not likely to suffer any disadvantage in case law practice in India is opened up to foreign lawyers in a restricted and

well-controlled and regulated manner on the principle of reciprocity as it would be mutually beneficial for lawyers from India and abroad, and these rules are an attempt by Bar Council of India in this direction," the BCI notification said.

It said that the rules would also help to address the concerns expressed about the flow of Foreign Direct Investment into the country and would help make India a hub for international commercial arbitration. The rules prescribe that foreign lawyers and firms would not be entitled to practise law in India without registration with the BCI.

'Fly in and fly out'

This restriction, however, would not apply to law practice by a foreign lawyer or foreign law firm on a 'fly in and fly out basis' for the purpose of giving legal advice to a client in India. However, in such a