

## Gist of EPW October Week 3, 2022

The Economic and Political Weekly (EPW) is an important source of study material for [IAS](#), especially for the current affairs segment. In this section, we give you the gist of the EPW magazine every week. The important topics covered in the weekly are analyzed and explained in a simple language, all from a [UPSC](#) perspective.

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### 1. Institutions of Eminence in India

#### About the program:

- The Institutions of Eminence (IOE) scheme was implemented in 2017–18 by the union government to develop “world-class” institutions in India, particularly for Indian universities to appear in the top 500 world ranking in 10 years and top 100 world rankings eventually.
- This will enhance affordable access to high-quality education for ordinary Indians.
- Recognised institutes are granted more autonomy, both administratively and academically, are allowed to open offshore campuses, and will enjoy better collaboration opportunities with global universities.
- The selection shall be made through the challenge method by the Empowered Expert Committee constituted for the purpose.
- Only higher education institutions currently placed in the top 500 of global rankings or the top 50 of the [National Institutional Ranking Framework \(NIRF\)](#) are eligible to apply for the eminence tag.
- Public institutions are granted up to ₹1,000 crore (equivalent to ₹12 billion or US\$150 million in 2020) and no funding is awarded to private institutions.

## Objectives:

- To provide for higher education leading to excellence and innovations in various branches of knowledge.
- Developing the capacity of the students and the researchers to compete in the global tertiary education marketplace through the acquisition and creation of advanced knowledge in specialised areas.
- To provide for high-quality teaching and research and for the advancement of knowledge and its dissemination through various research programmes undertaken by full-time faculty in diverse disciplines.
- To pay special attention to teaching and research in unique and emerging areas of knowledge, including interdisciplinary areas, which are regarded as important for the strategic needs of the country but are not being pursued by conventional or existing institutions so far, and award degrees, diplomas and other academic distinctions.
- To aim to be rated internationally for its teaching and research among the top hundred institutions in the world over time.
- The Institution of Eminence should have student amenities comparable with that of globally reputed institutions.
- The Institution of Eminence should strive to achieve social impact by engaging in applied research and innovation in issues of concern to developing societies.
- The Union Ministry of Education has granted "Institutions of Eminence" status to eight public and four private institutes.
- The Ministry of Education granted Shiv Nadar University, Delhi-NCR the status of Institution of Eminence Deemed to be University in 2021.

### Institute of Eminence

Public Institution of Eminence	
S. No.	Institutions
1.	Indian Institute of Science, Bengaluru, Karnataka
2.	IIT Delhi, Delhi
3.	IIT Bombay, Mumbai, Maharashtra
4.	IIT Madras, Chennai, Tamil Nadu
5.	IIT Kharagpur, Kharagpur, West Bengal
6.	University of Delhi, Delhi
7.	Banaras Hindu University, Banaras, Uttar Pradesh
8.	University of Hyderabad, Hyderabad, Telangana
Private Institution of Eminence	
1.	Birla Institute of Technology and Sciences, Pilani, Rajasthan
2.	Manipal Academy of Higher Education, Manipal, Karnataka
3.	OP Jindal Global University, Sonapat, Haryana

Image Source: Ministry of Education

## Challenges before Institutions of Eminence in India:

### 1. Limited Funding:

- The present scheme of IOE suffers from small coverage of universities as well as limited funding to ensure a world-class status.
- As compared to similar projects of world-class universities in China, the coverage of universities under IOE is limited to a few public-funded and private-funded universities, where all these institutions belong to predominantly engineering disciplines.
- Among the public universities, there are notable omissions among the top 20 National Institute Ranking Framework (NIRF) 2022-ranked universities.
- Till 31 March 2022, the Ministry of Education had released rupees 2400 crore against the promised funding of rupees 8000 crore, and the utilisation of funds remained a little less than 40%.
- As far as low fund utilisation of all IOEs is concerned, there is limited financial autonomy in fund utilisation, among other factors.

### 2. Claims of Academic Autonomy

- With respect to the admission of foreign students, IITs have a highly competitive entrance test at the bachelor's and postgraduate levels. International students find it difficult to crack these tests.
- There are also difficulties with respect to compliance with laws relating to visa, registration, opening a bank account, residence permit, exit permit, etc.
- The existing fee structure in IITs is already high and there is little scope for further raising the fees as higher fees contradict the equity objective of a public-funded university.
- The freedom to recruit international faculty suffers from various bottlenecks, such as political clearances, complex taxation laws, a clause of minimum salary of \$25,000 per year for seeking a work visa, a low pay package, etc.
- Foreign faculty is recruited only on tenure (maximum five years) which acts as a disincentive to attracting foreign faculty.
- Hiring industry personnel is also challenging due to significant gaps in remuneration, lack of rules and compliance with the [University Grants Commission \(UGC\)](#).

### 3. Poor QS University Ranking:

- Almost all IOEs have participated in the Quacquarelli Symonds (QS) University Rankings. Below 500, there are four IITs, with IISc being at the top. All other IOEs occupy a ranking between 500 and 1,200.
- In the QS rankings, 40% weightage is given to academic reputation and 10% to employers' reputation.

- Internationalisation (international student ratio [5%] and international faculty ratio [5%]) has a 10% weightage. Citations per faculty have a 20% weightage while the student-faculty ratio has 20% weightage.
- None of the Indian universities falls in the top 100 ranks.
- Major public-funded institutions suffer from extremely high student-faculty ratio and hence their score on this account is very low.

#### 4. Shortage of Teachers

- According to the [National Education Policy \(NEP\) 2020](#) “The most important factor in the success of higher education institutions is the quality and engagement of its faculty”.
- Higher education institutions in India have structural problems relating to the shortage of teachers and the large-scale recruitment of temporary teachers with low salaries.
- As per the studies, the present shortage of 3.8 lakh teachers or faculty members in the higher education system of India comes to over 50%, which is critical.
- According to the Union Education Ministry, of the 39,822 sanctioned posts across higher education institutes funded by the union government, 14,372 (or 36.1%) posts are lying vacant in 2021.

**Conclusion:** Universities and institutes of higher education in India suffer from an acute shortage of teachers and other shortcomings. India lacks world-class universities as per international standards. India today educates only half as many young people from the university age group as China and ranks well behind most Latin American and other middle-income countries. The Institute of Eminence scheme must be streamlined to address these shortcomings in Indian higher education institutions and help them become world-class teaching and research institutions.

#### 2. The Digital Rupee

- The inflexion point has been reached in the financial sector with the announcement of the Central Bank Digital currency (CBDC) by the [Reserve Bank of India \(RBI\)](#).
- A concept note on CBDC was also recently released by the RBI. The digital currency will be launched on a pilot basis initially before a final rollout.
- CBDC has the potential to transform the nature of money along with its functions. Moreover, it will redefine the financial landscape of the economy and can alter the ways of controlling [monetary policy](#). It can impact the financial sector more than what was experienced in the 1950s post the introduction of credit and debit cards.

#### Background Details

- The launch of CBDC makes India one of the major economies to have a concrete plan regarding digital currency.

- Around 105 countries across the world that account for approximately 95% of the global gross domestic product, are exploring the idea of using digital currency.
- Ten countries have already launched their CBDCs, and another seventeen countries, such as China and South Korea, have already launched pilot projects.
- It should be noted that the digital Bahamas dollar is the first digital currency. It was launched in October 2020.

### **India's Central Bank Digital Currency:**

- The first initiative regarding CBDC was made in the year 2017 when the Government of India commissioned a high-level inter-ministerial committee to address concerns about the growing popularity of cryptocurrencies. Its objective was to devise a legal framework to regulate [cryptocurrencies](#).
  - It was suggested by the experts during the meeting that a digital form of sovereign currency should be introduced to counter cryptocurrencies.
- In the Budget speech for 2022-23, the Finance Minister proposed the launch of CBDC.
- An internal working group was established by the RBI regarding the same. The group suggested that by the amendment of the RBI Act, the use of digital rupees along with currency notes should be allowed.
  - The group laid down the broad guidelines for making the digital rupee compatible with the central bank's objectives of monetary and financial stability.
  - It also emphasized the need for pilot projects and a phased launch of the digital rupee without disrupting the financial markets.
  - A high-level internal committee was also formed to recommend measures to introduce CBDC and formulate its operational details.

### **Benefits of CBDC**

- One of the major features of India's CBDC is the offline attribute. It will allow the use of technology in remote locations and even when electrical power or mobile networks are not available.
- It will also reduce payment costs and provide banking facilities to disadvantaged groups and unbanked regions.
- Moreover, it can also provide easier credit delivery.
- It will enhance financial inclusion and can provide a major fillip to economic activities.

### **Challenges associated with CBDC**

- The complete launch of the CBDC is yet to be finalized as there seem to be a lot of challenges regarding clarity on critical and technological design, and regulatory issues.
- The choice of CBDC design will impact the payment infrastructure, monetary policy, and the financial sector structure.
- Another challenge is the digital nature of CBDC. RBI will have to make a choice between using a conventional centrally controlled database or a distributed ledger technology. Both will impact the security and efficiency of the new payment system.
- Various technology options should be evaluated before designing the final architecture.
- Many experts argue that a CBDC might face the risk of speeding a bank run. This would further impair financial intermediation and would adversely impact the effectiveness of the monetary policy.
- However, the above views are countered by the opinion that interests or remunerated CBDC can directly communicate the monetary policy to all economic actors and would ensure its swift transmission.

**Way Ahead:**

- As privacy and security are crucial and sensitive matters, a nuanced and calibrated approach is the need of the hour.
- A three-tiered CBDC structure is proposed. This structure would ensure that the issue and redemption of the CBDC is the sole prerogative of RBI.
  - A three-tiered CBDC would provide an account-based CBDC in the wholesale segment for transactions between the central bank and financial intermediaries like banks.
  - In the case of peer-to-peer transactions in the retail market, a token-based arrangement will be established with the services like distribution and payments assigned to the banks.
- Feedback from the pilot projects should be carefully assessed and analyzed. Other models should also be used and evaluated.
- An efficient CBDC should be acceptable like cash.
- A close and effective consultation with all stakeholders should be done.
- The central bank should stay active to provide choices and easy rollout of the technology. It should also keep a close eye on the technological choices across the world and should appropriately tweak them to meet the demands of the Indian economy.

**3. Determinants of Child Labour in India**



- Child labour is an issue that continues to plague the world at large and developing countries in particular. It is generally necessitated because of the prevalence of poverty.
- It prevents children to access education and formal training which ultimately deprives them of opportunities to get dignified work as adults.
- According to [International Labour Organization](#) (2017), agriculture is the largest employer of child labour across the world.
- India has formulated various policies like the Child and Adolescent Labour (Prohibition and Regulation) Act, 1986 (amended in 2016) and the [National Child Labour Project Scheme, 1988](#) to address the issue of child labour.
- As per ILO, there are approximately 10.1 million children (3.9% of the entire children population) employed as workers.
- Uttar Pradesh (UP) with 21.5% has the largest share of child labour in India employing nearly 2.18 million children.

### Rural-Urban Distribution of Child Labour

- It is seen in Figure 1 that child labour in rural areas is more in the majority of states.
- Children are usually engaged in agriculture and cultivation-related work in rural areas.

Figure1: Statewise distribution of rural and urban child labour

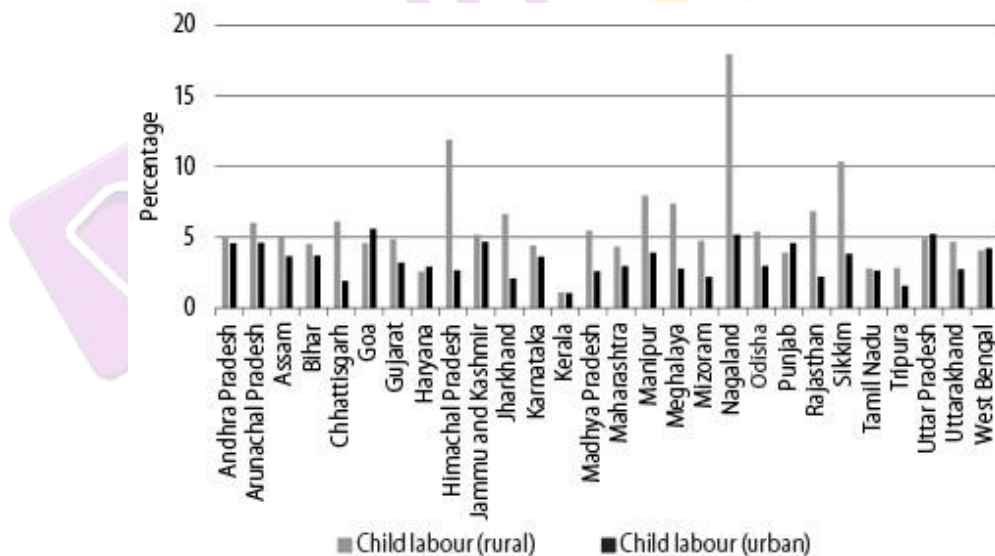


Image source: Economic and Political weekly

### Probable factors for Child labour:

1. Per capita district domestic product (PCDDP):

- It gives us an idea about the income per person. Districts having higher PCDDP will translate to better infrastructure and better and compulsory schooling. This would promote education instead of employment.
  - However, it is also argued that growth may lead to higher demand for labour, thereby increasing child labour. Growth in income will lead to lesser child labour only when it is pro-poor.
  - Uneven economic growth across the country might result in an increase in poverty leading to the perpetuation of child labour.
2. Minimum wage:
- If the minimum wage for adults is high then child labor is expected to reduce.
3. Backward Castes:
- Staying at the lower end of the social hierarchy, backward castes have faced economic deprivation for generations.
  - It is highlighted by a scholar in a study (based on the bonded labour phenomenon) that 98% of the child labour in industries belongs to socio-economically backward groups of Scheduled Castes and Scheduled Tribes.
  - Districts with a higher share of the SC/ST population have higher shares of child labours.
4. Mother's Education:
- This is an important factor in mitigating the issue. The education level of a mother gives her more bargaining power in household decisions regarding sending their children to school.
  - Studies also suggest that a mother's education level can have a strong positive impact on the enrolment of the girl child.
  - It is observed that education is better realized by an educated mother, which can further translate into increased enrollment rates in elementary schools.
5. Adult male labour force participation rate:
- Children from household having at least one employed adult male are less likely to work.
  - However, if the wage of the adult is low it might result in an increased share of child labour. For example, in Agriculture where the entire family is employed.
6. Labour force participation rate of adult males in agriculture in rural areas and in household industries in urban areas:
- In rural areas agriculture sector employs 71.4% of working children. These children work as agricultural labourers and cultivators.
  - In urban areas, 7.2% of child labourers are employed in household industries.
  - In both these sectors, it is observed that children accompany their parents.
7. Access to schools:
- Accessibility to school is one of the crucial factors to determine the incidence of child labour.



- It is observed that out-of-school children have a higher chance of entering the labour market than children attending school.
- It should be noted that in India, children belonging to the age group of 5–14 years are entitled to free and compulsory education as per Article 21A, [RTE Act 2009](#), and Sarva Shiksha Abhiyan.

#### **Some trends associated with Child labour:**

- According to Census (2011), females are employed more than males in the household industries, and children mostly accompany their mothers to the workplace.
- Children in India are mostly employed in hazardous occupations like in the glass industry, zardozi industry, and carpet industry
- The affirmative policies of reservation in education and employment for the backward castes have resulted in reducing child labour in urban areas, particularly among the scheduled castes and scheduled tribes beneficiaries of the policy.
- The quality of education is also a factor that might discourage parents to send their children for education and instead force them to send their children to work.

#### **Way Ahead**

- An equitable distribution of income might result in effectively alleviating poverty which will further result in reduced child labour.
- It is suggested by experts that increased openness in the international market, higher per capita income, a stronger economy, and a better democratic society can curb the menace of child labour.
- There is a need to review the conventional definition of child labour in India. It is also required to differentiate between different types of child labour to ensure the appropriate formulation and implementation of policies.
- Given the importance of mothers' education, there should be an increased focus on promoting female education, and the existing schemes in this direction should include more beneficiaries.
- The quality of education in government schools, particularly in rural areas should be improved.
- Measures should be taken to ensure that people belonging to the backward castes in rural areas are more aware of their rights, as reservation policies have created positive impacts in urban areas.

#### **4. The Glass Ceiling in the High Courts**

- It is observed that judges from the subordinate courts are appointed later and have relatively shorter terms. Thereby, they are unlikely to become chief justices or serve on the collegium.

- The [collegium](#) makes nominations for appointments in the High Court.
- As per a data analysis, on average, there is a seven-year gap in the ages at which an appointee from the Bar and a judge of the subordinate courts became a judge of the high court.
- This has serious implications as only three out of the hundred senior-most judges were the ones that have been elevated from the [subordinate judiciary](#). It further results in the lack of diversity in the high courts.
- The most diverse pool of applicants belonging to the subordinate judiciary are least represented in the higher judiciary and also have less opportunity to influence future appointments.

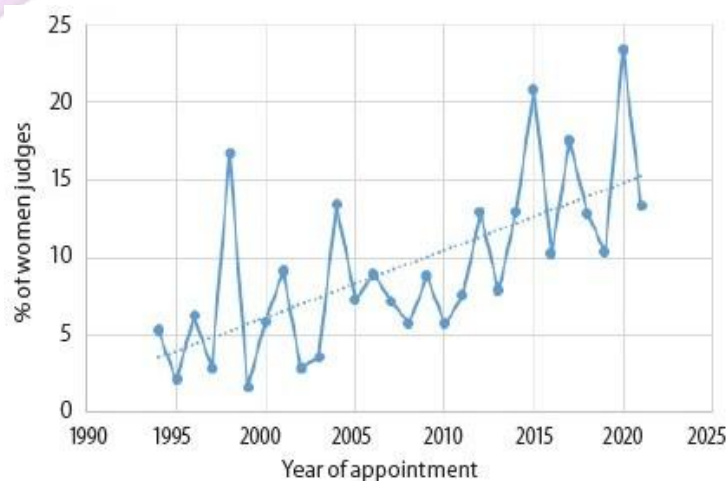
### KHOJ Database

- Know Your High Court Judge (KHOJ) is an open database that has been designed by volunteers to analyze data-driven justice and legal system.
- The database contains details of 1,709 high court judges that were appointed from 1993 to 2021. It covers 43 separate data points about each judge. The source of the appointment is also included in the database.
- This database is used to analyze and arrive at various conclusions related to the Indian Judiciary.

### Analysis:

- The number of women judges appointed between 1993 and 2021 stands at 132 out of 1587 high court judges analyzed. This translates into a mere 8.3%. However, the share of women among appointees has gradually increased over the years.

Figure: Percentage of Women judges appointed to High Courts year-by-year



Source: Economic and Political Weekly

- In terms of age, the difference between males and females is very little. On average, they can be appointed at roughly the same age.
- There exists a gap of 6.25 years between the average tenure of a judge from the Bar and a judge from the service cadre.
  - Female judges appointed from the Bar are likely to be nearly 5.71 years younger in comparison to women judges appointed from the service cadre.
  - In the case of male judges, this figure stands at 6.31.
  - This shows that there is a difference in the treatment between the judges from the service cadre and the Bar.
- It is also noted that the percentage of judges coming from the service cadre has increased from 31% during 1993-2011 to the present day status of 45.84%. The reason behind this is that judges from the service cadre have a relatively shorter tenure, and therefore more judges from the service cadre are appointed to fill the vacancies.
- Seniority is another important factor in the appointment of judges to the [Supreme Court](#).
- The analysis highlights that the collegium has reduced to a self-selecting group, as judges belonging to the bar usually choose judges from the bar.

Cadre	Judges of Supreme Court	Chief Justice of High Courts
Bar	62	153
Service	2	7
Total	64	160

Source: KHOJ Database

### Conclusion

- It is suggested by experts that there exists a lack of diversity in the High Courts in India.
- It also shows a clear pattern of appointments from which it is inferred that appointees belonging to the bar enjoy larger tenure and more influence.