



# ECOBUZZ

DEPARTMENT OF  
ECONOMICS 2017-2018  
GARGI COLLEGE,  
UNIVERSITY OF DELHI



“THE GREAT ECONOMIC DIVIDE”

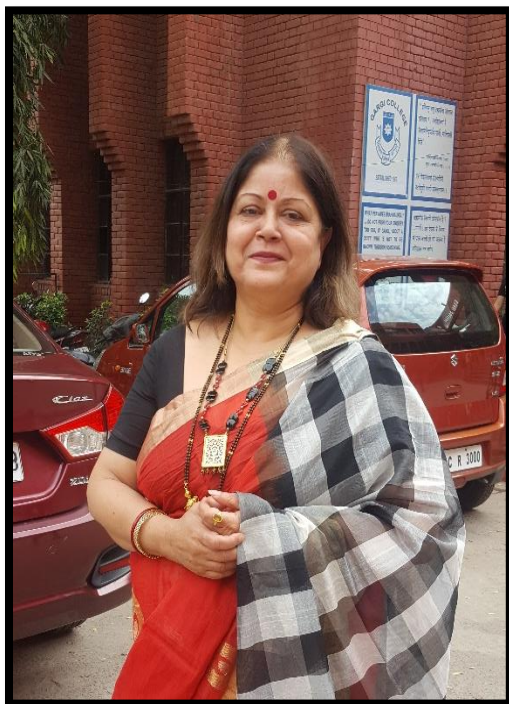
~ SMART CITIES ~ UNEMPLOYMENT ~ INDIA @ 70  
AND MUCH MORE INSIDE!



and nurturing. The vast potential of students has always been tapped through such magazines and newsletters.

I congratulate the entire editorial team & contributors for the upcoming issue of Ecobuzz -18 and enthusiastically look forward to reading our students' perspective on various issues undertaken.

***Dr. Promila Kumar***  
***Principal (Officiating)***



I am delighted to announce, that the much awaited successors of the economics department have come back to our institution. With the new generations and their unconventional ideas, I feel proud to inaugurate the 4<sup>th</sup> edition of Ecobuzz - the Economics department magazine of Gargi college. The contemporary scholars at Gargi, are always thrilled for new ventures. In alliance with the Ecomantra, the society, the students have organized diverse seminars, events, as well as invited renowned speakers, who polished their young minds. I congratulate and bless the students to keep the competition tough and win the race.

***Dr Sheela Dubey – Teacher-in-charge***  
***Dept. of Economics, Gargi College***

## From the Editors' desk

Dear readers,

We are delighted to present to you all, the 4<sup>th</sup> edition of the annual magazine of Economics department ~ Ecobuzz. In Gargi's 50<sup>th</sup> year, we have once again welcomed a batch of young and vibrant students to Economics (hons) course. Through our magazine, we seek to acquaint the readers with the emerging avenues surrounding the subject and its allied fields as well as in-depth and well researched articles so as to contribute to their holistic development.

In this issue, we have attempted to introduce diverse issues which surround our daily lives, like - smart cities, unemployment, digital currencies, environmental economics and much more.

We take this opportunity to thank our Teacher adviser Dr Nidhi Tewathia for her constant support and feedback. We also extend our deep gratitude towards the Principal, Dr Promila Kumar for her guidance. Last, but not the least, we would like to convey special thanks to Dr Sheela Dubey for the cooperation she provided us all throughout.



L-R: Aleena Abrar, Dr Nidhi Tewathia – Teacher Adviser, Poornima Kaul, Shivani Khandekar

## President's Message

"The ultimate purpose of economics, is of course, to understand and promote the enhancement of well-being" ~ Ben Bernanke. Through Ecomantra we aim to bring together all the students who see Economics not merely as a subject but as a passion. We intend to work towards nurturing this commitment for the subject and contribute our bit in the enhancement of the well-being of every individual and henceforth, the society.

*Greeshma Bommareddy : President ~ Ecomantra*



## Message from the Union

As the students' union of the Economics department, our focus is to create a forum for exchange of information on economics and related fields. Through the years, we have developed the union to make it more dynamic and interactive. We consider ourselves catalysts of change, obliged to contribute towards the department magazine in making it more engrossing. Through a myriad of talks



and competitions, Ecomantra seeks to bridge the gap between our audience's knowledge and the upcoming trends of the industry.

*L-R : (Top Row) Rupali Yadav, Tanmayee Pattnaik, Vanshika Agarwal, Sana Dewan, Meghna, Ishtha Verma, Saloni Singh, Aishna Bansal, Umang Ahuja. (Bottom Row) Sakshi Veerangana, Greeshma Bommareddy, Ananya Dixit, Simran Bhutani.*

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# India and China: The Digital Giants

The growing economic stature of China and India has received wide recognition. We are well aware that the ability to produce high-quality technology goods and services leads to true economic leadership. Both the countries are growing more than three times faster than the world average. On the other hand, both China and India are still mostly rural economies—as per the World Bank, 43% of the population in China and as per Census 2011, 68.8% in India is rural. The share of persons below the international poverty line of \$1.90/day has been reduced to just 6.5% in China. In India the share of persons below the \$1.90/day poverty line has also been reduced, but to 21.9%. (<http://worldbank/data>) One of the reasons for China's faster growth has been its much higher investment rate. Even though the percentage of persons with higher education in their populations is still low by developed country standards, because of their enormous size, they have a critical mass of highly educated people and of scientists and engineers. In addition, they have a critical mass of expenditures on R & D.

In the past 10 years, for example, investment has averaged 36% of GDP in China and 25% in India's GDP. Another reason for China's high per capita income growth is that as a result of its one-child policy, its average annual population growth during the period 1990-2004 was only 0.9%, compared with India's rate of 1.7%. In the digital space, China has a clear advantage. Since 'Pew Research Center' began tracking advanced technology adoption in the two countries in 2013, the Chinese have consistently reported rates of internet and smartphone use that are at least triple that of Indians. That trend has continued through 2016.

Table 1: Internet Landscape

	Internet Users (in million) 30-Jun-17	Penetration (% of population)	Average internet connection speed (in Mbps) Q1 2017	Average Mobile net speed (in Mbps)	Share of World internet users (%)
China	738	53.2	7.6	6.2	21.2
India	462	34.4	6.5	1.7	13.5

Source: [www.internetworldstats.com](http://www.internetworldstats.com) and [www.internetlivestats.com](http://www.internetlivestats.com), CNNIC 2017, Akamai report, Q1 2017, Digital, Social and Mobile in APAC, March 2015

Starting with year 2014, China's e-commerce share stands at 12.4% while India achieved quite a low share at 0.8%. The forecast for year 2019 indicates that the online retail will be responsible for 33.6% of total retail in China but only for 4.8% in India ([www.statista.com](http://www.statista.com)). The basic amenities essential for an individual's life such as housing, health, hygiene, access to food, water, transport and public utilities is a prerequisite for the individual to be able to utilize the potential of digital technology. An individual struggling to meet basic needs cannot be expected to harness the

opportunities offered by internet. Nonetheless, being disconnected from digital services pushes the individual further into exclusion and poverty. In 2010, internet contributed 5.5 per cent of GDP in China and only 4.1 per cent in India. By the year 2016, the figures have changed and the gap between both the nations has increased. The net exports contribute the highest to the GDP in both the nations. China and India stand out for their enormous internet-related exports- China in goods and India in services- which propel their internet economy rankings towards the top of the charts. It is projected that by 2020, internet will contribute 7.5% of GDP in India (BCG, 2017).

Table 2: Internet Economy

	China		India	
	2010	2016	2010	2016
Internet Economy as a percentage of GDP	5.5	6.9	4.1	5
<i>GDP Contribution (\$ Billions)</i>				
Govt spending	12	27	2	11
Investment	55	92	12	32
Consumption	62	321	14	108
Net Exports	197	412	41	91
<b>Total</b>	<b>326</b>	<b>852</b>	<b>70</b>	<b>242</b>

Given SMEs' track record in job creation, policies that encourage more of these companies to develop an online presence could help address the lingering unemployment that currently characterizes the recovery in many countries. With the Indian Government's focus on Digital India and smart cities, there's little doubt that the internet is going to bring about a change needed for the greater good of the country.

*Source: BCG (2012 and 2017)*

Concerted actions by policy makers and businesses in the following areas can help India achieve an inclusive Internet transformation: reduce the cost of Internet access across devices, development of indigenous content and applications; access to low-cost, high-speed connectivity in rural and semi-urban areas; focus in areas such as agriculture, health care, education, energy, utilities, and public information; and creation of a favourable business environment for Internet entrepreneurs to support rapid innovation. In this era, every business needs to "go digital"-and fast. Policymakers, too, should pay heed to the imminent change. Given SMEs' track record in job creation, policies that encourage more of these companies to develop an online presence could help address the lingering unemployment that currently characterizes the recovery in many countries.

**Dr Nidhi Tewathia**

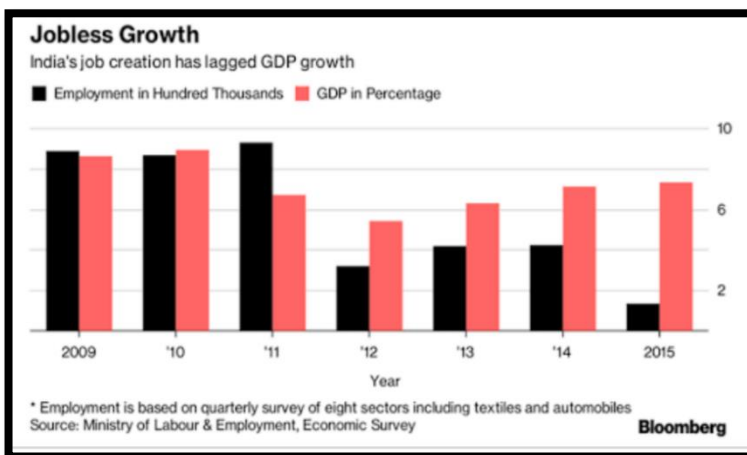
**Teacher Adviser**

**Assistant Professor Dept. of Economics - Gargi College**

## Where Are The Jobs?

Dressed in formal business suits, files clutched close to their chests. We see these youngsters almost every day. Youngsters, whether fresh graduates or otherwise slog themselves in coaching centers and invest lacs of their parents' hard earned money. These people are who we call 'job hunters'. As many as 2.5 crore people enter our labor force every year meaning people from the age group of 15-64. However only a few of them actually land up with a job (labor market). This is called the 'Labor Force Participation Rate'. The section of labor Force (those aged between 15 to 64 years) who are seeking or are already employed into some job.

Mahesh Vyas - CEO of 'Centre for Monitoring Indian Economy' ~ (CMIE) remarks how the LFPR for India stands at 44 (Year 2017) as against its global 63. This is further underlined by the fact that the unemployment rate in turn increased from 4.9% in 2013-14 to 5% in year 2015-16. From the education point of view, trainings received today have an increasingly higher scope of being obsolete tomorrow. According to a report published by FICCI and NASSCOM, by the year 2022 around 20% jobs will be created which do not even exist today. Students who are studying to develop computer softwares will face bigger challenges as their learning might just become outdated. Moreover, in the coming 4 years when these students will complete their degrees, 65% of the current jobs would have already become extinct.



Lack of jobs arises from the low investment, say, in the form of factories in the country. By the year 2020, the average age of an Indian would've dropped to 29 years against 48 years in Japan and 36 years in China. Unless properly tackled with, this huge demographic dividend will prove to be a nightmare for the economy. Do we want to envision a future for the

youth in which years are spent by students in preparing for the exams, clearing them and then another 2-3 waiting for their appointment letters? Much as we dislike it, this is the present situation of various bodies conducting Public Service Commission exams in the country. In the coming years when more than 60% of the Indian population will be below the age of 35, will we really be in a position to let these bright minds waste 5-6 years of their lives in search of jobs? In the west, corporates are finding it increasingly difficult to hire permanent full time employees and hence the demand and scope for independent contractual workers or freelancers is on the rise. This structure is described as a Gig Economy. As the US is slowing transitioning into becoming a Gig Economy, can we forecast such a big change for the Indian Economy as well?





In today's age if officials do not waste time in extending their condolences through their 'tweets' from whatever remote area they may be in, why are they then, shying away from bringing statistics pertaining to the labor market, out in the open? This raises another question. Is the youth even pressurizing the government enough so as to 'demand' jobs? Are educational institutes doing their share in a fair manner or have they merely become factories of producing underqualified students? Does petty self-employment, which is what setting up a pakoda stall entails, promise a solution to India's humongous employment challenge?

Hitting a 15 month high in February 2018, unemployment rose up leading to 3.1 crore Indians without a job as there are still not enough of them even after 15 months of demonetization, according to Centre for Monitoring Indian Economy (CMIE). The unemployment rate reached a 71-week high in the week ended February 25 and, has hit very hard the vulnerable sections -

those with insecure jobs, those with limited education, women and those who were unemployed but hopeful of gaining employment. *(Source: CMIE)*

With less than 15 months left for our next Lok Sabha elections, we are compelled to ask these pressing questions. Unless properly tackled with, India's large demographic dividend may prove to be nightmare. After all, schemes like MUDRA and MGNREGA are merely temporary adjustments which displace people from their homes to field sites for a certain number of days. Will the ruling government stress enough importance on unemployment in its policy resolutions?

**Shivani Khandekar**

**Editor**

**BA (Prog) 3<sup>rd</sup> Yr**

## India @ 70



India has travelled a long way in overcoming its challenges since independence. As India celebrated its 70<sup>th</sup> Independence, the usual question of whether it has succeeded or failed, surfaces again. In an attempt to look for an answer to the above question let us have a look at few logistics. India is growing at a rate of 6.3% of GDP. World Bank even projects 7.3% growth for India. At Independence, the Indian Economy was just 15% of the size of the U.S. Economy

while today encompassing this milestone; it is half as large if measured in terms of purchasing power parity. Yet despite these gains, Indian GDP per capita remains around 10% of U.S. The country has made commendable improvements in every sector yet it stands way behind the well developed nations of the world. India produced about 50 million tonnes of food grains in 1947 and produces five times of that now. The concern to this, here, is that the demand for food has also grown overtime due to growing population. The incidence of nutritional deprivation in India is among the highest in the world. 38% kids are malnourished and India's ranking in Global Nutrition is 114/130. At the time of independence, India's population was about 345 million. Life expectancy was around 33 years and Total Fertility Rate was close to 6 births whereas now life expectancy has risen to 68 years. Indeed, India, being the first country in world to adopt an official national population policy, is now well into the last stage of demographic transition, involving falling population growth and sustained progress towards 'population stabilisation'. Nevertheless many vocational courses and training centres have been established. Programs like skill India and Make in India aim at creating new and better job opportunities for the citizens. Health, education sectors in India are areas which have nearly been neglected for the years and require much government attention. Current Public Expenditure on education is 3% of the GDP whereas the requirement is of 6% of GDP. Similarly, public expenditure on health care sector is 1.3% of GDP as against the required target of 2.5% to 3%.

It has built a modern economy, remained a democracy, and lifted millions out of poverty but, in its essential duty of uniting its citizens; the attempts made so far have been merely a failure. Religious riots have always been a part of India's history and so are today! Social fractionalisation and diversity has somehow led to internal strife and religious conflicts. Hence, the motto 'UNITY IN DIVERSITY' is yet to be completely accomplished!

**Rachita Thakur**

**BA (Prog) 3<sup>rd</sup> Yr**

# Understanding Cryptocurrency

Satoshi Nakamoto's attempt at building a decentralized peer to peer electronic cash system produced a byproduct which is now popularly known as Cryptocurrency. A cryptocurrency is a digital asset designed to work as a medium of exchange using cryptography to secure the transactions, to control the creation of additional units, and to verify the transfer of assets. This attempt led to the creation of the first and the most important digital currency till date ~ Bitcoin. Since then a number of such currencies have emerged in the market, the largest share being held by Bitcoin followed by Litecoin, Dash and Monero. These currencies have been in circulation since 2009 and a recent study by Cambridge Centre for Alternative Finance has estimated the number of active cryptocurrency users across the world to be 3million.

People have resorted to the use of these currencies due to various reasons, some of them want to exploit the advantage that comes with the anonymity of the transactions, and there are others who consider digital currency more secure and convenient to use than fiat currency. The use of the currency is free from government surveillance which also means that the transactions are pseudonymous, tax-free and do not require any execution permission. The cost of international transfers is minimal and the service is faster than service providers like Western Union. A market which might benefit the most from cryptocurrency is electricity and computer component manufacturing companies. The number of coins that can be mined in most cryptocurrencies are limited and their decentralized nature constitutes a threat to the government and central banks as they can neither control the production of money nor regulate inflation or deflation rate which leads to politicization of money. This threat to the authority of governments has made some governments give them a legal status and are now looking into ways by which the regulation and transparency on use can be introduced. The reasons for the governments still not intervening in legalizing the use of cryptocurrency can be the total control the owner has over it, there are usually no middlemen involved which gives complete discretion over its use. This has given rise to unwanted cybercrimes because these transactions once made cannot be reversed which means that the buyer has no possibility of getting the money back and extortion of ransom by hackers. Each coin has a private access key which is available only to the owners and if this key is lost the coins can never ever be recovered.

The Bitcoin for example is a highly volatile cryptocurrency which makes it a great target for gains through speculation. The threat of collapse of fiat currency and the recent demonetization drive by PM Narendra Modi has made people look towards cryptocurrencies as an alternative to store their income in spite of all the disadvantages. Several people have also warned the users to only invest the amount they can afford to lose as cryptocurrency could be just a bubble waiting to burst. Digital currency is still new in the market and it is too early to say anything about its impact on the economy but it's surely here to make a history.

**Rishika Goyal**

**Economics (Hons) 1<sup>st</sup> yr**

## Is the BJP here to stay?

Ever since the Bhartiya Janta Party took charge as the central government in 2014, several allegations have been made on them for their promises which were cited in their manifesto. In 2014 it was for the first time that BJP had won by full majority of 282/545 seats, declaring how much the citizens had faith in the Modi government. It has been 4 years since BJP is in power and there are many factors that have had a positive impact on the Indian economy. Certainly there have been several radical changes that have been witnessed by the country. 60 crore people now have an access to bank accounts. More than 10 crore families no longer have to defecate in the open. If we look at the above mentioned statistics, it is underlined why Narendra Modi deserves to be called – the face



of change. The Modi led government made it ample clear that the country would focus more on improving foreign relations and ever since the 'Modi Doctrine' (Foreign Policy of the government) has focused their attention on countries like Bangladesh, Belgium, Iran, Canada, South Korea, Turkey, Japan, China, France, Germany, Russia, etc.

The visit to Israel in July 2017 was a particular one since the tour was the first one ever to have been conducted by an

Indian prime minister. The tour was seen as a grand success towards a healthy friendship of India and Israel and garnered praise all around. Even when the opposition accuses 'crony capitalists' of running the country, BJP has always strived towards excellence by fostering an overall inclusion. Despite visiting countries for relevant purposes he has also been an eminent representative on a global platform, greatly owing to his effective oratory skills, especially in the BRICS submit which took place last year at Goa-India. More or less, globally as well as at national level the party is seen to have raised the standard of the 'aam aadmi'. Be it a 'jawaan' or a 'kisan', the UPA led Modi government will slowly but surely aim towards their steady development, thereby ensuring that they remain at their pinnacle of success. The Kulbhushan Jadhav case that gained prominence was due to the government's efforts. It was they who took this matter to the International Court of Justice under the sage of eminent lawyer Harish Salve and made it possible for his family members to meet him personally. BJP has won the elections in the state of Gujarat and Himachal Pradesh. They have emerged triumphant in north-east. Even though the latest Rajasthan and Madhya Pradesh by polls paint a different story, we can safely presume their spot in the battlefield of 2019, sans any alliance.

**Poornima Kaul**

**Editor**

**Economics (Hons) 1<sup>st</sup> Yr**

## Inside the Ganga Clean Up Project

The concern about the increasing pollution of river Ganga has been outlined by several ministers. Hence, in 2014, the ruling party formed a special Ministry for Water Resources which included National Mission for Clean Ganga (NMCG). It was allocated \$334 million to clean river Ganga in 3 years. The efforts were soon criticized by everyone, including India's Supreme Court, which said that the government's action plan may not result in clean Ganges "even after 200 years". In 2007, Ganga was recognized as the fifth most polluted river in the world. Public has never taken any initiative to clean it but is rather polluting it by dumping hazardous substances in it. It has become imperative to clean Ganga because almost 40% of India's 1.2 billion people reside in towns and villages along the Ganges, are thus highly dependent on it for drinking water, irrigation and livelihood, and also for spiritual sustenance. It is also known that even after spending Rs7,304.64 crores up till March 2017 by the central government in collaboration with the state and local authorities of the state of UP, the status of the Ganga has "not improved in terms of quality or otherwise and continues to be a serious environmental issue".

Another concern that crops up here, is the loss of habitat of the already endangered Gangetic Dolphin inside the river. Cleaning the sacred river has been a priority for several decades now. Earlier also, efforts like these have been made to clean the Ganga. Prime Minister Rajiv Gandhi launched his Phase 1 in 1985, covering 25 Ganga towns in 3 states; a whopping amount of Rs 862.59 crores was spent. Phase 2 covered 59 towns in 5 states where Rs 503.31 crores was spent. The campaign has been on and off since then and again brought up in 2014. Since then Uma Bharti served as the Minister of Water Resources, River Development and Ganga Rejuvenation till 3<sup>rd</sup> September 2017 succeeded by Nitin Gadkari. His ministry is responsible for the implementation of the ambitious Namami Gange Mission, which is a pet project of Prime Minister Narendra Modi. Prime Minister's own constituency, Varanasi lies on the path of Ganga, and since the BJP is in power in both UP and Bihar (in alliance), there should not be lack of effort on this front. Gadkari is hopeful that there will be a lot of improvement in water quality by March 2019, though did not commit officially that the river will be cleaned completely in the timeframe. The minister said, "Let's try for it, and think for the best. And it is a difficult task, this is not my commitment and I am not saying I will accomplish it (but) I am saying I will try to accomplish it." In the absence of proper execution of plans, such movements have heightened the need for activists like Medha Patkar. Ultimately, for finding a sustainable solution to this problem, it does not only need mass movements and projects but also some immediate action by people.



**Sakshi Veerangana**

**Economics (Hons) 1<sup>st</sup> yr**

## Is 'Aadhar' paralyzing us?

India's Aadhar is the world's largest biometric ID system, a 12-digit unique identification number issued to Indian citizens by the Central government, managed by UIDAI. It records and verifies every resident Indian citizens' details including biometric and demographic data. Aadhar is not meant to replace existing identification documents like PAN, passport, driving license etc. However, it can be used as a single identification document. The government had made it mandatory for the public to link their Aadhar numbers with their bank accounts, mobile phones and various welfare schemes and set March 31, 2018 as the deadline. However in a verdict given by the Supreme Court dated 14<sup>th</sup> February, it was declared that Indians will no longer be obligated to link their Aadhar numbers to avail the benefit schemes of the government. The motive behind the mandatory linking was to keep a track of every citizen and their statements so as to know where and how they are using their earnings and for what purpose to free our country from fraudulent and illegal activities. Before the introduction, the ideal purpose was to replace all the other forms of identification and not create another one to join the pile. In an incident occurring at Ranchi, an Aadhar Centre outrightly published Mahendra Singh Dhoni's details through their twitter handle causing a major breach to his privacy.

If we look at those who are opinionated on the issue, they feel that it empowers residents of India with a unique paperless identity proof and a digital platform to authenticate anytime anywhere with ease. It helps them avail services like getting a mobile connection, LPG connection, opening a bank account, and does not depend on caste, gender or region. The government has also received backlashes about the scheme. Some people praise this idea which may lead to lesser corruption and wastage of time. Whereas some others are highly criticizing it as they see it as an invasion of their privacy. Safety concerns of Aadhar come up as a pressing issue, especially in the wake of a recent security incident when the UIDAI initiated police action against entities associated with Axis Bank which had allegedly engaged in unauthorized authentication and impersonation by illegally storing Aadhar biometrics. In a separate incident, Indian authorities were warned of a website that was leaking demographic data of over five lakh minors. Thus, in the absence of any strong privacy laws in India, these security concerns have assumed even greater significance. In spite of such incidents, UIDAI still claims that the technology behind Aadhar is robust and that it uses advanced encryption to transmit and store data. An ironic twist in the Aadhar Act is that it does not contain any provisions to address privacy concerns. Thus, any legal action against any misuse or theft of Aadhar data can only be initiated by UIDAI, leaving citizens with no legal recourse. Since the act also allows private agencies to use Aadhar, it contradicts an earlier stated objective of the scheme that sought to restrict the use of Aadhar for only government expenditures. Lastly if we think about it, the Aadhar linking scheme only makes citizens transparent to the state and not the state transparent to citizens which is unjust.

**Aleena Abrar**

**Editor**

**Economics (Hons) 1<sup>st</sup> Yr**

## Theft in Financial Democracy

One of the very simple examples to understand the root cause of banking and financial crises are as follows. Assume a person A-borrows Rs.100 loan from person 'B' for 6 months with some basic interest rate, let's say 5%. In 6 months, person A did not use Rs.100 for the productive purposes and enjoyed Rs.100. Now, after 6 months, in order to pay back to person B, person 'A' takes loan of Rs.205 from person 'C' for 6 months and keep Rs.100 in the pocket and pay the rest to person 'B'. From the start of the game ending one year, since person A has to pay Rs.215.5 to person C, now, person A borrows Rs.315.50 either from person B or person D. Since, person B has already been repaid back by person 'A' after 6 months so credit rating of person A is already high for person 'B' and hence person B can easily give the higher amount of loan to person A.

Similarly, if person 'D' wants to check the credit rating of person 'A' she/he can ask a person B and accordingly be agreed to give the loans of Rs.315.50 to person 'A'. This way person 'A' can keep taking higher and higher loans from different persons and in some cases its financiers could be repeated. Imagine a day when persons B, C and D....Z, meet and talk about person A, and the dates of financing loan and receiving the same. Hey, this guy 'A' is really nice, he has returned my amount on time, yes, that's right and so forth. Ok, so which day/date has he borrowed from you.....yes around the same day he has paid back the amount to me. Wow, so let's ask the 3<sup>rd</sup> and 4<sup>th</sup> person and finally they conclude that, person A was just shifting money from one hand to the other and making sure the continuous flow of money to itself. Alas! Yes, the business that has been designed will be failed and person 'A' will be caught one day, or by the time he will be caught he might have flown away to some other country. If person 'A' is very clever and does not want to get caught he will do business in one area or close the business and shift to other areas and keep doing the same so that he can constraint the communication among the financiers in a certain way. This way he can spend his whole life with the flow of income without getting caught. In this case, suppose he has already had a history of taking loan from N different persons and repaying N-k preceding financiers and suddenly (N+1)<sup>th</sup> person deny to provide the loan to person A, then person A will be having hard time to pay back its loan because he does not have any penny left in his pocket and hence the crisis. So far, this is the game when person 'A' takes loan from only one person at a time so that the credibility can sequentially be maintained. Next, person 'A' can take loan from many persons at a time as well. It's like doubting the manifold jump in a salary of fresh market entrants (job seekers) who just show their last salary offer CTC (Cost to Company) to get the higher quote. That is, after getting one job with certain salary offer job seekers can go to some other company and increase his/her bargaining and accordingly can go for interview to N different companies in very short period of time and increase the salary manifold. This way, one gains faster but there is a possibility of credibility issues as well. This is the basic structure of the financial system and rational thinking of economic agents to understand the crisis and loan freezing.

**Ganesh Manjhi ~ Assistant Professor, Dept. of Economics - Gargi College**

# Rethinking Smart Cities

As cities move beyond their traditional economic roles to becoming more 'liveable' and 'sustainable' we can't help but question ourselves as to what ideally constitutes as a 'Smart City'? Under the Modi government's AMRUT Mission (Atal Mission for Rejuvenation and Urban Transformation), the Smart Cities project has registered an important space for itself. The ambitious Rs 1,35,958 crore project will see the development of 100 secure, sustainable and green cities which will ultimately aim at improving the quality of life of people. The shortlisted cities include Pune, Jamshedpur, Ranchi, Bhopal, Durgapur amongst many others. On one side we see modern cosmopolitan cities like Gurugram and Mumbai with their high rise buildings, ample wide roads, ever ready to attract the rural immigrants. At this point we can't help but notice other areas like those surrounding the Ghazipur landfills. The Ghazipur area serves as the waste collection land of the whole of NCR. And the heap is ever increasing. A few years back a 30ft mountain of garbage collapsed killing 3 people. Should our smart city be such where waste management is everything but efficient?



India is perhaps one of those few countries where the practice of manual scavenging still exists. The year of 2017 alone witnessed 27 deaths in 100 days of such manual scavengers due to lack of oxygen and other allied reasons. Should we really think of Smart Cities in an age where deaths take place due to such practices which should have long been obsolete? Felling trees, old houses just to create swanky new skyscrapers may not be expected. Vice President Mr M Venkaiyah Naidu recalled how he once served as the Rural Development minister for 5 years post

which he was assigned the Urban Affairs ministry because the whole of rural India was slowing making their way into the big world of cities.

The mission of making such cities is expected to create livable spaces and not just jungles of concrete which further accentuate pollution and discourage seepage of water. Smart cities must welcome modern and I must mention ecofriendly technologies at the same time value heritage conservation. Widening of roads should take place but not at the cost of felling trees. The aim is not to neglect villages by attracting the rural population but to create future ready cities in which children don't live on roads, waste management is properly taken care of, wherein public transport is both affordable and secure. If Mumbai is on the brink of flooding every year, can we really claim to have learnt lessons after 2005?

**Shivani Khandekar**

**Editor**

**BA (Prog) 3<sup>rd</sup> Yr**



# Activities of Ecomantra – The Departmental Society

## {2017-2018}

The session started off with a seminar on “*Issues in Indian Macroeconomics*” by *Professor NR Bhanumurthy*, an alumnus of the University of Hyderabad, from National Institute of Public Finance and Policy, New Delhi. In the month of October, Ecomantra conducted an event, ‘*Eco-know-mics*’ exclusively for students of Gargi. It had three rounds, called –

- 1) Mujhko Pehchaan lo, main Econ (Guess game)
- 2) Koi debate nahi (Debate)
- 3) Kon Banega Economist (Quiz)



(Picture courtesy: Ananya Dixit)

In the end, to bid adieu to session 2017-18, Ecomantra came up with an exciting annual intercollegiate fest called ‘*OPPORTUNITICS*’ which consisted of a lecture by *Mr. Kapil Patidar* and *Mr. M Rahul* from the Ministry of Finance, GOI, on *Climate change* and *The Economic Survey of the Government*.

The discussion highlighted topics like the contents of the Economic Survey, how allied subjects of economics and environment collide, scope of sustainable development goals (SDGs) and nationally determined contributions (NBCs).

The discussion culminated in an interaction with the speakers on ‘challenges & opportunities in global economy’.



(Picture courtesy: Saumya Bhati)

The lecture was followed by 2 events viz called *MARGINAL ATTACK OF ECONOMICS* - a spin the wheel of fortune event with multiple rounds where participants had two wheels to spin one for the quiz and the other for lottery!



Teams were interacting with both the org-com and rival teams and were taking wins and losses in their stride and *LENS-O-NOMICS* - photography competition, which was kept open for all courses.

*(Text inputs from Ananya Dixit)*

*(Picture courtesy: Rachna Bhagat)*



*(Picture courtesy: Rachna Bhagat)*



Union members & faculty with Mr Kapil Patidar and Mr M Rahul.

*(Picture courtesy: Saumya Bhati)*

*Lens-o-nomics: The Photography Competition*



**WHOSE HANDS?**

By Mansi Yadav



**SEEKING SOLACE IN A BUSTLING CITY**

By Rajshree



**JOBS THAT PAY THE BILLS**

By Mehak Yadav



**WILL CUSTOMERS COME?**

By Rachna Bhagat



**READING IN THE DIGITAL AGE**

By Annu Singh

## Are internships helpful?

Internship is the training of a prospective job seeker who works for an organization to get a real life experience of the job sought. Internships help to gain the requisite skills and knowledge and establish important connections in the field. Paid, or unpaid, internships are quite beneficial as they make candidates more competitive in the job market. Here's why one should go for it:

**POOL OF OPTIONS:** People are often perplexed about their careers and especially students who have a pool of options in front of them. Internships often help students to decide their future forte. A scope of flexibility is always present in hand as the student can explore multiple categories of work from finance to design to obtain an extensive outline of what would be the most suitable form of profession. So, for people who have certain doubts about their career options, it would be a good move to delve into various internships and see to which one they connect the most.

**REAL WORLD EXPOSURE:** An internship helps you to get first-hand experience in the professional environment. It allows one to put the theoretical knowledge to work. Internships also provide a snapshot of what it would be like to work in the chosen field and an opportunity to check whether the particular field is right for you based on your personal encounter.

**BETTER UNDERSTANDING OF ONESELF:** 'Knowing oneself is the beginning of all wisdom'. Internships give you a chance to explore a variety of career opportunities that not only expands your horizon, but also encourages personal development. Not only this, internships are an avenue to build a strong network of significant contacts which might come in handy any time.

**OUTLINES YOUR CV:** Internships are the perfect way to enhance your resume. During your internship, you gain abilities and skills which give you an edge over other non-experienced candidates as employers are more likely to hire someone with work experience. Stepping into the real world gives the person more exposure and a wide-angled view of the corporate culture, which in turn enhances their CV.

Short hand work experiences help provide the building blocks to your future as they help set a foundation for your career and offer opportunities of transition into full time positions based on your performance. Internships also teach you to manage your time and make you confident and hardworking.

So next time you see an internship offer, grab the opportunity!

**Tarang Chauhan and Muskaan Arora**

**Economics (Hons) 1<sup>st</sup> yr**

# Highlights of Budget (2018-2019)

While Budget 2018 has been widely considered as a populist and pro-development budget, it does a careful and practical balancing act by providing generous allocations to sectors demanding attention and affecting lives of large section of population without significantly denting corporate sector or the investment cycle. The Budget outlines high emphasis on agricultural development, health, education, rural development, employment generation, MSME and infrastructural development. According to the finance minister, Arun Jaitley a series of structural reforms will drive India towards achieving a high growth rate. The targeted growth rate of 8 % seems achievable as the country confirms that manufacturing, services and exports are back on track. Even though this budget forcefully stressed on farmers and people living in rural areas but there are many new announcements of interest for the common man. Before we delve into the highlights of the budget here are some glimpse of the Economic Survey of 2017-18. The fiscal deficit has been pegged at 3.5 % and projected at 3.3 % for the year 2018-19. Inflation averaged to lowest in the last 6 years during the year 2017-18. The Consumer Price Index (CPI) based headline inflation averaged 3.3% during the period. Service sector contributed to almost 7.25% of GVA growth. FDI equity inflows to the service sector grew by 15% and GST data revealed 50% increase in number of Indirect Taxpayers. Some of the key highlights of the Union Budget 2018 in specific segments have been discussed below:

## 1) Agriculture & Rural Economy

In reference to the government's commitment towards the welfare of the farmers and doubling of their income by 2022, the Finance Minister announced a number of new measures.

- MSP of all unannounced *Kharif* crops fixed at least at one and half times of production cost. Institutional farm credit raised to Rs.11 Lakh crore for 2018-19 from Rs.10 Lakh crore in 2017-18.
- Rs.500 Crore allocated for 'Operation Greens' to address price fluctuations of perishable commodities like potato, tomato and onion and benefit both producers and consumers.
- Doubling allocation for food processing sector to Rs.1400 Crore, government to promote establishment of specialized agro-processing financial institutions.
- Rs.2000 Crore fund to be set up for developing and upgrading agricultural marketing infrastructure in the 22000 grams and 585 APMCS.

## 2) Health, Education and Infrastructure

- Health and Wellness Centre: As many as 1.5 lakh centres will bring health care system closer to the homes of people. These centres will provide comprehensive

health care, including for non-communicable diseases and maternal and child health services. Moreover, these centres will provide free essential drugs and diagnostic services.

- National Health Protection Scheme: This will cover over 10 crore poor and vulnerable families (approximately 50 crore beneficiaries) providing coverage upto Rs 5 lakh per family per year for secondary and tertiary care hospitalization
- Eklavya School: BY 2022, every block with more than 50% ST population and at least 20,000 tribal persons, will have an Ekalavya Model Residential School, which will be at par with Navodaya Vidyalayas.
- Prime Minister's Research Fellows (PMRF) Scheme: 1,000 best B.Tech students will be identified from premier institutions each year and facilities will be provided to them to undertake Ph.D in IITs and IISc with an attractive fellowship.

### **3) Relief to Salaried Taxpayers & Senior Citizens**

- Proposal to allow a standard deduction of Rs. 40,000/- in lieu of the present exemption in respect of transport allowance and reimbursement of miscellaneous medical expenses. Around 2.5 Crores salaried employees and pensioners to benefit. Differently-abled citizens to get transport allowance at enhanced rate.
- Amendments in the income-tax act: Proposed to amend the Income-tax Act to notify a new scheme for assessment. The assessment will be done in electronic mode which will almost eliminate person to person contact leading to greater efficiency and transparency.
- Exemption of interest income on deposits with banks and post offices to be increased from Rs.10,000/- to Rs.50,000/- and TDS shall not be required to be deducted on such income. This benefit shall be available also for interest from all fixed deposits schemes and recurring deposit schemes.
- Hike in deduction limit for health insurance premium and/ or medical expenditure from Rs.30,000/- to Rs.50,000/-, under section 80D.
- Senior citizens will now be able to claim benefit of deduction up to Rs.50,000/- per annum in respect of any health insurance premium and/or any general medical expenditure incurred.

**Tanjot Singh ~ Assistant Professor**

**Dept. of Economics - Gargi College**

# Gabbar Singh Tax v/s Good Simple Tax

On the intervening night of 30<sup>th</sup> June & 1<sup>st</sup> of July, GST or Goods and Services Tax was introduced in the country after a 13 year long journey since it was first discussed in the report of the Kelkar Task Force on indirect taxes under the leadership of Vijay Kelkar, the then adviser to the Finance Ministry. In 2003, the Kelkar Task Force on indirect tax had suggested a comprehensive Goods and Services Tax (GST) based on VAT principle. The term - Gabbar Singh Tax was propounded by Rahul Gandhi in parliament in an attempt to highlight the flaws it contained. It's one indirect tax for the whole nation (divided into 5 slabs) which will make India one unified common market. GST is a single tax on the supply of goods and services, right from the manufacturer to the consumer. This would replace at least more than 10 different taxes. The final consumer will thus bear only the GST charged by the last dealer in the supply chain, with set-off benefits at all the previous stages. In Article 366 of the Constitution, new clause (12A) has been inserted to provide the definition of GST.

Article - 366(12A):- "Goods and Services Tax" means any tax on Supply of Goods or Services or both except taxes on the supply of the alcoholic liquor for human consumption. The tax shall be levied as dual GST separately by the Union and States which has been stated in Article-246A.

Let us glimpse through the probable benefits which can accrue owing to this reform:

## 1) For business and industry

- A) **Easy compliance:** A robust and comprehensive IT system would be the foundation of the GST regime in India. Therefore, all tax payer services such as registrations, returns, payments, etc. would be available to the taxpayers online, which would make compliance easy and transparent.
- B) **Uniformity of tax rates and structures:** GST will ensure that indirect tax rates and structures are common across the country, thereby increasing certainty and ease of doing business. However, there is no one single rate for products all throughout (as in countries like New Zealand) and hence are subdivided into 5 slabs to cover every product but will, nonetheless, make doing business in the country tax neutral, irrespective of the choice of place of doing business.
- C) **Improved competitiveness:** Reduction in transaction costs of doing business would eventually lead to an improved competitiveness for the trade and industry.

**Gain to manufacturers and exporters:** The replacement of major Central and State taxes through GST, would reduce the cost of locally manufactured goods and services. This will increase the competitiveness of Indian goods and services in the international market and give boost to Indian exports. The uniformity in tax rate and procedures across the country will also go a long way in reducing the compliance cost (expenditures in the form of time and money incurred in the process of obeying industrial regulations).



2) **For Central and State Governments:**

A) **Simple and easy to administer:** Multiple indirect taxes at the Central and State levels are being absorbed by GST. Backed with an end-to-end IT system, GST would be simpler and easier to administer than all other indirect taxes of the Centre and State levied so far.

B) **Better controls on leakage:** Its attempts will result in lesser wastage of time due to a robust IT infrastructure. Due to the seamless transfer of input tax credit from one stage to

another in the chain of value addition. Input tax credit is the difference between the amount of tax one pays on output and the amount of tax already paid on inputs.

C) **Higher revenue efficiency:** GST is expected to decrease the cost of collection of tax revenues of the Government, and will therefore, lead to higher revenue efficiency.

3) **For the common man:**

A) **Single and transparent tax proportionate to the value of goods and services:** Due to multiple indirect taxes being levied by the Centre and State, with incomplete or no input tax credits available at progressive stages of value addition, the cost of most goods and services in the country today are laden with many hidden taxes. Under GST, there would be only one tax from the manufacturer to the consumer, leading to transparency of taxes paid to the final consumer.

B) **Relief in overall tax burden:** Because of efficiency gains and prevention of leakages, the overall tax burden on most commodities will come down, which will benefit consumers.

A day after Revenue Secretary Hasmukh Adhia said the Goods and Services Tax (GST) required a major rejig, Congress vice-president Rahul Gandhi stepped up attacks on Prime Minister Narendra Modi and dubbed it as "BJP's Gabbar Singh Tax." Speaking in Rajya Sabha, Mayawati also took a dig at Modi's meeting with Congress president Sonia Gandhi and former PM Manmohan Singh to resolve the political deadlock over the GST bill. After Rahul Gandhi's Gabbar Singh Tax, West Bengal Chief Minister Mamata Banerjee said GST stands for the "Great Selfish Tax," offering social media another trending hashtag and the Narendra Modi government at the Centre criticism over its handling of the economy. So, to summarize, more than a dozen taxes have been absorbed by the GST which include, Service tax, Central excise duty, Special additional duty of customs (at the Central level) and Octroi, Luxury tax, Entertainment tax etc. (at the State level).

**Poornima Kaul**

**Editor**

**Economics (Hons) 1<sup>st</sup> Yr**



## ALUMNI SPEAK..

***\*What is it that strikes you the most when you remember your days spent in college?***

~ Almost immediately two things come to my mind - first, the work we did for Econovation; our department fest. I remember this for two reasons.

Firstly, it was a lot of fun to work with my fellow Ecomantra members. We tried all sorts of new and creative ideas to make our fest unique. Secondly, it was such a success! We had tremendous participation from different institutions across the country. The feeling was too overwhelming. It was absolutely spectacular. Second, Siddharth sir's 8 hour revision classes and Ganesh sir's macro term papers were probably the most rigorous and fascinating classes and projects.



***\*How are you shaping your career goals right now?***

~ I think an undergraduate degree in economics prepares you for a wide variety of careers - from policy research to corporate consulting companies and other variety of subjects. To this end, I've been working with KPMG to get some exposure of the industry. Further, I'm planning on pursuing a master's degree in financial economics.

***\*What message would you like to share with your juniors?***

Do your best. By this I mean that you should introduce yourself to as many opportunities afforded to you. You are fortunate to have some incredible people as your faculty who are willing to invest time in your growth. Learn as much as you can from them because it only gets harder once you start working. You won't have the time to learn anything new. You'll only be worried about your next deadline!

So try and do as many new and interesting things as you can. Build your personality up to something unique and fantastic! This is the perfect time for you all to be ambitious and set the stars as your goals.

**Roshni Ohri**

**Economics (Hons) - Batch of 2016**



***\*What is it that strikes you the most when you remember your days spent in college?***

~So many things! A bunch of 150 girls trying to fit in a room as we could only be accommodated in Seminar Hall or Room 60A, the incredible Zistatva (Cultural festival), the college trips and the moment when I got a chance to hug the charming Aditya Roy Kapoor when he came for the promotion of his film “Fitoor”, being the President of Ecomantra and I also vividly remember the eight-hour revision sessions before the exams, being awarded the Best All-Rounder in Humanities. Gargi helped me shape

my personality and made me a confident woman & I wish I could relive those memories and come back to my happy place.

***\*How are you shaping your career goals right now?***

~I’ve been learning German language since 2006 and have always been eager to participate in all German related events. I continued German in college and opted it as a course with Economics in my second year. My strong interest in writing led me to win a scholarship by Deutscher Akademischer Austausch Dienst (DAAD) - “German Academic Exchange Service” to pursue a course at Berlin in 2015. In 2016 I was shortlisted as one of the top 17 leading candidates from the World and the only one from India to be the Young Germany Reporter for the Menschen Bewegen 2016 forum. Having pursued Economics Hons. along with my rendezvous with the language got me a scholarship for a language course at Goethe Institut, Munich and an internship with Giesecke und Devrient Germany in 2017. Indeed, the combination of economics and German is a great one which widens horizons and scope of opportunities. Moreover, I successfully cleared the Goethe Zertifikat C2. Currently I am pursuing Masters in German Language & Literature from the University of Delhi, which also gave me the opportunity to intern at the German Embassy School New Delhi.

***\*What message would you like to share with your juniors?***

I am so glad that Gargi has re-introduced Economics Hons. & I would like to convey my best wishes and lots of love to my juniors. Most importantly, live each moment of your college life because this time will never come back again. Do study but just studying is not enough - be a part of a college society, do social work, participate in competitions, do internships, learn a foreign language, attend college fests. Initiate. Innovate. Incorporate!

**Simran Dhingra - Economics (Hons)  
Batch of 2016**



## Test your GK

- Q1. Who is known as the father of modern economics?
- Q2. In which year did India change over to the decimal system of coinage?
- Q3. In which Agreement did the currency convertibility concept originate in its original form?
- Q4. Who was the first chairman of the National Development Council?
- Q5. Which bank launched the 'iwatch' banking project?
- Q6. In which year was the Reserve Bank of India nationalized?
- Q7. Which country first implemented the concept of Goods and Services Tax (GST) ?
- Q8. What are the two main measures of inflation used in India?
- Q9. Who wrote the book "How to Pay for Money?"
- Q10. Which is the first bank in India of limited liability managed by Indians and founded in 1881?
- Q11. Which constitutional amendment is done to pass the GST bill?
- Q12. An inverse relationship between unemployment and inflation is depicted in?
- Q13. The principal sources of revenue to the State Government in India is?
- Q14. Which among the following is a suitable term for the state of economy in which economic activity is slowing down but prices continue to rise?
- Q15. Who was the father of Operation Flood?
- Q16. The data of estimation of India's National income is issued by?
- Q17. The concept of Economic Planning in India is derived from?
- Q18. What is NSSO?
- Q19. In the last one decade, which one among the following sectors has attracted the highest foreign direct investment inflows into India?
- Q20. If all the banks in an economy are nationalized and converted into a monopoly bank, what will happen to the total deposits?
- Q21. Which year was the Planning Commission formed?
- Q22. Who was the Finance Minister at the time of the 1991 LPG reforms?
- Q23. Narendra Modi's middle name is - ?

- Q24. Who is the richest Indian?
- Q25. Amul's headquarter is based in which part of the country?
- Q26. Who is the Attorney General of India?
- Q27. Where did the World Economic Forum meet take place in 2018?
- Q28. Which Public Sector bank has a logo of a dog on with the label – faithful and friendly?
- Q29. Who was the last viceroy of India and also the first Governor-General?
- Q30. Who was appointed by the government to geographically divide the states of India and Pakistan?

Answers:

- |   |   |
|---|---|
| ANS 1. Adam Smith   | ANS 17. Russia                              |
| ANS 2. April 1957   | ANS 18. National Sample Survey Organization |
| ANS 3. Bretton Woods Agreement                                    | ANS 19. Telecommunications                  |
| ANS 4. Jawaharlal Nehru   | ANS 20. Neither increase nor decrease       |
| ANS 5. HDFC   | ANS 21. 1950                                |
| ANS 6. 2015   | ANS 22. Manmohan Singh                      |
| ANS 7. 1949   | ANS 23. Damordas                            |
| ANS 8. Wholesale Price Index (WPI) and Consumer Price Index (CPI) | ANS 24. Mukesh Ambani                       |
| ANS 9. Professor J. M. Keynes                                     | ANS 25. Anand - Gujarat                     |
| ANS 10. Oudh Commercial Bank                                      | ANS 26. KK Venugopal                        |
| ANS 11. 101 <sup>st</sup>   | ANS 27. Davos – Switzerland                 |
| ANS 12. France  | ANS 28. Syndicate Bank                      |
| ANS 13. Taxes   | ANS 29. Lord Mountbatten                    |
| ANS 14. Stagflation   | ANS 30. Cyril Radcliffe                     |
| ANS 15. Verghese Kurien   |   |
| ANS 16. Central Statistic Organization                            |   |

## Offbeat Careers for an Economics major

### MA in Public Policy

Can get you a job in NGOs, public sector, think tanks. It can also gear you up for the civil services exam.

### MBA in Infrastructure

Behind an efficient economy, stands a sustainable infrastructure. Such analysts can greatly be of use in developing future ready cities and planning urban spaces.

### MA in Environmental Law and Policy

People practicing in this field can assist bodies like NGT or consult multinationals.

### Post Graduate Diploma in Forest Management

Sustainable environment will soon become the prerequisite for strong economies. This diploma can also help those aiming for Indian Forest Service – IFS.

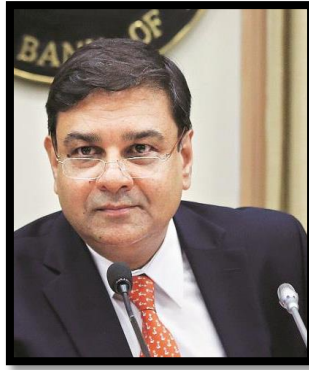
### MA in International Relations

Ideal for students who are deeply interested in the field of social sciences and development.

Can you identify these famous personalities?



MD & CEO of ICICI Bank



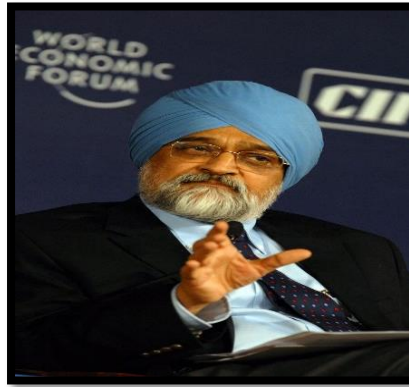
Current governor of RBI



Member - NITI Aayog



Chief Economic Adviser to  
Government of India

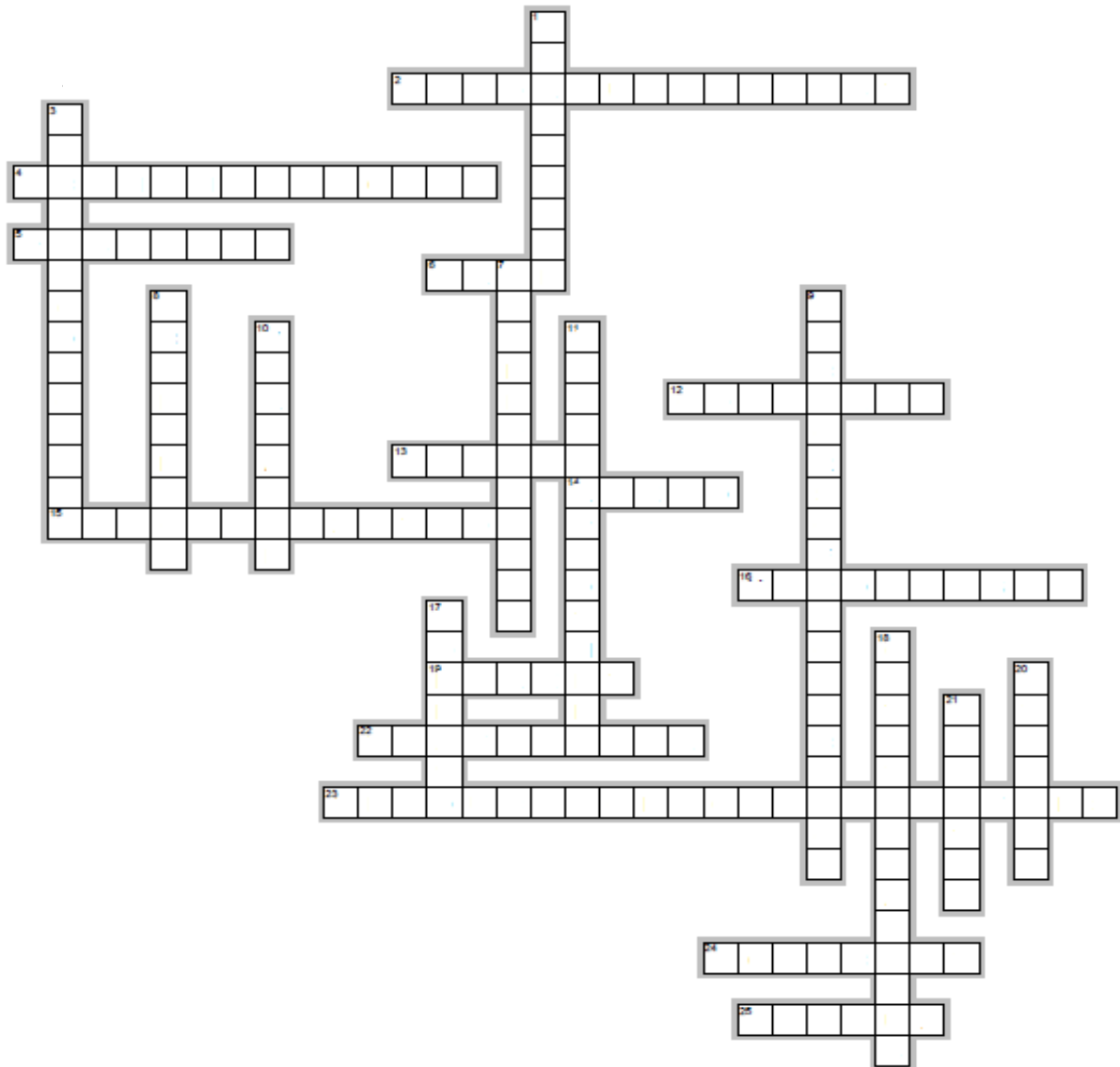


Deputy Chairman of Planning Commission



Nobel Laureate in Economics

## Crossword



### Across

- 2 the value of the best alternative forgone in making any choice
- 4 the process through which an economy achieves an outward shift in its production possibilities curve
- 6 a statement of fact or a hypothesis
- 6 a good for which the choice of one use does not require that another be given up

- 12 something whose value does not change
- 13 a good for which the choice of one alternative requires that another be given up
- 14 economy that combine elements of market capitalist and of command socialist economic systems
- 15 situation in which an economy is producing the goods and services in which it has a comparative advantage
- 16 an assertion of a relationship between two or more variables that could be proven to be false
- 19 economy in which resources are generally owned by private individuals who have the power to make decisions about their use
- 22 an economy moving from command to free market
- 23 a graphical representation of the alternative combinations of goods and services an economy can produce
- 24 the condition of having to choose among alternatives
- 25 the human effort that can be applied to the production of goods and services

### **Down**

- 1 a statement that makes a value judgement
- 3 the branch of economics that studies the behavior of individuals and firms
- 7 a person who seeks to earn profits by finding new ways to organize factors of production
- 8 a social science that examines how people choose among the alternatives available to them
- 9 the resources available to the economy for the production of goods and services
- 10 something whose value can change
- 11 situation in which all the factors of production that are available for use under current market conditions are being utilized
- 17 economy in which government is the primary owner of capital and natural resources and has broad power to allocate the use of factors of production
- 18 a Latin phrase that means “all other things unchanged”
- 20 value or satisfaction that people derive from the goods and services they consume
- 21 a factor of production that has been produced for use in the production of other goods and services



## **Answers:**

### **Across**

- 2 Opportunity Cost**
- 4 Economic Growth**
- 5 Positive**
- 6 Free**
- 12 Constant**
- 13 Scarce**
- 14 Mixed**
- 15 Specialization**
- 16 Hypothesis**
- 19 Market**
- 22 Transition**
- 23 Production Possibilities**
- 24 Scarcity**
- 25 Labour**

### **Down**

- 1 Normative**
- 3 Microeconomics**
- 7 Entrepreneur**
- 8 Economics**
- 9 Factors of Production**
- 10 Variable**
- 11 Full Employment**
- 17 Command**
- 18 Ceteris Paribus**
- 20 Utility**
- 21 Capital**

### **Personalities**

- 1. Chanda Kochhar**
- 2. Urjit Patel**
- 3. Bibek Debroy**
- 4. Arvind Subramaniam**
- 5. Montek Singh Ahluwalia**
- 6. Amartya Sen**

## Photographs



*Economics Hons. 1<sup>st</sup> Year*



*Dept. of Economics: Gargi College, University of Delhi*

**L-R : Siddharth Rathore, Gunjan Fialok, Dr Sheela Dubey – Teacher-in-charge, Tanjot Singh, Dr Jyoti Mavi, Dr Nidhi Tewathia, Ganesh Manjhi**

### THE DILEMMA THAT NEVER WAS

*I set out on a shopping spree, grabbed a shopping cart,  
The sale season had just begun, I didn't know from where to start. I dashed from store to store, relishing my shopping game and just after my fourth purchase, a quite epiphany came.  
My ardor to spend more on garments had started to decline,  
The economic theory of diminishing marginal utility struck my mind.  
I ignored it at once and proceeded on purchasing more pieces of clothing,  
But the satisfaction from each successive unit somehow kept falling.  
The money in my wallet had never seemed so dear,  
Even the "FLAT 70% OFF" sign wasn't persuasive enough for me to care.  
The downwardly sloping curve illustrating a subsequent decline in marginal utility, portrayed my collapsing interest in shopping rather aptly.  
A hearty thanks to Mr. Gossen for his contribution to economics,  
Who knew this subject could explain such a typical behavior of shopaholics*

*Reva Bhatia  
Economics (Hons) 1<sup>st</sup> Yr*

### WHAT IS GST?

*An ally of BSt.  
Baffling tax structure was an issue  
GST came to rescue  
Man's produce, each, stood at a different stage  
Zero, five, twelve, eighteen and twenty eight percentage.  
It is indeed a clever move  
To deceive the heedless fool  
A tax reform they say,  
But how if it increases our pay?  
Forget the desire to go to a PVR  
Unless you want to empty your piggy jar  
Just sit at home and eat your crab  
For cinemas attract the highest tax slab.  
But kids you've got nothing to worry  
Milk and honey are yet not blurry  
Every morning's still a bliss  
As tea, books and coffee we yet don't miss.  
A tax on clothes, a tax on bread  
I wish they'd tax the rich instead!*

*Tanmayee Pattnaik  
Economics Hons. 1<sup>st</sup> Yr*

### LIFE OF AN ECONOMICS STUDENT

*We, the students of Economics, learn about G20, ASEAN and BRICS. The law of Diminishing Marginal Utility gives us each good's increasing futility.*

*Crests and troughs on curvy graphs, spell doom for us on assignment drafts. Recession, depression, business cycle stages, affect employment, output and wages.*

*With pride we stepped foot in the college, "Eco hons hai hum; humko hai knowledge". That pride crumbled when on theories we stumbled but with hope in our hearts and books in our shopping carts*

*We surely will understand this beautiful complicated economic wonderland.*

*Saloni Singh – Economics (Hons) 1<sup>st</sup> Yr*



**"HAPPINESS IS A STATE OF MIND"**

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