

Far and Wide

Every week we share selection of six news from six continents that we believe will impact our world in the near or distant future

October 2023 | Issue #24



How India's new reservation bill will impact women

Welcome to the latest edition of Far and Wide, where we embark on a journey to explore intriguing stories and global developments.

On 21st September 2023, India achieved a **historic milestone** as lawmakers approved a groundbreaking bill aimed at ensuring that **one-third of seats in the lower house of parliament and state legislatures are reserved for women**. This significant step represents a **major stride toward gender equality** in the realm of elected representatives. However, the **actual implementation** of this **legislation hinges** on India completing the upcoming **population census** and the **intricate process of redrawing constituency boundaries**, known as **delimitation**. Delimitation refers to the act or **process of establishing the boundaries of territorial constituencies** within a country to reflect **changes in its population**. This process is crucial for **ensuring fair and equitable political representation** based on **demographic shifts**. In the context of India, the **last Census** was conducted in **the year 2011**. The data collected during this Census plays a **significant role in the delimitation process**. The **bill** is anticipated to take effect **during the 2029 national elections**.

Prime Minister Narendra Modi, during the presentation of the bill, hailed it as a **momentous occasion** and a source of **national pride**. In Hindi, the legislation is known as "**Nari Shakti Vandan Adhiniyam**." Despite more than 25 years of development, this bill **finally secured passage in the lower house (Lok Sabha)** with an overwhelming vote of **454-2 on Wednesday**. Notably, **two members** of the opposition All India Majlis-e-Ittehadul Muslimeen party **opposed the bill** due to its omission of reservations for **Muslim women**. It's essential to note that this reservation policy **will not apply to the upper house**, where members are selected by state legislatures. To become law, **the bill now requires approval** from at **least half of India's 28 state legislatures**. This historic move underscores India's commitment to fostering **gender equality in political representation**, a critical step toward ensuring that the voices and **perspectives of women** are adequately represented in the **nation's democratic processes**. While challenges remain, this legislation marks a remarkable stride toward a more inclusive and equitable political landscape in India. The **bill** can come **into effect only** after the **decennial Census** has been conducted.

INSIDE

Stories in Focus



Policy

How India's new reservation bill will impact women



Global Trade

More than 90% of north American companies have relocated production and sourcing over the past five years

UK inflation rate to be highest among G7 nations, predicts Paris-based OECD



Climate Change

Climate scientists and Pacific activists call on Australia to ramp up ambitions ahead of UN summit



Strategic Partnerships

India, Brazil, S. Africa urge speeding up UN Security Council

Mozambique-U.S. seek to deepen defence, security ties



Europe UK inflation rate to be highest among G7 nations, predicts Paris-based OECD

Despite the British government's efforts to **combat inflation** and the **central bank's multiple increases** in **interest rates** in recent times, the **UK is projected** to have the **highest inflation rate** among the **world's wealthiest nations** this year, according to a report by the Organisation for **Economic Co-operation and Development (OECD)**, based in Paris. The OECD's report suggests that the **UK's inflation rate may reach 7.2 percent**.

In a previous forecast from June, the **inflation rate** was anticipated to be **6.9 percent**. This already made it the **highest inflation rate** among **G7 nations** and the **third-highest among G20 economies**. Contributing to this increase in inflation was a rise in **fuel prices**, pushing the **Consumer Price Index** in the UK from **6.8 percent** in **July** to **7 percent** in **August**. The OECD also predicts that the **UK's economy will grow by only 0.3 percent this year**, marking the **second-lowest economic growth** among **G7 countries**, with Germany potentially slipping into a recession.

Source: The Economic Times

https://economictimes.indiatimes.com/news/international/uk/uk-inflation-rate-to-be-highest-among-g7-nations-predicts-paris-based-oecd/articleshow/103789660.cms?utm_source=contentofinterest&utm_medium=text&utm_campaign=cppst

However, it suggests that the **UK's economy may rebound next year** with a growth rate of **0.8 percent**, although this would still lag behind many G20 nations. The **OECD's report** also raises concerns about a potential global **economic slowdown in 2024**. It points to **weakened economic activity** in the **eurozone and the UK**, citing the delayed impact on incomes from the **significant energy price shock in 2022** and the importance of **bank-based finance** in many **European economies**. To combat inflation, the **Bank of England** has raised **interest rates** several times, with economists expecting further rate increases of **about 0.25 percentage points**. However, central banks in other **European economies** have taken **different approaches**. Some economists have suggested that the rising inflation in the **UK is a consequence** of the country's departure from the **European Union (Brexit)**. They argue that leaving the common market system has resulted in the loss of export opportunities, leading to revenue and job losses.



North America More Than 90% of North American Companies Have Relocated Production and Sourcing Over the Past Five Years

Over the past **five years**, a series of disruptive events including trade wars, the **COVID-19 pandemic**, **geopolitical tensions**, and **supply chain challenges** have significantly reshaped **global manufacturing** and **sourcing strategies** for companies. A new report by **Boston Consulting Group (BCG)** titled "Harnessing the Tectonic Shifts in Global Manufacturing" highlights the **profound impact** of these changes.

The report, based on a **survey of North American manufacturing executives** and an analysis of global trade patterns, reveals that **more than 90% of manufacturing companies** in the region have **relocated some of their production or supply chain operations** in the past **five years**. Among these companies, half have shifted **more than 20% of their manufacturing and supply chain spending**. Additionally, due to ongoing **geopolitical uncertainties** and **high tariffs** in the **United States**, over **90% of respondents** plan to make similar moves in the next **five years**. Countries like **Mexico, India, Southeast Asia, Turkey, and Morocco** are emerging as **future export hubs** due to their **deep labor pools**, expanding capabilities across various industries, and other factors. For instance, from **2018 to 2022**, **US goods imports from China decreased by 10%** in real terms, while they increased by **18% from Mexico, 44% from India, and 65% from the ten countries** in the **Association of Southeast Asian Nations (ASEAN)**.



Source: The PRN Wire

<https://www.prnewswire.com/news-releases/more-than-90-of-north-american-companies-have-relocated-production-and-sourcing-over-the-past-five-years-301934284.html>

The main driver behind these shifts is the **pursuit of lower costs**, but survey respondents also emphasized the **importance of shorter lead times**, operating in **stable business environments**, and flexibility to **respond to disruptions**, even if it comes at the expense of operating margins. Executives indicated a willingness to sacrifice **over 2% of gross margins**, on average, to achieve these objectives. However, not all production shifts **have yielded desired outcomes**, only **55% of respondents** reporting that their moves had met their objectives in improving costs, or sustainability.



South America

India, Brazil, S. Africa urge speeding up UN Security Council

During a **trilateral meeting in the IBSA format**, the foreign ministers of India, Brazil, and South Africa expressed their dissatisfaction with the ongoing international discussion of the United Nations Security Council's (UNSC) reform and called for it to be made an **"urgent and top priority,"** according to a statement from the Indian Foreign Ministry.

This meeting took place during the **78th High-Level Week** of the UN General Assembly in **New York**, hosted by the **foreign ministers of India, Brazil, and South Africa**. In their joint statement, these diplomats, representing **"three large pluralistic, multi-cultural, and multi-ethnic democracies** of Asia, South America, and Africa," criticized the **"paralysis"** of the UNSC reform discussion and urged for a **"result-oriented process"** with concrete outcomes within a defined timeframe. The IBSA bloc, comprising **India, Brazil, and South Africa**, specifically called for **"text-based negotiations, based on a single comprehensive text"** during the current session of the UN General Assembly. India and Brazil are seeking permanent seats in the UNSC, while African countries are advocating for a **"permanent presence."** Additionally, on the sidelines of the UN General Assembly, diplomats from the G4 countries - **Brazil, Japan, India, and Germany** - also called for a **"comprehensive" reform** of the **UNSC and membership expansion**.

They highlighted the **UNSC's inability** to **effectively address** contemporary **global challenges** and emphasized the **need for reforms** that reflect current **geopolitical realities**. The G4 ministers requested a plan for the expansion of **both permanent and non-permanent membership** in the UNSC, including the inclusion of developing nations from **Africa, Latin America, and the Caribbean**. This proposal aims to make the UNSC more **representative, diverse, and effective**. The **G4 ministers** also expressed **strong support for the Common African Position (CAP)**, emphasizing the need for Africa to be represented in both permanent and non-permanent categories in a reformed and expanded Security Council.



Source: The Almayadeen
<https://english.almayadeen.net/news/politics/india-brazil-s-africa-urge-speeding-up-un-security-council-r>



Asia

How India's new reservation bill will impact women

Indian lawmakers gave their approval to a **groundbreaking bill** aimed at ensuring that **one-third of seats in the lower house of parliament** and state legislatures are reserved for women. This marks a significant step towards achieving **gender equality among elected representatives**.

However, the implementation of this legislation is contingent on India completing the upcoming **population census** and the complex **task of redrawing constituency boundaries**, known as delimitation. It is expected that the bill will come into effect during the **2029 national elections**.

Prime Minister **Narendra Modi**, while presenting the bill, referred to it as a historic moment and a source of pride for the nation. In Hindi, the bill is known as **"Nari Shakti Vandan Adhiniyam."** Although this legislation has been in development for more than 25 years, it finally passed in the **lower house (Lok Sabha)** with an overwhelming vote of **454-2**.

Notably, two members of the opposition All India Majlis-e-Ittehadul Muslimeen party opposed the bill due to its omission of reservations for Muslim women. After an **extensive 11-hour debate**, the upper house (Rajya Sabha) **unanimously passed the bill on Thursday**. This legislation guarantees that **33 percent of seats in the lower house of parliament, state legislatures, and the Delhi assembly** will be reserved for women. This reservation for women will remain in effect for a period of **15 years** and can potentially be extended through parliamentary action. It's important to note that this reservation policy will not apply to the upper house, where members are selected by state legislatures. To become law, the bill now **requires approval** from a minimum of half of **India's 28 state legislatures**.



Source: The Independent
<https://www.independent.co.uk/asia/india/women-reservation-bill-empowerment-nari-shakti-b2417834.html>



Australia

Climate scientists and Pacific activists call on Australia to ramp up ambitions ahead of UN summit

The **United Nations' Climate Ambition Summit** in New York is bringing together influential figures in the **fight against climate change**. While this is happening, **climate scientists** and activists from the **Pacific are urging Australia** to step up its **climate ambitions**. The Australia Institute has taken out a **full-page ad** in the **New York Times**, signed by over **200 scientists and experts**, calling on the **Australian government to halt "over 100 new coal and gas projects"** that are in the **pipeline**. The open letter emphasizes the need for Australia to accelerate its climate action rather than contributing to climate problems. Dr. Richard Denniss, the director of the **Australia Institute**, who is attending the **UN climate summit**, pointed out that Australia seems to be trying to have it both ways by seeking **global support** to host the **UN Climate Change Conference (COP)** while continuing to support **fossil fuels**.

Pacific climate activist **Usaia Moli**, who is also a subsistence farmer **from Fiji**, expressed the view that **Australia should take on a more equal role** in the global fight against climate change. He stressed the need for **Australia to allocate more resources to climate action**.

Lavenia Yasikula Naivalu, another **Fijian climate activist**, called for **greater recognition** by the United Nations of community-based solutions. She leads **grassroots climate efforts** in her remote **island community**, which include **relocating structures** due to rising **sea levels, coral reef restoration, and fisheries preservation**.



Source: The ABC

<https://www.abc.net.au/news/2023-09-20/australia-called-to-ramp-up-climate-ambitions-nyt-ad/102876940>



Africa

Mozambique-U.S. seek to deepen defense, security ties

On September 22, Mozambican President **Filipe Jacinto Nyusi** met with **U.S. Secretary of Defense Lloyd J. Austin III** to discuss their countries' bilateral defense relationship and security cooperation. The meeting took place amid ongoing conflict in **Mozambique's northernmost province of Cabo Delgado**, where authorities have been contending with radicalized fighters since **2017**.

During the meeting, Secretary **Austin expressed a commitment to collaborate with Mozambique in addressing the root causes of the conflict** and enhancing security in the region. He emphasized the shared threat of terrorism faced by both nations and praised Mozambique's partnership in countering violent extremist groups in the northern part of the country. This cooperation extends to engagement with organizations like the **Southern Africa Development Community (SADC) and the European Union**.

President Nyusi expressed his sincere gratitude to President Biden and the U.S. government for the support provided across various areas, including the economy, health, and security.

Additionally, the leaders discussed **matters related to domain awareness and the strengthening of maritime security**. The meeting took place at the Pentagon, indicating the importance of defense and security cooperation between the two countries in addressing the ongoing challenges in **Mozambique's Cabo Delgado province and promoting regional stability**.



Source: Africa News

<https://www.africanews.com/2023/09/23/mozambique-us-seek-to-deepen-defence-security-ties/>