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## Foreword

The annual academic journal of the Economics Department- 'Prophets of Profits', is a result of consistent hard work, perseverance and dedication of our students. The team has undertaken immense efforts to source impactful content from the student community.

The economy is going through unique times. With cutting edge technological developments, opening of new avenues in financial markets, changing global governance scenario, emergence of new forms of inflicting violence large scale migration, growing environmental distress among myriad other things facing the humanity at large, it is imperative for young minds to attempt to gather wider understanding of issues.

The journal encourages spirit of enquiry and stimulates independent thinking. It provides a valuable opportunity to students to publish good quality, original research work along with insightful articles. This year's edition focuses on contemporary socio-economic issues of this country and the world at large. It is heartening

to see students trying to read and explore problems in greater depth, applying economic theories to analyse real world challenges and using the spectrum of qualitative tools at their disposal.

The journal continues to be an impactful initiative of the department, enabling and inspiring our students to go ahead in the pursuit of seeking knowledge, thinking of innovative steps and thus, playing an indispensable part in making the world a better place, one step at a time.

I extend my heartiest congratulations to the editorial team and express appreciation to all the contributors and readers. I wish 'Prophets of Profit' all success. Looking forward to the continuous growth of the journal in future.

*Manavi Jain*

*Advisor*

*Arthagya, 2018-2019*

## Editor's Note

It will not be wrong to say that the last year was a watershed year for our country. Indeed, it was a progressive one with the Supreme Court's landmark judgements. The most significant was declaring Section 377 of IPC unconstitutional and thus, decriminalising homosexuality. It was a monumental verdict marking a step ahead towards social inclusion and undoing the wrong made to the LGBT community. However, a lot needs to be done- the stigma around homosexuality is very much there and it needs to be removed to achieve freedom in true sense. The Sabarimala verdict was another courageous ruling that struck down a rule debarring girls and women in the 10-50 age group from entering the Sabarimala temple in Kerala. The MeToo movement became more prominent and gathered further support with more women sharing their experiences of sexual harassment.

India is witnessing changes on both social and economic fronts. In wake of the rising protectionism and trade wars in the world, there is a need for suitable policies. Elections are approaching and we have a lot to see about the political and socio-economic future of our country. People have trust in the power of democracy and it's for our leaders to see that this doesn't shake.

I believe that change is what drives the society and the people to progress and evolve. Ideas, especially from the young minds, have the ability to bring forth change and when expressed in words, they become more powerful. Being a part of the editorial board for the past three years has reaffirmed this belief. 'Prophets of Profit' is a platform for young and enthusiastic minds to express their views, concern and understanding of

the pressing issues today. It's is not just about expressing opinions but also realising that as the youth, we have the power to bring about the change we want, for the betterment of the society.

Keeping this as the underlying thought and motivation, Arthagya, the Economics Association of Indraprastha College for Women, presents its annual academic journal. This year's issue covers a broad range of topics on socio-economic issues. There are research papers on contemporary socio-economic issues such as migration, sanitation, etc. The articles cover diverse issues and topics such as Transgender Bill, farm loan waivers, neoliberalism, strategic autonomy, uprooting gold frauds, etc. The aim of the journal is to draw attention to the prevalent socio-economic issues and encourage research and deliberation to find solutions. It is our contribution to the corpus of research in economics and other interdisciplinary fields.

The publication of the journal has been a result of the relentless efforts of the entire editorial team and I would like to thank each member for working hard the entire year and making the journal a reality. I would also like to express my gratitude to the Editorial Advisor, Ms. Manavi Jain for her support, patience and guidance in bringing out the journal.

I hope the readers find the journal informative and thought-provoking and that it motivates discussion on various issues of our time. Keep reading! Keep writing!

*Prerna Pandey*

*Editor-in-Chief*

# The Return of Kashmiri Pandits to their Homeland

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## Abstract

“Where are you from?” We often ask this question to people when we meet them for the first time without reading too much into it. It sounds fairly a general question to us but it isn't so simple for certain communities.

Yes, there are certain communities who can no longer associate themselves with their homeland. People who have been away from their homeland for a long time face a severe dilemma because it's not just their land or house that they lose but also the culture, the distinctive practices and the identity that they leave behind when they leave their mother land.

Majority of our population has not felt the loss of their identity and will probably never face it, but we have one such community whose people have become refugees in their own land. They can 'visit' their homeland but cannot settle there again without the fear of being attacked or murdered. They are not the victims of low standards of living or unemployment but of terrorism and government's apathy, and living in exile for nearly 27 years now, they are Kashmiri Pandits (Batas).

## Introduction

Kashmir is a North Indian state located mostly in the Himalayan mountains. It shares borders with the states of Himachal Pradesh and Punjab. Kashmir's existence is characterised by its harsh winters and isolation in economic and political terms.

Currently Kashmir is home to around 12 million people out of which 60% of the population are the Kashmiri Muslims. This makes Kashmir the only state in India where Muslims are in majority.

In 1989, the Hindus of the Kashmir Valley, a large majority of whom were Kashmiri Pandits, were forced to flee the Kashmir valley as a result of being targeted by the Jammu and Kashmir Liberation Front (JKLF) and Islamic insurgents during the Kashmir insurgency, on or after 20 January 1990. In July 1988, the JKLF began a separatist insurgency for an independent Kashmir from India. Approximately 60,000 families were forced to leave their homes.

The local organisation of pandits in Kashmir, Kashmir Pandit Sangharsh Samiti after carrying out a survey in 2008 and 2009, said that 399 Kashmiri Pandits were tortured/raped and killed by insurgents from 1989 to 2011 with 75% of them being killed during the first year of the Kashmiri insurgency, that is between 1989-1990.

A lot about Kashmir and the Exodus of Kashmiri Pandits in 1990 has been documented

in the existing body of literature/knowledge. Politicians, bureaucrats, human rights activists and all sorts of influential people have suggested their ideas and opinions about the Exodus of Kashmir Pandits in 1990. They have also commented now and then on policies that aim to safely bring back Kashmiri Pandits to the valley.

But very little has been done to acknowledge what Kashmiri Pandits really want and desire. There isn't also much information as to why after 27 years, Kashmiri Pandits still continue to live in exile.

Therefore, my primary objective is to find out whether or not Kashmiri Pandits want to go back to their native land (by conducting a primary research). Through the same primary research I also intend to discover the factors that influence their decision. In particular, I will try to examine and analyse all the major factors. My second objective is to answer two major questions:

"Why even after 27 years of insurgency, Kashmiri Pandits are still living in exile?"

"Are Kashmiri Pandits being forced to live away from home or is it their own decision?"

My research is applied, exploratory and qualitative in nature.

## **Literature Review**

### **Concept of "Kashmiriyat" in Kashmir**

Mathew(2014), finds Kashmiriyat to be an expression of solidarity, resilience and patriotism regardless of the religious differences that exist in the valley. In his research he found that, Kashmiriyat demanded religious and social

harmony and brotherhood. It has been strongly influenced by Kashmir Shaivism, Buddhism and Sufism, carrying a long-standing conviction that any and every religion will lead to the same divine goal.

### **Brief History**

Pandita (2013), it is believed that approximately three thousand years ago, Kashmiri Pandits' ancestors travelled from the plains of Punjab to settle in the valley, in the lap of Himalayas. The land where they settled had been a lake and the valley had emerged out of this body of water due to geological events, an earthquake most probably.

The land was abundant with nature's bounty but geographically isolated. The pandits' ancestors took the pursuit of knowledge and thus Kashmir became the primeval home of Brahmins or Brahmans- those who are conscious.

The two golden phases in Kashmir's history were during the reigns of Lalitaditya (who was a great administrator and built the Sun Temple in Martand) and Avantivarman (who also built magnificent temples and Buddhist monasteries and offered patronage to learned scholars).

In the first half of the 1st millennium, the region became an important centre of Hinduism and later of Buddhism. From fourteenth century onwards, Islam made inroads into Kashmir. Towards the end of the century, Sultan Sikandar took over the reins of Kashmir and let loose a reign of terror and brutality against Pandits. The number of Pandits he murdered was so large that seven maunds of sacred thread worn by them were burnt.

It was also during his rule that a lot of Islamic Scholars fled to the Valley and built many



mosques. At this time Islam gained influence in Kashmir. Akbar was kind to his Hindu subjects but during Aurangzeb's rule, there were many phases during which Pandits were persecuted.

Soon after, Pandits approached the ninth Sikh Guru, Tegh Bahadur in Punjab and begged him to save their faith. He told them to return to Kashmir and tell the Mughal rulers that if they could convert him (Tegh Bahadur), all Kashmiri Pandits would accept Islam. This later led to the Guru's Martyrdom but the Pandits were saved.

From 1752 onwards, the valley slipped into the terrible misfortune of being ruled by the Afghans for almost 7 Decades. During this tumultuous period there were mass conversions. Those who didn't comply were put to death immediately either by burning alive or by being drowned in the Dal Lake.

The troubles at home forced Kashmiri Pandits to migrate to different part of Delhi, Lucknow, Lahore and Ahemdabad. Following the Afghan Rule, the valley passed into the hands of Sikh rulers in 1819 and then to the Dogra Dynasty who bought it from the British colonialists for seventy five lakh rupees, one horse, twelve goats and three kashmiri shawls. The Dogra rulers were benevolent towards the Pandits but treated their Muslim subjects roughly. The Dogra rule was like the "cooling sandal paste after the harsh summer heat in a desert" for the pandits.

### **Exodus of Kashmiri Pandits- 1990:**

Gupta (2005), The JKLF targeted a Kashmiri Hindu for the first time on September 14, 1989, when they killed Pandit Tika Lal Taploo, an advocate and a prominent leader of the

Bharatiya Janata Party in Jammu & Kashmir in front of several eyewitnesses. This instilled fear in the Kashmiri Pandit community especially as Taploo's killers were never caught which also emboldened the terrorists. Soon after Taploo's death, Nilkanth Ganjoo, a judge of Srinagar High Court was shot dead. On 29 April 1990, Pandit Sarwanand Premi, 80-year-old poet, and his son were kidnapped, tortured, their eyes gouged out, and hanged to death. On February 2, 1990, Satish Tikoo, a young Hindu Pandit social-worker was murdered near his own house in Habba Kadal, Srinagar. On February 13th, 1990, Lassa Kaul, Station Director of Srinagar Doordarshan, was shot dead. Many Kashmiri Hindu women were kidnapped, raped and murdered, throughout the time of exodus. Hriday Nath Wanchoo, a trade union leader and human rights activist, was murdered in December 1992.

Girija Tickoo, a teacher was first-raped and then cut into two pieces by a carpenter's saw by barbarians claiming to be the fighters for freedom. Similarly hundreds of kashmiri men, women and children were murdered, raped and tortured to death.

Zutshi (2003), in the early 1990's migration took place from the valley of Kashmir. Murder, loot and practices like branding with hot iron, lynching, burning alive, etc. by terrorists compelled Kashmiri Pandit families to move out of their motherland, within the short time of one week to fortnight. Migration was the only way out for them, to save their kith & kin, which changed their lifestyle completely.

The rise of insurgency in the Kashmir valley and its adjoining areas since 1988 led to an ethno-religious divide between the two major communities inhabiting the valley and its

immediate and major consequence has been the migration of 55,304 families, which mostly comprised of Kashmiri pandits (Hindu) families to Jammu and other parts of the country.

Out of these migrant families, 21,199 have been living outside the state while 34,105 have sought shelter in Jammu due to its proximity to home.

Tripathi (2014), When the exodus began in 1990, the Pandits had not imagined that they were leaving their homeland forever and now they could go to their native places only as visitors. Some people were lucky who had good Muslim neighbours to take care of their property while most of them were not and after they left, their houses were looted, burned and illegally occupied. Many people were forced to sell their properties at dearth cheap rates. But it was not just the property that the Pandits were losing while they were leaving their homes, it was their identity too, which was under serious threat.

**Survey**

I created a Google form and circulated it among Kashmiri Pandits.

My survey consisted of a proper introduction to my topic so the respondents would know why am I conducting this survey, and a consent form. I clearly mentioned that this survey is purely for academic purposes and will be used as a resource to analyse few aspects of the return of Kashmiri Pandits to their motherland. My survey consisted of four important questions:

- When did you/ your family migrate from the valley?
- What were the primary reasons for migration?

- Would you like to go back to the valley?
- What are the primary reasons that influence your decision about going back to the valley?

I received a total of 119 responses. Now based on the responses, I was able to formulate following pie charts and bar graphs.

Figure 1: This pie chart depicts the number of respondents who left the valley in three different time intervals.

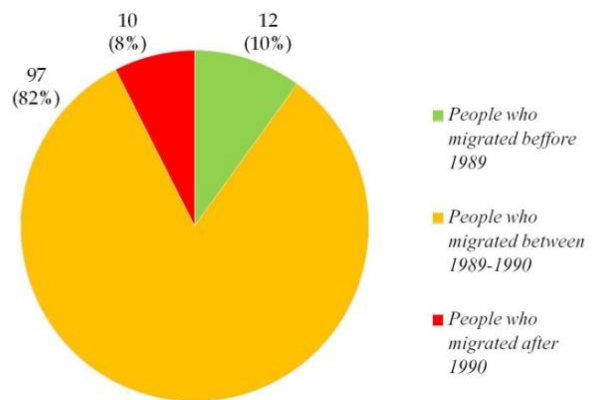


Figure 2: This bar graph depicts the different reasons for migration of Kashmiri Pandits from the valley as tick marked by the respondents.

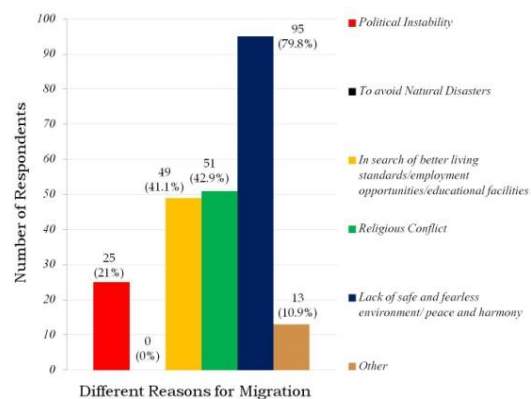


Figure 3: This pie chart represents the number of respondents who either wish to go back or don't wish to go back.

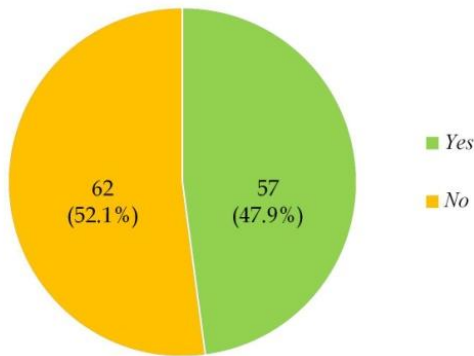


Figure 4: This bar graph represents the various reasons for not wanting to go back to the valley.

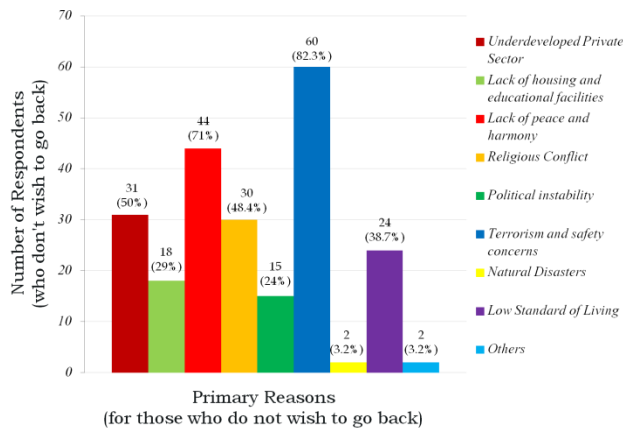
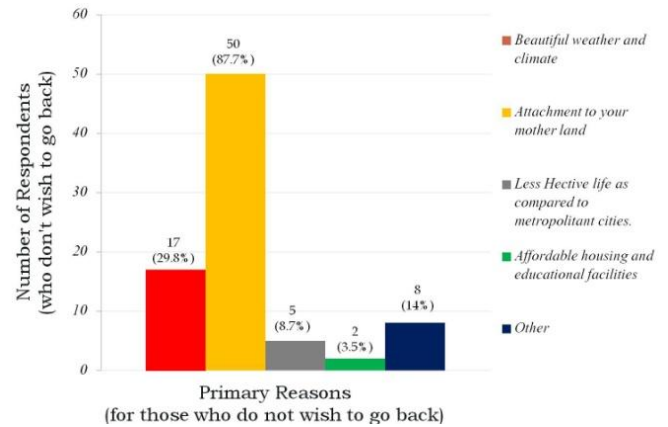


Figure 5: This bar graph represents the various reasons for those who do wish to go back to the valley.



**Analysis**

**Time Period and Reasons for Migration of Kashmiri Pandits:**

With reference to figures 1, we can see that a considerable population of people had already left the valley (three to four respondents left the valley before 1960s, which means nearly 30 years before the militancy and terrorism began to grow stronger and began to attack Pandits).

With reference to figure 2, we can see that 2.03% of the population left the valley in search of better employment opportunities, excellent education system for their children and hence a better standard of living.

We can thus conclude that Kashmiri Pandits did leave the valley 30 years before the exodus purely for better standards of living, so they weren't forced to leave the valley.

But we cannot ignore the majority of the population, 82% that is, which left the valley in order to protect themselves and their family from being tortured and thus killed. These were

the Pandits that were made to leave forcefully by the Kashmiri insurgents who claim to be the fighters of freedom.

Those who left after 1990, probably had a government accommodation or a safe location where the insurgents couldn't make their way.

Do Kashmiri Pandits want to settle again in the valley after 20 years in exile?

With reference to figure 4; 52.1% of the population answered no, when asked about going back to the valley any time soon. The primary reasons that influenced their decision were terrorism(82.3%), lack of peace and harmony(71%) and underdeveloped private sector and low standard of living(50%).

This reflects that though people are worried about terrorism, even if terrorism were to be completely eradicated from the valley, half of the population would still not want to settle there because of the low standards of living.

People generally migrate from their village to a town to get better education, job, housing and other facilities.

Then why would Kashmiri Pandits or anyone else for that matter want to leave cities like Delhi and Mumbai; where they have their secured jobs and where they have rebuilt houses; where their children go to reputed schools and colleges; where their parents who are in their old age can get the best of medical facilities.

It's not about living in villages or cities, it's about development, progress and safety. There are cities like Varanasi, Kanpur, Ahmedabad, Hyderabad, Pune, Amritsar and Bangalore, to

name a few, that have shown tremendous change in the last 10 years.

On the other hand if we talk about Kashmir, an official report states that;

Unemployment rate in Kashmir is higher than the average national unemployment rate, with J&K having 24.6 percent of the population in the age of (18-29 years) unemployed which is far more than the All India unemployment rate of 13.2 percent.

No company wants to invest there and set up offices or call centres due to the lack of a safe and fearless environment.

All of this points to terrorism. Terrorism is the root to all the problems.

Kashmir is one of the least industrialized states in India with the number of employed males per establishment dropping to 1.74 as per the 6<sup>th</sup> Economic Council from 1.79% as per the 5<sup>th</sup> Economic Council. The Foreign Direct Investment equity inflow received by Kashmir in 2016 was Rs. 37 crore only, whereas the neighbouring states of Punjab, Haryana and Himachal Pradesh had a cumulative inflow of Rs. 6,538 crores.

Another reason is that Kashmiri Pandits have been the victims of the government's apathy. Otherwise how can such a sensitive issue remain unresolved for more than 20 years. Government has made efforts to bring back Kashmiri Pandits but efforts have never been made to re-integrate the Pandits with the mainstream society.

According to a report by NDTV, 5 settlements have been built to rehabilitate the Kashmiri Pandits but all these settlements are located on

the outskirts of the valley. One more important point that comes up in this report is that so much time has passed that both the Muslim and the Pandit communities have almost forgotten to accommodate each other. A whole generation of Kashmiri Pandits and that of Muslims have grown up without each other's presence and now it looks highly impossible that the Pandits can ever return to their old homes because things are no longer the same.

In my survey too, people who wished to go back were mostly those who were above 30 years of age. People in their 20s or below have no interest in going back to the valley mainly because there are no private sectors jobs in Kashmir and schools and colleges are not as good as those in other parts of India.

With Reference to Figure 5; though 47.9% of the population does wish to settle back in the valley but according to a report only 1% of the population returned back to the valley when they were offered settlements by the Government of India. These people purely want to go back because of their attachment to their motherland but when they are actually asked to go back, only a handful of Kashmiri Pandits will do the same.

### **Conclusion**

To sum up, it doesn't seem possible to bring Kashmiri Pandits back, however there is hope.

If proper measures are taken by the state government to eradicate terrorism and thus create jobs in the private sector and develop schools and colleges so that the children get education in the best possible ways, then there are chances that in the near future, Pandits might return. It must also ensure the development of

unexplored areas like rural tourism. We don't need to create separate colonies for Pandits and Muslims, rather we need to teach them how to live together peacefully. This will help improve the overall economic stability of the region.

Safety of both Hindus and Muslims, in fact of all the people of Kashmir of all religions should be taken care of. No one should feel unsafe and everyone should be able to live freely.

Only then the true meaning of Kashmiriyat will stand out.

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# Education and its Effects on the Sanitary Behaviour of People Living in Slums

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## Abstract

‘Sanitation is more important than independence’. Modern India is tackling several problems with the most basic being the challenge of sanitation. In order to work towards achieving countrywide sanitation ‘Swachh Bharat Abhiyan’ was launched on 2nd October 2014 by Prime Minister Narendra Modi to be completed by October 2, 2019. Open defecation dates back to the beginning of human civilisation. It is how millions of people in India have lived for centuries, following it like a tradition. With over Rs. 17,000 crores of the budget being allocated to the cause, the government claims that over 9 crore toilets have been built by the government. Moreover, many villages are said to have become open defecation free.

It is known that India has very deep-rooted cultural traditions which extend to almost every domain of family life. Many of these cultural issues prompt people to resort to open defecation despite the availability of toilets. Hence, the challenge is not just to build toilets but rather to get them in use.

The Swachh Bharat Mission has been successful in making villages open defecation free. But the task of constructing toilets is not enough to change the mind-set of people who are so used

To open defecation. In this paper we attempt to analyse the behavioural effects of people and in

turn give an economic approach to the benefits of toilet usage.

## Introduction

The census report identifies 13.8 million households - about 64 million people - located in city slums nationwide. That’s 17.4 percent of all urban households, which account for roughly one-third of India's 1.2 billion people. Regardless of economic growth, government toilet construction and rising recognition among policymakers open defecation still remains adamantly present in our slums. It creates susceptibility, particularly for women and girls who experience a loss of dignity or are exposed to abuse and harassment while defecating in the open.

Sanitation policies in India have primarily focused on infrastructure development, through building latrines and toilets. Given the persistence of open defecation in India despite such efforts, accent on behavioural change interventions are pivotal. Although a lot has been documented in the literature about how the government has worked so far on achieving its target of making India open defecation free by October 2019, this paper focuses on how education has been a major factor in bringing about a behavioural change in the habits of people living in slums who were and to some

extent still are inclined towards defecating in open.

These impacts have been studied through primary data collected through offline sample surveys, conducted in 2 different slums taken as experimental and control slums. The experimental slum was located in Village Gejha which is part of Delhi NCR and the intervention of education was found in this slum since a long time in the form of frequent sanitation drives and family planning objectives being conducted by the local school. The control slum was located in Cigarette wala bagh, which is in Model Town and was found to have no such long term intervention.

The limitation of our paper is that due to time and cost constraints, our survey area was restricted to Delhi NCR and a small sample of around 40 people were taken from each slum with a total of 80 survey takers.

Thus, our primary objective is to identify the economic and health impacts of education intervention on the lives of people living in urban slums.

The rest of the research paper is divided into the following sections. The second section provides a brief review of literature, the third section talks about social taboos associated with defecation along with the behavioural aspects that govern this area. The fourth section talks about the method of conducting research, the fifth section is the overall analysis of data and the last section concludes the paper.

### **Literature Review**

**Devashish et al. (2018)** concluded in the research that while affordability can be a barrier, perceived need and prioritisation are also

important factors in bringing a behaviour change. The survey showed that a significant number of non-owners did not accord the highest priority to constructing a toilet. Instead, some felt that social obligations such as marriages were a bigger priority for them. Most non owners reported thinking about getting a toilet constructed. But when offered as one among a basket of goods, not everyone would choose a toilet.

**Saleem et al.(2019)** identified 4 overarching themes such as Health Impacts of open defecation, Increased risk of sexual exploitation, Threat to women's privacy and dignity and Psychosocial stressors linked to open defecation, which clearly present a serious situation of poor sanitation in rural communities of Lower-Middle Income groups.

**Chakraborty (2016)** found that in many instances, people stated that since they worship in their homes, toilets which are considered to be impure and dirty cannot be within the same premises as "mandirs". The study concluded that just building toilets is not going to help because the matter is much more deeply rooted in socio-cultural and religious practices.

**Thibert et al. (2016)** found that Indian women are less likely to openly defecate than men but this does not necessarily reflect their preference for toilets.

### **Method of Conducting Research**

This paper is based on qualitative study design and uses Control Design Study in specific. The research conducted is based on primary data. A simple random, non-judgemental sample of a total of 80 individuals (40 from each group) was taken from age group of 20- 65 years.

Therefore, a hypothesis was made that Education has a positive impact in bringing about behavioural changes in open defecation and hence the research was conducted. A questionnaire was made which attempted to analyse the basic information of the subject and questions asked were based on different aspects of sanitation and health issues, proportion of income spent on medicines due to people frequently falling sick, government's role in building toilets and taking care of its usage among others.

### **Theory**

It is well known that open defecation leads to rampant spread of diseases in populated areas. Since 1986, the country has seen campaigns by various governments to combat this problem which have unfortunately, failed to show significant success.

The Central Rural Sanitation Program (CRSP), 1986 was the first national campaign launched with the aim of bettering the quality of life of the rural population and majorly emphasising on providing privacy and dignity to rural women. This campaign was mainly supply driven and focussed largely on the construction of toilets without changing the behaviour pattern of the people. Hence the toilets largely remained unused.

In 1999 the CRSP campaign was rechristened as the TSC or Total Sanitation Campaign. The challenge faced by TSC was that, despite educating people about the negative health consequences of open defecation, they couldn't bring about the necessary change and succumbed to a lack of funding.

As we look more closely into the reasons that drive people to not use a toilet, it was found that since ancient times the Religious and cultural aspects come to play a major role in determining the behavioural pattern among people. The ritual chastity and holiness of sacred spaces also prompted people to avoid building a toilet in or near their home lest it jeopardizes the purity of the house.

The issue of privacy is another interesting observation point. Though both men and women are publicly exposed while defecating in open, it does not seem to affect the large numbers in which open defecation still takes place. People find it hard to let the women out without 'Ghoonghats' but open defecation which is quite degrading is socially acceptable.

Taking a step ahead in the premise of Swachh Bharat, Harpic signed on actor Akshay Kumar as its brand ambassador for its new campaign of 'Har Ghar Swachh' hustles to support sanitation and open-defecation-free (ODF) initiatives. Harpic along with Akshay Kumar works to provide universal access to clean toilets to each and every Indian. The government has also roped in the likes of Amitabh Bacchan and Vidya Balan to be the face of the 'Swachhata Campaign'.

### **Analysis Of Data**

We surveyed people between the ages of 15 to 65 with the largest number of survey takers belonging to the 20 to 40 age group. Roughly 50% of the chosen population were both male and female. It was also found that maximum number of survey takers did not have personal toilets and used a community toilet. Most of the residents were migrants from different areas who had come to Delhi NCR for employment



and worked as factory workers or in the unorganised sector.

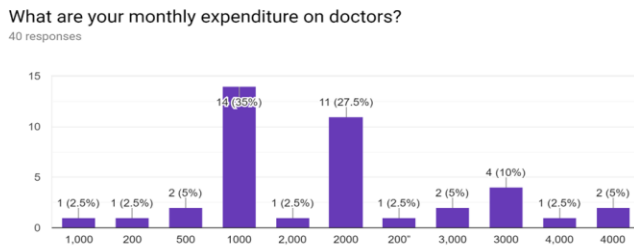


Fig 1(a) : Control Group (Cigarette Wala Bagh)

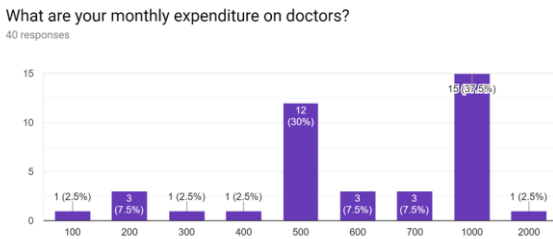


Fig 1 (b): Experimental Group (Village Gejha)

As shown in figure 1(a) and 1(b), with high mean expenditures on healthcare in the control group as compared to the experimental group, it was clearly visible that the frequency of doctor’s trips were lower in the latter indicating good hygiene practices and lesser diseases. Higher the sanitation, healthier the people which indicates more productivity among those working and higher their earnings. This in turn increased the monthly savings of the experimental group and pointed towards a better standard of living. Hence, we understand that along with the health benefits, becoming an ODF area also contributes to the economic development. A household in an ODF village saves around Rs. 50,000 per year as per the report, ‘The Financial and Economic Impact of SBM in India (2017)’ UNICEF. An ODF economy is smarter, innovative, cost minimising

and revenue generating and these effects can be seen only when education is one among the many factors that cause the behavioural change. As per the World Bank report, poor sanitation costs a country 6 percent of its GDP which includes costs associated with death and diseases, purifying the contaminated water, time and tourism.

The quality of hygiene and sanitation has a significant impact on improving the health outcomes. As indicated in the data, the control group showed increased frequency of prolonged illness indicating that sanitation practices weren’t being taken seriously. On exploring further, we found out that open defecation rates were high in the control group as compared to experimental group which may be contributing towards the high incidence of diseases. Not only that, whenever open defecation takes place, there is a looming threat around women. Sexual harassment, lack of privacy and psychological stressors are a few of them. Health and sanitation of women is often a side lined issue as the people are unable to understand the severity of the problem. Having prolonged illness has specifically negative effects on the income of the families and works to create a sort of downward spiral effect for the family.

Despite the fact that the number of sanitary napkin users in both the groups are a majority, a significantly higher proportion of population in the control group uses cloth during menstruation. Surveying the adolescent girls in both the slums, we found that they were frequently exposed to urinary tract infections. Hence, a parallel between high incidence of diseases in the female population and usage of cloth could be drawn. Since cloth is a cheaper option as compared to pads in today’s times,

many women from small income groups tend to use it as an alternative to sanitary pads but this exchange might be costing them more than they accounted for.

What are the most common diseases that take place in the slum?  
40 responses

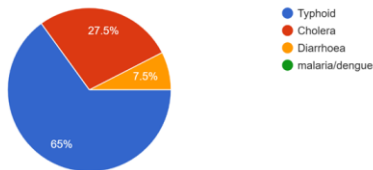


Fig 2(a): Control Group (Cigarette Wala Bagh)

What are the most common diseases that take place in the slum?  
40 responses

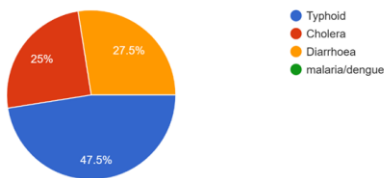


Fig 2(b): Experimental Group (Village Gejha)

In both the groups, diseases like typhoid, cholera and diarrhoea were some of the most common diseases. It clearly indicates the presence of open defecation and low sanitation practices that results in water and air contamination. The most vulnerable to premature mortality related economic issues due to deaths and diseases are women and specially children below the age of 5. Women suffer majorly from urinary infections, reproductive complications, parasitic infections and psychological stress. Malnutrition among children is yet another major health problem since once a child causes a disease, s/he loses appetite and hence become more susceptible to diseases like pneumonia and tuberculosis.

Besides this, the stench that contaminates the air, makes it difficult for people to breathe with ease.

### Overall Analysis

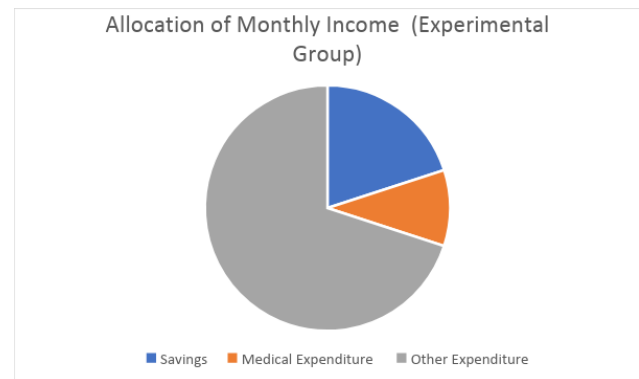
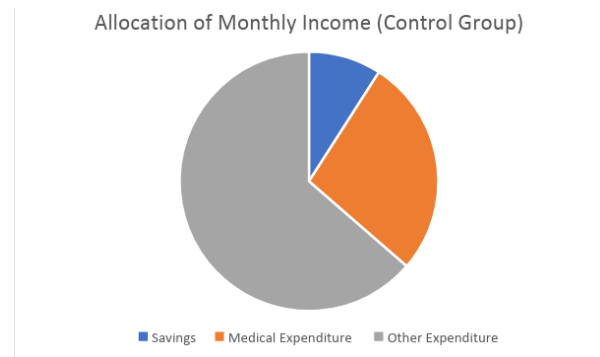
It was observed that in a sample of 80 people, 40 from control slum and 40 from experimental slum most survey takers were belonging to the age group of 15-65 with maximum people from the age group of 20-40. Roughly equal number of male and female results were taken from each group. It was found that most people in slums do not have personal toilets and tend to use community toilets. On further investigation we found that there is 1 community toilet for a group of around 50 people.

A surprising observation was that roughly 40% females still used cloth in the control slum whereas the percentage was down to 20% in experimental slum where education intervention was found. We found a similar demographic pattern in both the slums with most survey takers coming as migrants to Delhi NCR to find work in factories and as housekeepers. On taking data for average family size in both the slums it was found that the incidence of having more than 3 kids was a common case in control slum whereas the experimental slum showed evidence of small family size and it is implicit that education intervention has worked in controlling population ballooning. Family members also tended to fall ill less in the experimental group than in the control group. Average monthly incomes were similar in both the slums with mean values ranging from 10000 to 15000 Rs but the average healthcare expenses showed a different story. It was found that in experimental slum the value oscillated between 500 Rs to 1000Rs whereas in control slum it was not uncommon to have values reaching

2000 Rs per month. The most common diseases in both the slums were found to be Typhoid, Cholera and diarrhoea which happen to be water borne diseases spread oftentimes via open defecation but as we saw earlier, the incidence of these diseases was found to be higher in control group. Finally we found out that most people in control group found their toilets to be fairly dirty whereas the experimental group found theirs to be relatively clean. Attitudes over government intervention was found to be somewhat similar with both slums seeming dissatisfied with the governments commitments though the situation seemed mildly better in the experimental group. Lastly, a higher incidence of open defecation was reported from the control slum whereas open defecation rates were found to be extremely low in the experimental group.

### **Conclusion**

It was concluded that education does have a positive impact in changing the sanitary behaviour of people in urban slums. Our experimental group had received regular education intervention from a nearby school in the form of sanitation drives whereas the control group seemed devoid of any such measure. Through the means of various indicators like frequency of catching illness, spending on doctor's bills, types of illnesses common and usage of sanitary napkins or cloth, along with average family size, it was concluded that that education played an active role in promoting small family size, pad usage and reduce open defecation which in turn decreased healthcare expenditure significantly. This factor is especially important because reduction in healthcare costs led to increased savings for the slum residents.



Since the average monthly incomes was found to be roughly the same hence average savings and expenditure for a family living in both the slums could be analysed and it was found that savings per family were more in the Experimental slum i.e. the one with education intervention. This result is especially important because savings are essential in order to become financially secure. On a macroeconomic level increased savings are known to stimulate growth in the country as given by the Harrod Domar Model. The model says that higher savings rate allows for more investment in physical capital. This investment can increase the production of goods and services in a country, therefore increasing growth.

Reduction in the number of diseases also has a direct impact on improving productivity of people which again prompts economic growth

in the country. Patriarchal practices that often subject women to the veil could be seen in these slums but the same practices did not hesitate to let women defecate in the open. Intervention of education on the other hand, placed a different importance on dignity that could be seen with the high rate of toilet usage.

### **Recommendations**

Understanding that open defecation behaviour is not only a result of poverty but has deep seated socio-cultural inklings, the tackling of this problem should take a different angle.

- The government should acknowledge its administrative incapacities and should make an effort to measure their sanitation efforts not through the sheer number of toilets built but by how many are being used. Sufficient political will and resources are required for this.
- The use of toilets by both adult men and women must be promoted through creative means.
- Use of education and targeted information as a potent weapon to combat open defecation with aid from the government as well as NGO's and private individuals should also be done.

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# Danger of Fiat Money: The Case Study of Hyperinflation in Venezuela

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## Introduction

“Money is what money does.” wrote the British economist Geoffrey Crowther in his book “An Outline of Money” (1940). Hence, to define money, we need to understand its functions and its evolution from the barter system of exchange to the monetary system we use today. Money’s development has facilitated trade and specialization to transform the global economy. This paper attempts to discuss the underlying danger that lies behind fiat money with the help of the ongoing hyperinflationary episode in Venezuela.

Hyperinflation happens when the monthly inflation rate of the economy is “greater than 50 percent” (Cagan, 1956). To visualize the rapid rise in price, let’s consider an item that costs Rs. 1 on March 1, 2019. The same item would be priced at Rs. 130 on March 1, 2020 at a monthly inflation rate of 50 percent. (Salemi, 2007). Hyperinflation erodes the trust that forms the basis of fiat money. Without trust between people making the exchange and government issuing the currency, the role of fiat money to facilitate trade breakdowns. The paper will evaluate the causes, effects, and costs of the nosedive of the Venezuelan fiat money Bolivar to its intrinsic value of zero.

## Literature Review

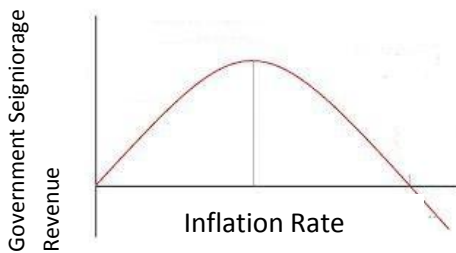
This paper reviews the analysis of past hyperinflationary episodes to better understand the causes, effects, and costs of hyperinflation. Literature review shows that most hyperinflations begin when the government resorts to seigniorage to cover its expenditure (Hanke, 2017). There are three ways through which government finances its spending: it can raise revenue through taxes, borrow from the public by selling government bonds or print money. Unable to collect enough revenue from tax or finance the budget deficit by issuing debt, the government’s need to rely on seigniorage becomes self-perpetuating (Salemi, 2007).

The Laffer curve best explains the relationship among budget deficit, seigniorage, and inflation tax. As per the Laffer curve analysis, the government resorts to money printing (borrowing from the central bank) to finance its budget deficit. The government gets seigniorage revenue from money printing which causes inflation to rise. The government collects seigniorage revenue in the form of inflation tax. The base of such revenue is the money demand i.e. the willingness of the public to hold money.

With the greed of generating more seigniorage revenue, the government resorts to printing

more money, which leads to a further acceleration of inflation. The public will hold money up to a certain level of inflation. Beyond the peak of the Laffer curve, inflation erodes the purchasing power of money, so people will try to get rid of local money and hoard other assets including foreign currency asset. The base of seigniorage revenue i.e. the monetary base shrinks. Hyperinflation not only destroys the local currency base but also causes seigniorage revenue to collapse.

**Graph 1: The Laffer Curve and Seigniorage**



Source: Mankiw, N. (2013)

The world has experienced 58 episodes of hyperinflation (Hanke, 2017). Each incident has seen money losing its role as the “store of value, unit of account, and medium of exchange” (Mankiw 2015). People no longer wish to hold money in fiat currency that loses its value at an hourly rate as the cost of holding fiat money becomes too high (Blanchard, 2006). Prices are no longer mentioned in terms of fiat currency, and the monetary system collapses. People minimize their holdings and opt for other alternatives which result in high shoe leather costs. Some switch to black-market US dollars or other stable foreign currencies while many resorts to barter. As a result, Salemi has described government being “the ultimate

repudiation” of its fiat money during hyperinflation (Salemi, 2007).

Of the 58 episodes of hyperinflation that have occurred throughout history, Venezuela ranks as the 23rd most acute occurrence and is the only country in the world experiencing hyperinflation (Hanke, 2019). The ongoing case of hyperinflation in Venezuela began since November 13, 2016. Steve Hanke, recognized for his contribution as a currency reformer, has been using high-frequency data and Purchasing Power Parity (PPP) theory to monitor the hyperinflation on a weekly basis. Based on his method, hyperinflation reached 80,000% per year at the end of 2018 (Ibid). However, there is a wide discrepancy between the IMF’s forecast and Professor Hanke’s findings. IMF forecasted Venezuela’s annual inflation rate as 1.37 million percent by the end of 2018 (Laya and Rosati, 2018).

### **The Case Study of Venezuela**

In this section, we examine the causes, effects, and costs of the devaluation of Bolivar. First, we explain the underlying cause of hyperinflation using the Quantity Theory of Money (QTM). Second, we elaborate on the poor decisions made by the government that led to the downward spiral of Bolivar. Third, we discuss how hyperinflation has made Bolivar worthless both domestically through loss of purchasing power and internationally through exchange rates. Finally, we describe the humanitarian crisis brought forth by the hyperinflation.

The Venezuelan episode gives support to the assessment given by John Maynard Keynes that currency debasement leads to an inevitable

“overturning the existing basis of society”. To understand the effects of the money supply on the economy, we apply the QTM to the case of Venezuela.

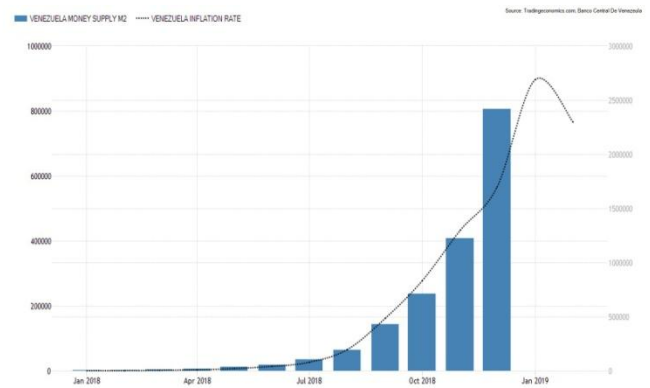
The classical position is that money acts as a medium of exchange and does not affect output and employment. Hence, money is considered as a veil that covers real goods and services. According to classical economists, the volume of money determines the price level. The argument of classical economists is that supply of and demand for commodities determines relative prices and the full employment is the normal state of the economy. Therefore, if  $V$  and  $T$  remain constant, any change in the money stock is directly transmitted to the changes in the price level.

Hence, the quantity theory of money tells us that the rate of growth in the quantity of money determines the rate of inflation (Mankiw, 2015). The equation of exchange can be written in the following percentage-change form:

$$\% \text{ change in } M + \% \text{ change in } V = \% \text{ change in } P + \% \text{ change in } Y$$

Since the amount of money in circulation determines the value of money, money growth that surpassed the growth in output results in inflation. Therefore, excessive growth in the money supply leads to a rapid rise in price levels (Mankiw, 2013). The following graph illustrates the strong correlation between growth in the money supply and the corresponding rise in the inflation rate in Venezuela (Tradingeconomics.com, 2019).

**Graph 2: Relationship between growth in money supply and rate of inflation**



Source: tradingeconomics.com, Banco Central De Venezuela

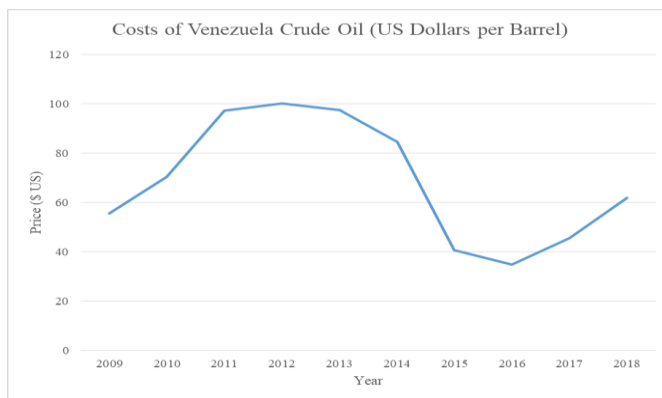
### Causes of Hyperinflation

The breakdown of the Venezuelan economy happened “gradually, and then suddenly,” (Hemingway, 1926). Preceded by several years of swelling public debt, Venezuelan government went on a printing spree to finance its revenue when foreign investors refused to lend to the government after 2013 and oil—its main source of revenue—saw a drastic decline in its price from 2014. The root cause of the humanitarian crisis is “the result of the failed 19-year Chavismo experiment” (Rendon and Schneider, 2019) whose “supposed historical greatness is only sustained by a rhetoric of propaganda” (Boscán, 2019).

Discovered in 1922, Venezuela’s oil industry was nationalized in 1976. Venezuela has over 300, 000 million barrels of proven oil reserve making it the largest known oil reserves in the world (Dillinger, 2019). Hugo Chávez and his successor, Nicolás Maduro, spent beyond their means on their populist social welfare programs

reliant on the revenue generated by Venezuela's state-owned oil industry (Cangero, 2019). Chávez's and Maduro's campaign for building a "21st-century socialism" had "deeper economic dysfunctions" which was revealed when the prices of oil declined (Johnson, 2018).

**Graph 3: Costs of Venezuela Crude Oil (US Dollars per Barrel)**



Source: US Energy Information Administration

### **Consequences of Hyperinflation**

The sharp fall in oil prices reduced the foreign reserves. In the absence of necessary foreign currency to import products, Venezuela has to rely on its domestic private sector. However, the government's price controls have cleared much competition from the private industry (Cangero, 2019). Because of the government's inability to import and the private sector's inability to provide basic products, Venezuela has been facing a widespread shortage of essentials like food and medicine.

Hyperinflation has destroyed the savings of the Venezuelan people. The financial intermediaries can no longer facilitate investment for productive activities. With fewer investments and production, society has become myopic on

just surviving. People spend their time and energy on trying to make ends meet. The standard of living has fallen drastically. Hyperinflation has made the Venezuelan economy run less efficiently.

According to the survey *Worldwide Cost of Living 2019*, Caracas, the capital of Venezuela, is the least expensive place to live in among the 133 large cities surveyed from around the world (The Economic Intelligence Unit, 2019). Due to Venezuela's high and volatile inflation rate, its currency Bolivar has devalued significantly in terms of purchasing power parity.

Venezuela's "humanitarian, economic, social, and institutional collapse" has its share of socioeconomic costs (Rendon and Schneider, 2019). Over one million children are estimated to be out of school due to hunger and lack of public services resulting in a massive educational crisis. Being deprived of enough nutrients, UNICEF has estimated that thousands of children are suffering without access to food, medicine and health services. Crime rates and looting have increased throughout Venezuela. Electric blackouts are taking place sporadically. UNHCR has estimated that over three million Venezuelans have left the country. Maduro and the military are blocking the delivery of aid. The power struggle between Nicolas Maduro and self-declared interim president Juan Guaidó has fuelled the social unrest. All this has resulted in a breakdown of law and order.

### **The Way Forward**

The Maduro's government has adopted two strategies so far: printing more money and redenomination of the currency. After their initial response of printing more money backfired, Maduro's government implemented



new monetary reforms in August 2018. First, the government removed five zeros off the Bolivar and renamed it as sovereign Bolivar. Second, Bolivar became pegged to petro, which is Venezuela's digital currency supported by oil. However, without any drastic fiscal reforms, these monetary reforms are inadequate to solve this socio-economic crisis as they do not address the underlying problems.

Looking at precedents set forth by past hyperinflations, Venezuela can stop its high inflation and establish stability in two ways: Venezuela can either install a currency board or undergo dollarization. By installing a currency board system, Venezuela can make its Bolivar a "clone of a reliable anchor currency" (Hanke, 2017). For example, Bulgaria ended its hyperinflation in 1997 within 24 hours by installing a currency board (Gulde, 1999). Otherwise, Venezuela can forsake its Bolivar and adopt "a reliable foreign currency" like the US dollars through the process of dollarization (Hanke, 2017). For example, the Reserve Bank of Zimbabwe tackled its hyperinflation by abandoning its currency and adopting the US dollar and the South African rand in 2009 (Uchoa, 2018). The government also needs to commit to balancing out its budget and not to resorting to deficit financing (Salemi, 2007).

### **Conclusion and Recommendation**

I would like to conclude my paper by drawing six lessons we can learn from the ongoing hyperinflation in Venezuela.

First, Venezuela shows the trade-off between "equality and efficiency". Venezuelan government focused solely on populist social welfare programs for its own vested interest in winning elections resulting in government

overspending. The social programs may have been good for the people, but the policy choices were bad for the Venezuelan economy.

Second, Venezuela teaches us the important role that incentives play in the economy. Unfavorable price controls and rampant corruption discouraged both domestic private production and foreign investment. Welfare system also led to dependence on the government.

Third, the Venezuelan episode of hyperinflation warns against vesting too much control in the hands of the government. The government distorts the price signals set by the invisible forces of the market. Cautionary tales like the ongoing hyperinflation in Venezuela shows the danger of fiat money: it can be "created out of thin air" and can vanish into thin air when incompetent government exploits the loophole.

Fourth, Venezuela highlights the need to diversify the economy. Venezuela suffers under the resource curse because it has a one-dimensional economy that is heavily reliant on oil. The revenue from oil exports makes up fifty percent of its GDP and 95% of its total exports. The exclusive dependence on oil made it susceptible to the volatility of oil prices.

Fifth, crises like that in Venezuela recommends the separation of the central bank from the government. The central bank needs its autonomy so it will not have to monetize a high government deficit based on a discretionary policy. The central bank needs to work according to a framework set on certain rules to make the economy more resilient.

Last, the rise of crypto-currency in Venezuela shows a larger tendency to bypass government-

issued fiat money in favor of a single currency in the long run. Perhaps, an unparalleled advancement in technology will create a need for a single global unit of currency that is greater than national sentiments attached to fiat currency.

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# **Labour Migration: A Case Study in the Village Chhat Nota Fela, West Bengal**

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## **Abstract**

Labour migration has been a disputed issue for ages. International as well as domestic migration, irregular migration, migration policy – labour migration is in itself a matter which needs more attention. Therefore through a case study on labour migration in a village in the Coochbehar district of West Bengal, this paper highlights a few important facts regarding this. Though it is an interstate labour migration (or can be termed as internal labour migration), in the global scenario, it seems to be more significant than external migration. The paper presents an overview of rural labour migration through a particular region-based case study. The entire data collection is done by interview method. I studied both national and international data but have worked rigorously on this specific data. Here migration is not only limited to labour migration but also on educational migration. Many socio-economic reasons are interconnected which are analyzed systematically step by step through an intense scrutiny of data.

## **Introduction**

Migration is nothing but a shift of able bodied working population from their place of residence to another place for a certain period of time or permanently. International Labour Organization defines a “migrant worker” as a person who migrates from one country to another with a view to being employed other than on his own account and includes any person regularly admitted as a migrant for employment. Migration is a normal economic phenomenon that takes place regularly more or less in every economy. In 2013, migrant workers accounted for approximately 64% of the world’s international migrant population. This is the global picture. In India, the data published after the economic survey in 2017, estimates the magnitude of inter-state migration close to 9 million annually between 2011&2010. Census 2011 pegs the total no. of internal migrants in the country (accounting for inter and intra-state movement) at a staggering 139 million.

This research paper talks about migration which has been taking place almost every year in the district Coochbehar of West Bengal, among the Rajbanshi population. Coochbehar consists of 1188 villages. Among which the labour migration data for this research work is collected from the population of CHHAT NOTA FELA (south) under the G.P.

NAZIRHAT-II. This paper seeks the actual picture of migration among the villagers followed by close analysis.

### **Literature Review**

Many research works have been done previously on Rajbanshi out- migration. But this paper is particularly based on a freshly collected data where different phenomenon has been categorized and characterized according to relevance.

### **Historical Background**

The Rajbanshi community was both indigenous and predominant Hindu population in northern part of West Bengal. They were backward in terms of education and agriculture was their major occupation. Prior to India's independence, they were victims of deteriorating economic condition i.e., their transformation from landholders to sharecroppers due to domination of the immigrant upper caste Hindu Bengalis, identity crisis as well as divide and policy rule of the colonial government. After independence, the Rajbanshis got settled in West Bengal, Assam, Meghalaya and Bihar. In West Bengal they are mainly concentrated in the Koch Bihar district which was a Princely State during the colonial period. After Indian independence, the Princely State was merged with India and an "Instrument of Accession" was signed on 12th September 1949. Prior to that both the sides signed a merger agreement on 28th August 1949. The Maharaja of the then Cooch Behar, Jagaddipendranarayana Bhup Bahadur signed the agreement only after certain arrangements were made on his part one being the recognition

of Cooch Behar State as "a Centrally-administered area under a Chief Commissioner" after merging with India which was also confirmed by the then Governor General of India V.P. Menon through a letter to the Maharaja dated 30th August, 1949. But, it was forcefully incorporated as a district of West Bengal on 1st January 1950 as a result of the role played by the then Chief Minister of West Bengal, Dr. Bidhan Chandra Roy. Soon after this the State language of West Bengal, its history and culture were forced upon this people. The partition of 1947 led to the influx of refugees from East Pakistan to different parts of India, which was also the case in Koch Bihar district of West Bengal. As a result the lands earlier belonged to the Rajbanshis were occupied by the refugees. The Indian Government supported this kind of infiltration of the refugees. They also supported immigrants from Bangladesh, which is also continuing at present. The land reform policy of the country benefitted these refugees and immigrants whereas land alienation occurred among the Rajbanshis and their State were deteriorated.---- Taken from "Out-Migration in Search of Livelihood: A study of the Rajbanshi Migrants from Koch Bihar, West Bengal"]

### **Methodology**

The total number of households are counted and listed. As the total population consists of only 82 households, no sampling is done. Data is collected through direct personal observation and indirect oral investigation. First of all, the motive of the interview was explained and then they were requested to furnish correct information. Questions like total number of family members, migrated or not, prime reason for migration, number of migrated people, have

they returned or not, are they willing to return in the near future or not and the frequency of their visit to their hometown. The questionnaire is kept brief keeping in mind the time constraint and the fact that the informants are not highly educated. Soon after the collection of data, it is scrutinized. There were few inconsistencies, errors, omissions. The defective returns are immediately referred back for correction. After receiving and checking all information, those are classified & tabulated. Besides tabular presentation, numerous charts, diagrams are also prepared. After dealing with the data, a detailed report is prepared keeping in mind that it may help in planning any further enquiries on this subject.

### **Findings and Discussion**

- A fact came out while talking to the villagers that the destination places of migrant labourers of this village are Nadia (West Bengal), Jaipur (Rajasthan) and Noida (Delhi).
- Migration takes place among both male and female population.
- The villagers are known as Rajbanshi community, most are scheduled caste, scheduled tribe.
- There are not many opportunities to get employed due to lack of industries in the hilly regions, so most of the residents who have not migrated become self-employed, or engaged in seasonal crop-cultivation.
- There is total 82 household in the village and surprisingly almost more than half households have members who have migrated at least once.

As we have discussed various phenomena regarding migration, the fundamental question arises what are the reasons responsible for migration in this village.

#### 1. Lack of job opportunity:

There are no heavy, medium or light industries in Coochbehar district. So naturally lack of employment opportunities is the main reason for migration.

#### 2. MGNREGA:

MGNREGA is not that popular in this region and in recent years it has been very irregular too. Wage earning in other states has become more lucrative.

#### 3. HIGH RATE OF SCHOOL DROPOUTS AND POOR EDUCATIONAL RECORD:

People are not enough educated to be employed in secured sector. There are many instances where school drop-outs are migrated for employment in other places.

#### 4. INSUFFICIENT PER CAPITA LAND:

It can be explained through a real life example, if there are two brothers in a household with an amount of land that can be taken care of by one then, even if the other one joins, it will be considered as disguised unemployment. However other one automatically migrates to earn extra.

#### 5. FUND RAISING:

A recent trend of this type can be seen in this village, especially among youngsters. They want to start their own business. And as there was lack of sources for loans they took the wage

earning as a way to raise funds. There are such examples of self financed start ups like hardware shops, confectionary and so on.

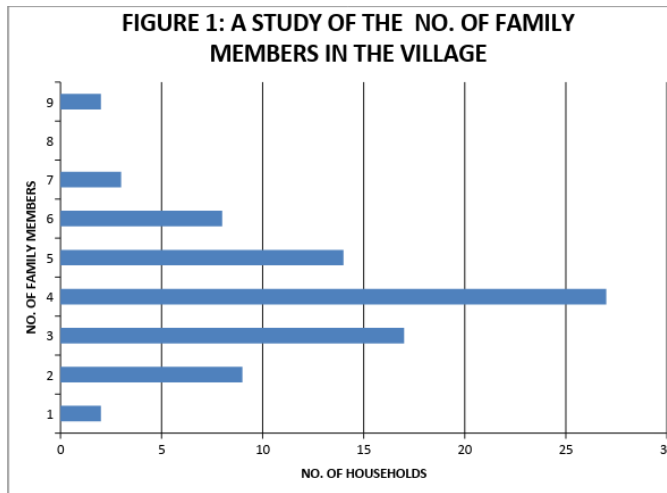
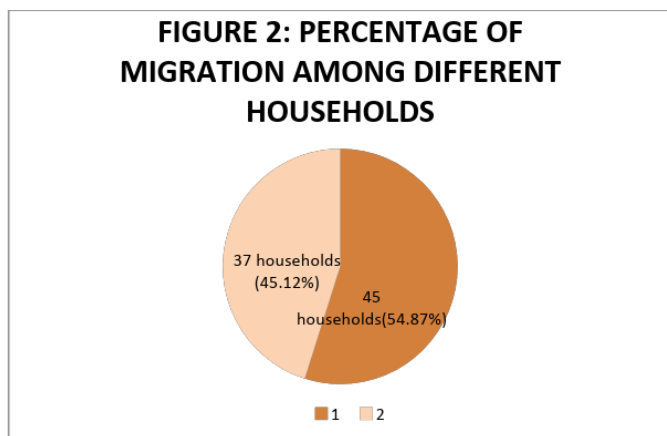
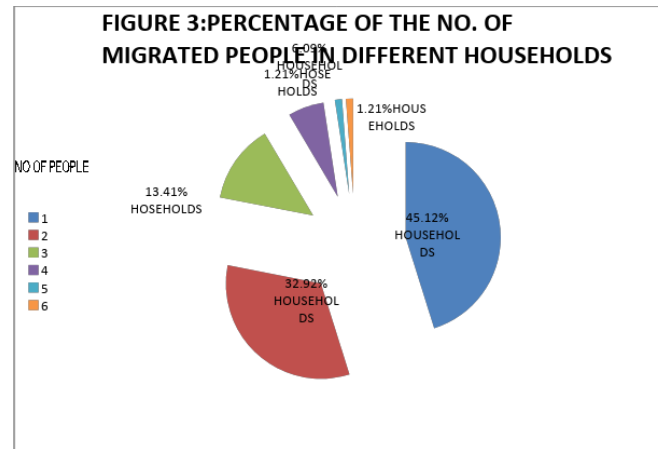


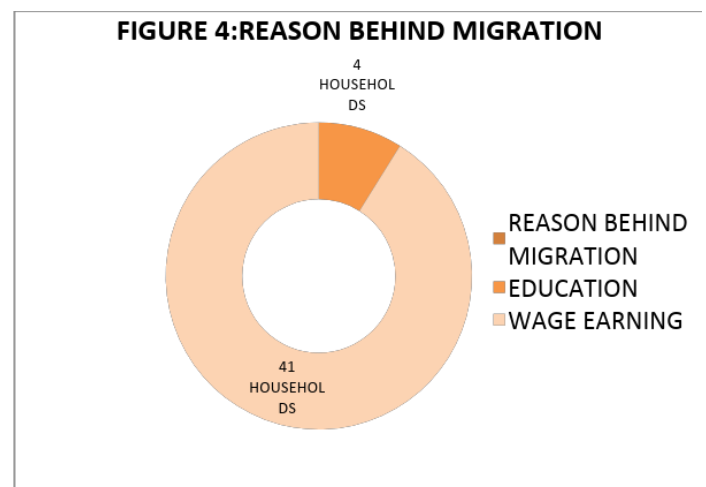
Figure 1 depicts that 32.92% of the households have 4 people in a family.



In figure 2, count of migration chart depicts that 54.9% household have experienced migration which is no doubt a large amount of migration with respect to the total no. of families (total 82 households) residing over there.



The pie diagram in figure 3 shows the exact picture of migration happened to the households of CHHAT NOTA FELA village of COOCHBEHAR district in West Bengal.



From figure 4, it can be seen, though wage earning is the main cause of migration, educational migration also prevails there.

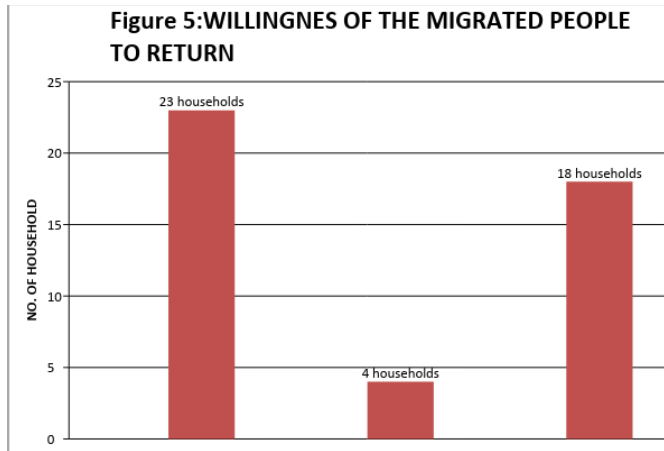
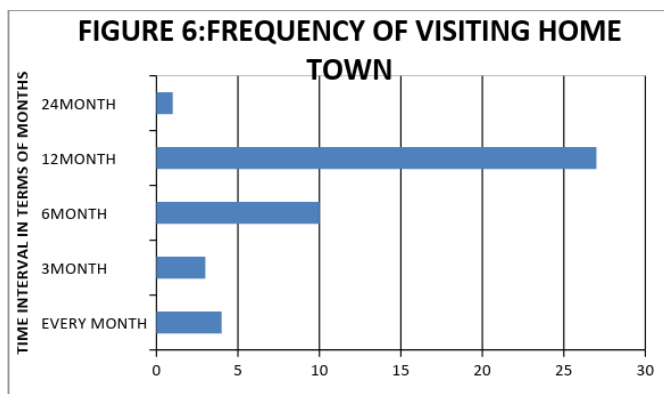


Figure 5 exhibits the interest of the migrated labourer to come back to their hometown if proper working conditions along with suitable jobs are provided.



Lastly figure 6 represents the frequency of their visit to the hometown at certain time gap. Most of the workers come back atleast once a year.

**Effects of Migration:**

**1. DEMOGRAPHIC CHANGE:**

Mostly male population has migrated. Few cases are there where whole family has migrated (for not only jobs but also for educational purpose).

**2. STANDARD OF LIVING:**

They have migrated mostly to Rajasthan, Delhi and Hyderabad, where they reside in slum areas. That affects the standard of living.

**3. SPREAD OF AIDS:**

As this a known fact, labour migration and the risk of spread of AIDS have close relation.

**4. DEMONSTRATION EFFECT:**

There is a lack of proper encouragement to study among the youngsters, who gradually become more attracted to the lifestyle of the migrant workers who have returned after making good amount of money.

**5. DEVELOPMENT WITHIN THE VILLAGE:**

People who become permanently employed to the migrated place are unwilling to return. Consequently, the future prospects of their property in the village are deeply hurt.

**Pros and Cons**

- **ENTERPRENUERSHIP OPPORTUNITIES:**

People who migrated earlier come back as more skilled and often give their hands in further development of the village economy.

- But migration at a large rate also leaves negative impact on education and literacy rate of the village.

**Recommendations**

Though Northern West Bengal comes under the centre’s priority list, a lot of things still need to be done. Other than completion of pending

projects, it is needed to focus on the community welfare, to work on implementation of modern agricultural techniques on a large scale as well as improvement of agricultural marketing. As the district has basically an agro-based economy, through agriculture large number of employment opportunities can be generated. It will be an easier and immediate way to tackle the situation than introducing new industrial projects and tag them as ongoing projects for years.

### **Conclusion**

This research work depicts the socio-economic structure of a village in West Bengal. Apart from that, it discusses the prime reasons behind migration at a mass rate taking place every year. Only infrastructural upliftment can stop this

draining out of the workforce which can elevate the state's overall development.

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## The Transgender Bill, 2018: The Road Ahead for Trans People

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The passing of the Transgender Bill in 2016 and the continuous debates leading to amendments in the bill in December, 2018 show that India is on a progressive path. It has paved way for a future where all citizens are not only protected but also respected by the State.

However, before analysing the recent developments in the lives of transgenders, it is imperative to understand their historical presence and importance in our country. *Manusmriti*, one of the oldest texts of India mentions the possibility of the birth of a third gender or twins when the female and male “seed” are equally potent. In the *Ramayana*, Lord Rama is believed to have conferred the *Hijra* community with the power to bless people on auspicious occasions, a tradition still practiced in Hindu religion. Even *Mahabharata* features an episode of Arjuna transforming himself into a eunuch. In the *Mughal* period, the *Hijra* community played an important role not just politically by assuming high positions in the royal court, but also as great confidants of the royalty.

This atmosphere of co-existence was greatly hampered with the coming of the British in India. The community was marginalised and their natural activities were branded as crimes. After independence, even though the criminalisation was repealed, the general notion of hatred and anger still persisted.

It was only in 2014 that the Supreme Court recognized the third gender and in 2016, a bill was passed for their protection. Even though the recent amendments to the bill are widely welcomed, certain provisions in the bill continue to be problematic on various levels.

The changed definition of transgenders is an appreciated measure. The pre-amendment bill defined transgenders as ‘neither wholly male nor wholly female’, portraying an extremely insensitive and narrow mind-set of forcefully trying to fit this community into the binary. However, the definition has been changed; now, a transgender is defined as ‘one who is partly female or partly male, or a combination of female and male, or neither female nor male. In addition, the person’s gender must not match the gender assigned at birth, and includes trans-men, trans-women, persons with intersex variations and gender-queers.’

The bill also mandates that all the members of the community must acquire certificates from a district screening committee proving their identity that would also be used for transferring benefits. Transgenders argue that that such a certificate could be used for the specific process of channeling entitlement to individuals. Nonetheless, making it the very basis for recognising the transgender identity in any given document strikes at the heart of right to freedom.

Moreover, there are other legitimate concerns that plague the minds of this community. One is the mandatory sex reassignment surgery for those who want to identify themselves as either male or female. This means that a person requires some medical intervention to identify as himself or herself. This bill seeks to empower the community, but ironically, does not provide them with self-identification as an option.

Further, the bill only includes minimal punishment for violence against trans-people. It goes on to club nearly all forms of abuse – ranging from economic offences to sexual violence – into one criterion, such that all convicts are punished the same regardless of the crime they've committed. This particular aspect of the bill stands in stark contrast to justice and equality of the law. How is a sexual assault on a woman different from the same on a transgender person?

Rather than strengthening punishments against a community that is still reeling from decades of discrimination and marginalisation, the bill proves to be insufficient and ineffective in addressing their plight.

Another concern with the bill is that it requires the members of the community to necessarily live with their family, and if that is not possible, seek a court order allowing them to be 'rehabilitated'. This provision is in direct violation of freedom of residence of an individual. For the social group of *Hijras* who believe in community living, this aspect of the bill is a huge threat to their culture and beliefs.

In relation to the same, it must be understood that even after the judicial rulings in favour of transgenders, the society is still far from accepting them. More often than not, families are seen abandoning their trans children.

The bill criminalizes begging by making it an offence for someone who compels or entices a transgender into it. This becomes a problem in the current scenario where employment opportunities are scarce for the community.

While the coming up of the bill implies that the discourse around transgenders is changing, there still remains a long list of social issues to be solved. The recent history of the community is tainted with social exclusion and discrimination. The addition of tick boxes as 'other' or 'third gender' in the gender column is not the only option the community requires. Even today, existing toilets are just for males, females and handicaps. There are no separate wards for trans people in hospitals and jails. All this exposes them to greater humiliation and insensitivity.

It is indeed true that the bill has been amended with good intention, but social legislation needs more than just looking good on paper. It finds no mention about recognising civil rights of transgenders in marriage, divorce and adoption. The bill, unfortunately, does not extend the Supreme Court's directive to grant reservation to the transgender community. Thus, we have a very long way to go before we reach a more inclusive and affable environment for all sections of the society.

## Uprooting Gold Frauds

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Gold is one of the most imported items by the Indian Government. Given the historical, religious and cultural aspects of the nation, the high demand for gold is rather a matter of fact. The jewellery sector contributes to around 7 percent of the country's total GDP. It also employs over 4.64 million workers and is expected to employ 8.23 million workers by 2022.

In order to ensure the purity of gold, the Bureau of Indian Standards (BIS) has proposed hallmarking of jewellery. Hallmarking is a scheme where government-certified labs add a stamp on silver and gold, on a chargeable basis, that is being sold in the market as a mark of guarantee of its quality.

BIS has clear-cut policies and guidelines for granting registration to hallmarking centres, its maintenance and inspection. The principal objectives of the Hallmarking Scheme are to protect the public from adulteration and to obligate manufacturers to maintain legal standards of fineness. BIS Hallmark for gold jewellery consists of five components: BIS mark, purity of karat and fineness, assaying and hallmarking centre's mark/number, jeweller's identification mark and the year of marking.

The Hallmarking process is done as follows:

1. Homogeneity Testing - In homogeneity testing, all items within a given sample

are checked to ensure that they comply with the basic regulatory standards.

2. Purity Testing - In purity testing, items to be tested are selected; which is followed by a preliminary test carried out on the surface of each item, after which smaller samples from each item are taken for more detailed testing. Finally, intense assaying is done to assess the fineness of gold.
3. Marking Individual Items - Once the rigorous testing is done, hallmarks are applied, via laser, press or hand-marking.

Currently, there are above 750 hallmarking centres in India. The government now offers Rs 20-50 lakhs in subsidies for setting up a hallmarking centre. While the central government is working to enforce mandatory hallmarking of gold jewellery, sadly the average hallmark centre is operating at only 30-40 percent of its capacity.

Many challenges remain with hallmarking, including low consumer awareness, as well as, the fact that hallmarking is not mandatory. Hallmarked and non-hallmarked jewellery are often sold at the same outlet; and statistically, less than one-third of the total jewellery is hallmarked. Operationally, many centres suffer

from low profitability, poor equipment and slack processes.

There are also various kinds of frauds that happen in the gold and silver market sector, like:

1. Adulteration - Iridium and ruthenium are mixed with gold, while they don't form an alloy they sit tightly in the yellow metal. On an average, a piece of jewelry or a bar of gold contains nearly 5-6 percent of the adulterant.
2. Forgery of hallmark - A fake hallmark makes it easier to sell poor quality gold products. As a result, many manufacturers start forging fake hallmarks on gold ornaments/products.
3. Bribery of hallmarking - The hallmarking system is being misused by certain jewelers in connivance with some of the authorized assaying centres.

Recently two policy documents have been finalized by the Government - the Bureau of Indian Standards Act (2016) and Bureau of Indian Standards Hallmarking Regulations (2018). It establishes a governing council with a Director-General as the head of the council; it also establishes an executive committee and

other advisory committees as needed. Moreover, it lays down several powers and functions of the bureau including the power of search and seizure when it suspects nonconformity. It lays down the powers and obligations of jewellers and other certificate holders as well, making it obligatory to ensure that only properly hallmarked articles are sold by them. It also lays down the powers and obligations of the testing and hallmarking centres to ensure that hallmark is applied only on items which conform to the prescribed guidelines.

In conclusion, some suggestions for the consumers reading this are:

- Equip yourself with a basic awareness of the signs and symbols used in gold and silver markets
- Check the prices of gold and silver the day before your purchase
- Always ask for the bill and retain the same after purchase. It will help you in exchange or for resale in the future
- Always ask for the return and exchange policy before making the purchase

Thank you and spread the word, your jewellery is about to receive an additional design - the mark of purity, Hallmark.

## **Mauritius Under the Spotlight: The Tremendous Economic Growth of the Island Nation**

**Bhavika Kohli**

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In the current global political scenario where contemplation over the world's two superpowers becoming rivals and ending convergence is rife, it's understandable that development of an isolated island, situated 1,200 miles off the eastern coast of Southern Africa in the Indian Ocean has largely been ignored.

This small island nation called Mauritius has had an excellent record of peaceful transition of power, with free and fair elections taking place regularly since its independence. Simon Springett, the United Nations Resident Coordinator for the island, recently said that when the country became independent from United Kingdom in 1968, "Economists said that there was no way a country like Mauritius could survive as an independent nation-state."

Hence, it may seem like a miracle to many that Mauritius has secured the position of the most competitive economy in the Sub-Saharan African region for the fourth consecutive year in the Global Competitiveness Report (2017-2018), which is published by the World Economic Forum every year. This index measures factors that drive long-term growth and prosperity. The report also highlighted a shift to an innovation-driven economy, keeping in mind the government's objective to attain the stature of a 'high-income-country'.

Despite sugar being the country's core crop for decades, Mauritius has successfully managed to diversify its economy, specifically by investing in the manufacturing sector. This made the country face a sharp transition from dependence on trade preferences to open competition in the global economy. Lately, the country has been considering exporting more jewellery, diamonds and watch components, which can potentially add more than \$150 million to its economy's GDP.

Since the early 1990s, Mauritius had remade itself into an African tax haven, where multinational corporations and affluent individuals could easily store their cash and minimize their tax bills away from the prying eyes of other governments and the public. Hence, Mauritius has managed to build an international reputation around its extremely low tax rates — a flat corporate tax rate of 15 per cent and an effective rate as low as 0 to 3 per cent for offshore companies — as well as high levels of financial secrecy.

On one hand, Mauritius aims to develop Special Economic Zones in Senegal, Ghana and Madagascar, while on the other, the Indian Ocean area is becoming a strategic global zone with Mauritius playing a pivotal role in it.

Trade and commitment to democracy can be seen as the driving forces behind Mauritian

foreign policy becoming successful. Mauritius is not only a member of International Organisations like WTO, Commonwealth of Nations, La Francophonie, the African Union and others, but also plays a major role in regional blocs such as SADC, COMESA and IOC.

For Mauritius, maintaining and strengthening its international relations has always been a matter of utmost importance. It has practised 'friend of all and enemy of none' policy since its independence and the consequences render a visual delight to behold for its government.

As part of its policy of opening up towards Africa, Mauritius has identified Kenya as a strategic partner to further penetrate the continent. It has also negotiated a Comprehensive Economic Cooperation and Partnership Agreement (CECPA) with India, which has a bearing on preferential trade, investment, exchange of services and overall

economic cooperation. The setting up of the Bank of China in Mauritius is also seen as a stepping stone for other foreign players in the banking and financial services of Mauritius. Many avenues of cooperation exist with Bangladesh as well, Bangladesh supplies skilled labour to Mauritius' textile and construction sectors, while Mauritian textile companies have also set up branches in Bangladesh.

Over the long term, Mauritius faces the challenge of sustaining its model of inclusive growth along with the key developmental challenge of fostering and boosting its shared prosperity. The baseline scenario currently, is for economic conditions to remain buoyant on the back of favourable external conditions and the upsurge in public investment. With having Mauritius embrace freedom and liberalisation in its economy, promises of future prosperity and the ambitious plans underway to re-position Mauritius as a regional financial hub, are no longer far-fetched.

## Strategic Autonomy: Cornerstone on India's Foreign Policy

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Strategic autonomy is the global outlook of a country which decides and commits to serving its national interest above everything else and maintains a foreign policy posture that allows it to do the same at all times. Such a country, in principle, does not form a military alliance or lean towards any bloc dominated by a superpower as that would cause it to incline towards its allies and work according to their interests as well. Therefore, strategic autonomy allows a nation to have policy independence and work according to normative values in interstate conduct.

In India's case, it started with the Non-Aligned Movement (NAM) under which it decided not to join any of the two blocs during the Cold War and rejected the global structure of power in a bipolar and later on, a unipolar world. Strategic autonomy has been a fundamental principle of India's foreign policy as can be seen with the NAM initiative and Article 51 which was enshrined in the Indian constitution to corroborate its commitment towards international peace and security. India has acted as a responsible security actor by facilitating dialogues and mediation in conflict situations such as the Korea War (1950-53), responding to humanitarian disasters across the South Asian region such as Operation Maitri (rescue and relief operation by India after the 2015 earthquakes in Nepal) and supporting UN Peacekeeping Operations like its contribution to the UN Emergency Force in the Middle East in 1956 and extending support of CRPF in Liberia in 2007.

No state can persist with obsolete security and political arrangements and India understands that well. India ended its long-term hesitancy in signing any defence-related pacts with the USA by signing the Logistics Evaluation Memorandum of Understanding (LEMOU) in 2016 after being pursued for ten years by the USA - which sought to contain the expansion of Chinese power in South Asia. In order to balance ties, the announcement of LEMOU was followed by three high-level exchanges between New Delhi and Beijing; and the signing of a joint communique outlining areas of trilateral agreement between India, Russia, and China.

More recently, India's decision to join the Quadrilateral Security Dialogue (Quad) along with USA, Japan and Australia - which will provide a consultative mechanism for issues of maritime security; non-traditional threats and security cooperation - shows its new level of engagement towards maintaining a liberal world order as Quad will also essentially work to coordinate efforts and counterbalance disruptive Chinese influence over the world.

On June 1, 2018, PM Narendra Modi in his address at the Shangri La dialogue emphasized on India's robust engagement with all major powers, drawing equivalence in relations with Russia, USA and China and strengthening its Act East policy. In 2018 - the year of return of trade wars and financial sanctions by an increasingly assertive USA - India protected its policy neutrality by engaging with Iran in trade of oil and signing the S-400 air defence system

deal with Russia, making headlines for its stance. This takes us to an evolving meaning of the term – with regard to more engagement with all the major powers than non-involvement in

the Cold War era - and a stronger upholding of the principle of Strategic Autonomy in India's foreign policy.



## Loan Waivers: A Temporary Solution to a Permanent Crisis

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A sustainable growth in agricultural sector is imperative for Indian economy because apart from providing food security it employs majority of the country's workforce. The greatest challenge that Indian agriculture faced 50 years back was achieving self-sufficiency in food grains. But now the two major challenges before agriculture are in ecological and economical terms. Ecologically making Indian agriculture sustainable and economically making it profitable to address the low incomes of the farmers pose a major challenge.

Modern agriculture requires investments in farm machinery and inputs like seeds, fertilizers. Savings generated from unremunerative crop is inadequate for such investments. Rising cost of health and education have put additional financial demand. As a result, demand for loan waivers have gone up. According to NSS surveys on 'Investment & Debt', loans taken by farmers from non-institutional sources which involves exorbitant interest-rate is rising faster than from institutional sources. This implies that rural demand is debt-ridden and not supported by growth in income. Increasing debt, drought and dwindling farm incomes have adversely affected the viability of farming which is further accentuated by climate change. All this has left the future of Indian farming in jeopardy.

Recently, in the past few months, states like Punjab, Maharashtra, Karnataka have responded to agrarian distress by rolling out loan waivers

to those farmers who qualify certain criteria. Loan waivers is like a termite which is now spreading to other states as well. Economic cost of loan waivers is huge. It puts a great fiscal burden on government exchequer. It has serious implications for developmental expenditure. Had this amount been spent on improvement of agriculture infrastructure it would have created a base future growth and development of the sector. This scheme has a crippling effect on banking system as farmers lose discipline towards the lending system and will add to the existing NPAs of bank and will cost the taxpayers. It poses a challenge of identifying eligible beneficiaries and distributing the amount. The scheme suffers from several other drawbacks like it covers only a small fraction of farmers. Farmers investing their own savings or borrowing from non-institutional sources are equally vulnerable but they are kept outside the ambit of loan waiver. Also, in many cases one farm family has multiple loans in the names of different family members, which entitles them to multiple loan waiving. As per CAG's findings in 'Agriculture Debt Waiver & Debt Relief Scheme 2008', the loan waiver scheme is vulnerable to inclusion and exclusion errors.

In the long run, strengthening the repayment capacity of farmers by improving and stabilizing their income is the only way forward to address it. One source of raising the income is to raise the productivity through improved technology, expansion of irrigation network and crop

diversification towards high value crops. Another major source is to ensure the remunerative price of their farm produce. An optimal policy would be to implement the suggestions given by the Swaminathan Committee Report such as distribution of ceiling surplus among farmers, reduction in crop loan interest rate, separate Kisan Credit Card for women farmers, etc.

The appraisal of loan waivers at first seems to be a good politics as it may win the political party some votes. However, it will eventually turn out to be bad for the politics as it is not sustainable in the long run. Loan waiver move appears to be partly an 'appeasement measure' and partly an 'atonement for failed agricultural policies' with a lack of economic logic in it.

# Lessons India Can Learn from South Korea: Reducing Income Inequality

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Asia as a continent is no stranger to poverty. Although it is home to many of the world's fastest growing economies and the growth has lifted millions of people out of poverty, the benefits of growth have not been spread equally. While many have become better off, many more remain left behind. While there may be many causal factors behind poverty in general, income inequality is the principal cause of persistent poverty. It is derived by the simple logic that – those who lack the monetary resources to avail opportunities capable of relieving them from the shackles of poverty - remain shackled; and those who are asymmetrically better off, maintain their monopoly over resources by capturing power. This results in the vicious cycle of inequality and poverty as the greatest endemic of most third-world nations. This vicious cycle has been one of the common defining characteristics of India and South Korea.

South Korea has been a nation of inequality paradox consisting of – long life, good health, and poverty. South Korea's rising income inequality was accompanied by income polarisation and a shrinking middle-class income polarisation that remained stable from 2001 to 2007 but began to increase again on a larger scale during the global financial crisis. However, while South Korea has been relatively successful in overcoming the issue to an extent by reducing the income disparity, India still struggles. While India might be a much more complicated case to exercise equity, there are

several lessons that can be learned from South Korea for its benefit. In the past half-century, South Korea has gone from being one of the poorest societies in the world to an advanced industrialised economy, and in the last few years, it has transformed from one of the most income-unequal nations to one with most equality.

While there have been several steps taken by the government headed by President Jae-In, the two greatest lessons that can be learned by India are:

## **Increasing the Minimum Wage**

President Moon Jae-In, since assuming office has been pushing for a greater role of the government in creating jobs and spurring domestic demand and called on a substantial increase in the minimum wage on small and medium-sized companies to address income inequality. The minimum wage was increased by 16.4%. The government also reportedly prepared a financial aid-package for small companies to offset any negative effects. The finance ministry decided to spend \$2.66 billion to help smaller businesses to cover a likely heavier financial burden and maintain employment. The financial assistance is to be provided in the form of tax-breaks or reducing credit card transaction fees in the coming year. Although this action has invited criticism, the policy has proven to reduce the income gaps.

India too can exercise this policy, however, since India has a much greater population, increasing the minimum wage can be a risky move as it will result in further unemployment. However, in my opinion, a certain increase in the minimum wages is imperative, especially in the case of casual labour which has become largely informalized with globalization. The poor work environments and unreasonable work hours demand a substantial increase in minimum wages. This will immediately increase the demand for consumer products and gain momentum for a healthy economy.

### **Impose taxes on the biggest companies and highest earners while increased welfare spending**

As a part of the Plan of Action to eliminate the income inequality, President Moon Jae-In has increased stiff taxes on leading conglomerates, high-income individuals and investors with large holdings of the nation's shares. The state then intends to use the tax revenue to fund increased welfare schemes. This decision has especially been considered as the population is gaining and is set to become a super-aged society by 2026, it also has the fastest-rising age among the OCED countries.

India, on the other hand, is a very young nation with the average age much below the world

average. It requires welfare schemes in the form of increased educational budgeting on priority in order to make its 'young population' educated, skilful and employable. While there have been several dynamic schemes implemented by the current and previous governments, like the Sarva Shiksha Abhiyan, we still need heavier taxation on the wealthy. According to an Oxfam report, the richest 1% hold more than 73% of India's wealth. This indicates the obvious problem of poor governance and tax evasion despite policies like GST. It is therefore imperative to learn from South Korea's example and take similar steps.

### **Conclusion**

Asia has been battling with poverty as its greatest endemics since time immemorial, a principal cause of the same being gross income inequality. Even though South Korea was worse hit post the Global Financial Crisis of 2008, it has managed to reduce its economic polarization by implementing certain policies that have had a very positive impact and have made South Korea one of the least unequal income gap nations in the last few years. India, on the other hand, is still struggling and is unable to break-free from the shackles of poverty. So, what can India learn from South Korea, and further, how effectively can it implement those lessons is the question.

## **The Relationship Between a College Textbook's Price Tag and a Doctor's Prescription**

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The above statement makes no sense, but the two are in fact related in a very interesting way. There are two questions that we have to answer in order to understand this relationship.

Given the availability of various brands of the same drug, how do doctors decide which one to prescribe? And why do college textbooks seem so expensive?

Let us first look at the odd nature of the textbook market. All of us have asked ourselves the latter question at some or the other point of time. Although, we are never questioning the value of a college education or how it would ensure higher earnings, we often feel that it's worth a lot more money than it should be. One possible answer to the question lies in how complex the textbook production process is. These books are colossal, involving a lot of editorial work, but surely, this isn't the only reason. Students aren't the ones choosing what books to buy. Professors and teachers decide that for them.

In the same world when you seek medical help, you rely on the advice of a doctor who prescribes you the medicines that you have to buy. Both are situations where you rely on someone else's expertise to help you make an informed decision and look out for your best interests. Normally, a person deciding to buy

something is also the person paying for that thing. In both these cases that relationship is severed. The person choosing is not the one paying. The incentives of the two parties in this transaction are not aligned. Economists call this the Principal-Agent Problem. The principal is the person with the money while the agent is the person giving suggestions on how to spend it.

Whenever you have a Principal-Agent problem, the risk taken by the principal is apparent because the principals don't have the information that the agent has, (asymmetric information) but the agent is not in a pretty situation either. We must remember that when teachers pick out the textbooks that they decide to assign to their classes, they're looking for the best book, not the best bargain. Similarly, even though the doctor has to choose among various brands of the same drug, he/she still has to make sure of things like the potency of the drug is more than its affordability to the patient.

This can lead to higher prices in two different ways. Firstly, publishers and pharmaceutical companies have less of an incentive to keep prices down to compete on price and secondly, this leads to a more complex textbook market and a more advertised drug market than what you would get otherwise.

Textbook publishers send representatives out on sales calls to hand out sample textbooks and urge professors to check out the latest editions. This means that when publishers market their books, it makes more sense to compete on quality and features rather than on price, and the more features a book has, the more costly it is to produce. So now we have textbooks loaded with things that the students might not need.

The publishers will sell the book to the professors through other qualitative means such as online quizzes, slideshows that help in studying, workbooks and DVDs. The professor, now, is under the belief that this particular book is better than others and hence, recommends it to the students with the result that the students end up buying DVDs that they don't really use but end up paying for.

In case of a drug, there is not much that one can do about the features of the product itself. There are numerous perfect substitutes available in the market for the same drug, but this does not stop drug companies from branding and establishing market power. This branding and advertising are targeted at the doctors in particular and try to provide incentives to doctors in order to boost the sale of their drugs.

So, we find both kinds of salespersons talking about the product and never the price. It is odd for a salesperson to not talk about the price, but it isn't odd when they are talking to a person who doesn't have to pay it. Hence, the two seemingly unrelated things are in fact related by the same economic principles working behind them.

## Seeing Pink: Overcoming the Economic Costs of Homophobia

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September 6, 2018, saw Tilak Marg and many other streets across Delhi being covered in rainbow flags as the Supreme Court of India passed a landmark ruling decriminalising homosexuality. Finding the prior law ‘irrational, arbitrary and incomprehensible,’ the verdict scrapped the 158-year-old colonial law – Section 377 – of the Indian Penal Code. The reasoning behind the ruling mainly boils down to ensuring an individual’s fundamental rights to privacy, dignity, equality, liberty and freedom of expression.

The constitutional recognition of the identity of the LGBTQ (Lesbian, Gay, Bisexual, Transgender and Queer) community is bound to shift paradigms and make the society as well as the economy more inclusive. Prior to the ruling, the criminality attached to being in a homosexual relationship often became one of the main reasons because of which firms and other employees would create a hostile work environment for employees of this community. However, recognising the LGBTQ community’s social visibility isn’t enough; we also need to see the value of the pink economy, i.e., the purchasing power of the LGBTQ community.

Firms need to recognise the presence of the LGBTQ community in the market force. Hospitality, entertainment, fashion, technology as well as health industries have the potential to

expand the market size of their products and services by tailoring them to the liking of the LGBTQ community. By catering to their demands as well as through marketing and advertising, firms can stand to benefit from the loyalty that they earn from being allies of the LGBTQ community.

According to a 2015 study by Witteck Communications, the total buying power of the adult American LGBTQ population was estimated to be around \$917 billion. Likewise, in his case study on India – ‘The Economic Cost of Homophobia and the Exclusion of LGBT’ – Professor MV Lee Badgett highlights the economic loss by the exclusion of the LGBTQ community:

‘The estimated losses to the Indian economy range from 0.1 per cent to 1.4 per cent of national output, a meaningful loss that no country—rich or poor—would want to bear. The bottom line: India could be throwing away more than \$26 billion a year by stigmatizing LGBT people.’ (Badgett, 2014. Time)

Badgett’s case study also found ‘discrimination resulting in constraints on the labour supply, lower productivity, and lost output among the LGBTQ’ as some of the economic costs of homophobia. However, after the ruling, multinational businesses and corporations in India and throughout the world have had a much

more welcoming attitude towards the community as many companies like Google, the Godrej Group, the Tata Group and the Royal Bank of Scotland have shown their support for the community.

Subjected to hostile treatment, abuse, and exclusion, the LGBTQ community has been made to suffer due to the existence of

discriminatory laws such as the Section 377 IPC. The Supreme Court's ruling is a step in the right direction. Yet, for members of this community to be truly considered 'complete citizens' in the eyes of the constitution, legal reforms in same-sex marriage, inheritance and adoption also need to be made. Hence, there are miles more to go before the LGBTQ community can truly enjoy freedom.



## **Citizens or Consumers?**

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The concepts of 'freedom' and 'choice' have gone from being the flag bearers of democratic spirit to glossy, scrim banners outside corporate offices hiding the brutal face of conglomerates. The tool used for this transformation is called 'Neoliberalism' which, as Noam Chomsky says in one of his interviews, is neither new nor liberal. Pushing for laissez faire approach of democratic governments, more sectors are being brought under the control of tyrannical multinational corporations that view people not as citizens but as consumers. Chomsky, in his work, reveals the hypocrisies of such democracy without democratic spirit in which there is freedom (for corporate wealthy) without freedom (for the masses) and choice without any real choice. The power lies in the hands of the masses but to deter the exercise of it, corporations use the media industry to manufacture consent without consent.

In the age of neoliberal policies, sectors which were earlier accountable to people are now being privatised. More and more spheres of life are being monetised. Existing markets are expanding and new ones are coming up. Demand is being created where there was none before. The best example is the beauty and skin care industry which has been creating a market for its products by falsely projecting natural differences as 'defects' that can and must be overcome. Make up, money and airbrush are

used to construct ideal bodies that are 'desirable' albeit unachievable. An increasing number of services and resources are being taken away from public control and put into the hands of private enterprises which run in a manner that is anything but democratic. The aspiration is that the 'immaculate' system of free market will ensure balanced distribution of wealth and resources among all. To raise the living standards, economic growth is needed. To enhance production, technology is relied upon. Technological inventions, whether required or not, are encouraged. Luxury items are more profitable than necessity goods and hence the production of the former is increased manifold. It is assumed that the benefits arising out of the maximisation of profit will trickle down to all sections of the society. Neoliberalism says that the only duty of a democratic government is to ensure a smoothly functioning free market with zero interference from any political institution.

Yet, all evidences show that all gold sediments in the pockets of the corporate rich and, there is little but gangue that reaches the lower rungs of society: the rich become richer and the poor poorer. The interest of corporations is in profit, not people. Inequalities, racial, regional, linguistic, ethnic, caste based, sex or gender based, are not only sustained but also aggravated. People's worth is getting reduced to their salary package and that of nations to their

economies. Economic interest is being assumed to be the driving force and non-material aspects of human life like emotions and ethics are neither being recognised nor valued as forces that drive human action. And all of this with a façade of democracy. Despite this, humans have tended towards and fought for rights, equality, liberty, justice and all other principles which a democracy vows to protect. Neoliberalism is an obstacle in the realisation of true democratic principles of freedom and choice for all. The only way it can be challenged is through an

active revival of the revolutionary potential of people; through an aware assessment of ourselves, not as depoliticized consumers in a “world determined by the immutable bylaws of business” but as real, thinking, feeling citizens.

Gill Scott Heron sang in 1970-

*“The revolution will not be televised, will not be televised*

*Will not be televised, will not be televised*

*The revolution will be no re-run brothers;*

*The revolution will be live”*

# Gig Economy- The Future of Work

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The concept of work is dynamic. Among the key reasons that are affecting the nature of work, the gig economy has emerged as one of the most important and rising trends.

In a gig economy, the job market is defined by the dominance of limited-period commitments rather than permanent jobs. So, instead of a regular wage, workers get paid for 'gigs'. Workers are employed for a definite task or time. This is done to attain advantage of cost, quality, and flexibility. Once the task is complete, the worker is free to march on.

Also known as the "flex economy" or "mobile economy," it reflects the cultural change brought by a new generation of workers, especially millennials. Though there is no precise estimate of their numbers, it is predicted that gig workers will comprise half the workforce by 2020, and as much as 80% by 2030.

A highly connected, mobile workforce, and the inception of the millennial generation that values a flexible work schedule so strongly that it would be willing to give up higher pay and promotions for it, is steering the change in rules of the employment game.

Several factors aided to the rise of the gig economy. First, most businesses initiated factoring cost into their competitive strategy after the Great Recession in 2007. Consequently, companies combined various approaches— decreasing the number of employees, enhancing operational efficiency, or

both. They started to rationalize, among other things, outdated workforce model and full-time employment. Progressively, jobs that could be manned remotely were bulldozed and contracting on-demand workers pulled ahead.

Secondly, seasonal spikes in customer service across most businesses contributed to the rise of the gig economy. A flexible workforce allows organisations to be more alert and plan for spikes and lows. It aided them to elevate business performance quicker and effectively. All this led to the tendency of employing independent short-term workers, at short notice, for a short time instead of full-time employees.

Thirdly, technology had a significant role in consolidating remote and mobile workforce, allowing rapid growth of the gig economy. The gig economy has served both companies and workers. With geography no longer a barrier, companies can hire workers without fear of attrition. The gig system results in lower training overheads and savings in office costs.

But the system has its reverse side. As companies forgo their traditional style, their strategic vision may become uncertain. Companies grapple to maintain their corporate culture, and staff lacks in team spirit when workers are temporary. Shorn of in-house talent, they are always on the lookout for gig workers for new projects. The gig system also seeks regular updation of new technology platforms to manage churn faster. This can be time consuming and costly. On the work front, workers should find their own gigs, which isn't

easy unless you have a set relationship with a client.

The success of the gig economy is commanded by a region's culture as well. In the US or the EU, it's accepted more rationally than in Asian countries. In countries like India, the conventional norms of work, propensity to stay harboured to stable jobs, fewer networking platforms, etc. have retrenched its rapid expansion.

But regardless of its current pace of adoption worldwide, gig economy is here to stay and strengthen, into the future. People like the flexibility of gigs, and technology has made it trouble-free to connect them to the jobs. It has filtered well through white-collar professions such as in commerce, finance, the legal profession, etc. Even the labour-intensive business process management industry is increasingly steering to this kind of employment to perform crucial jobs like customer service, manning both front-and back-office roles.

The gig economy can be the solution to talent supply chain obstacles faced by professional or technology sectors. While critical roles would still be in sphere of regular employment, freelancers can reduce the burden on the supply chain, increase serviceable efficiencies and reduce project costs.

While companies need to alter and come up with strategies to cope, the government will also need to put in place a new labour relations framework. Gig workers have pliability but no perks such as paid sick leave, time off, and pension. There is an urgent need for the government to redefine labour laws that must not stifle innovation but certainly prevent exploitation. In India, freelancing as an employment option has not yet penetrated the rural scenario. Regulations enabling such possibilities would definitely be a step in the right direction.

The gig economy is cutting across generations and is no longer confined to the services sector and raking in high value gigs. It has arrived and is here to stay.

# Book Review

## Predictably Irrational

By Dan Ariely

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"My goal, by the end of this book, is to help you fundamentally rethink what makes you and the people around you tick." This is how the author Dan Ariely describes his 2008 book *Predictably Irrational*. True to his words, the book offers us the ultimate amalgamation of behavioural theories with sound scientific proofs. We embark on this journey with him, recounting the appalling reason that got him interested in the field. A fire accident and three years spent in the burn ward prompted him to rethink the decision-making process.

"A man's satisfaction with his salary depends on whether he makes more than his wife's sister's husband." Why this relation in particular? Because this is a comparison that is salient and readily available. Relativity is an important prompter in what we choose for ourselves, whether it's our job, our car or our interior decor, humans have a habit of compulsively comparing things. Having comparable benchmarks simplify the task of choosing among several options. Not only that, in a study conducted on MIT students, relativity was proven to manipulate (without our knowledge of course!) what we choose, when offered a set of choices.

"Why are we happy to do things, but not when we are paid to do them?" We live in two worlds, says Dan. One governed by market norms (the

world of money, rent, interest, and cost-benefit analysis) and the other by social norms (the world of politeness, kindness, and gratitude). Society mandates a delicate balance between the two and so do we. Based on research conducted on a set of university students it was found that people were more efficient when working for free than they were when their work was put under a price! This does not mean that our carefully constructed commercial system is bad, instead this study is important because social norms have been given far less importance than they are given credit for. To prove this point I would like to quote a wonderful anecdote given by the author wherein there was a Japanese Sensei (master teacher) giving free martial arts lessons to a group of interested foreigners. His students felt compelled to compensate him for his time and spoke to the sensei on what a suitable fee would be. He responded that if he charged them then they would not be able to afford him!

Several questions that students often ask themselves have also been explored in this book. One of them being, "Why can't we make ourselves do what we want to do?" in other words "Why can't we stop procrastinating?" An entire chapter is dedicated to finding answers to these questions. On careful experimentation, the author found that a razor-sharp way to combat this was to set dictatorial deadlines. Although a

more interesting offshoot of this study was that - given a say to choose their own deadlines, most students did try to discipline themselves which was a great learning experience as compared to the tyrannical deadlines. In fact once we can understand this, we can force ourselves to think differently or use technology to get over our inherent shortcomings.

Keeping options open is a rhetoric that is often repeated by young people but research suggests otherwise. An abundance of options may have a negative impact on our ability to achieve things. Experiments conducted to simulate the real-life work of hustling between targets pointed to some very conclusive results. Despite having the option to close some doors (the book describes experimenting with a game involving doors and I believe it adds a deeper meaning to the results) the participants wanted to keep them open even if it didn't add to their objective. Having too many options confuse us and promptly thin our efforts over the tasks. It not only wears out our emotions but also our wallets.

One of the more interesting parts of this publication was the author's study on the effect of placebos on a person. Placebos are a measure designed merely to cause a psychological effect rather than a real one. Through a series of case studies involving mostly medical patients, readers can find out how placebo treatments provided as much if not more relief to patients than when the procedure was carried out in reality. What is surprising is that these placebos extend to the pricing system of goods as well. It can be seen whenever we expect an expensive object to be better than its cheaper counterpart. Such placebos have the ability to completely change the effectiveness of that object! Clearly,

these findings are pointing to another level of human psychology which is yet to be understood in detail. The author adds that such placebos explain why, when we experience headaches, the expensive painkillers seem to work immediately while the cheap ones reportedly have no effect.

His study on dishonesty has also resulted in another independent book '*The honest truth about dishonesty*'. Unusual experimentative methods (which were quite amusing!) pointed towards the fact that people do cheat, if given a chance but reminding them about their morals, even if it's a small reminder decisively affects their honesty. Similarly, strong emotions often affect decision-making skills as opposed to decisions made during our "cold state" or when we are calm. The policy implications of free goods have been briefly explained with zero cost, being cited as a little understood but enormously powerful tool.

Peppered with anecdotes as well as unusual experiments, the author's lucid and "non-academic" writing style makes the book a delightful read. Unlike thick, mundane volumes, the thoughts are well-connected and communicated effectively to the readers. With high policy and business implications, the subtle findings of this book pack quite a punch.

It is a concise and potent publication for anyone who wishes to better understand human behaviour, and in turn - themselves. After all, as Ralph Waldo Emerson once said, "The only person we are destined to become is the person we want to be."



