



# ECONOTES

NEWSLETTER FROM K N RAJ SCHOOL OF ECONOMICS

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Over the Horizon of Validation

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From the Desk of  
**Pro Vice-Chancellor**



**Prof (Dr.) C.T. Aravindakumar**  
Environmental Scientist

K N Raj School of Economics (KNRSE) formerly K N Raj Centre for Planning and Centre State Financial Relations (KNRC) was established in 2012, and is an integral part of Mahatma Gandhi University, which has been consistently ranked within the top 30 Universities in India by NIRF. True to its vision, the school has been delivering highly employable and socially conscious graduates with strong analytical skills, creative intelligence, entrepreneurial and organizational skills. K N Raj School of Economics has a unique and contemporary curriculum which is delivered by well trained and qualified faculty through innovative pedagogy.

The MA Economics programme offered by the school is synonymous with quality, rigour and relevance. The department's focus to nurture the students into true economists is reflected in the continuously revised curriculum as well as the regular discussions conducted there. Having managerial training embedded in the syllabus and activities, it also ensures the outgoing students are able to pursue market oriented career too. With the motivation, guidance and help from the dedicated faculty, students are able to come up with innovative ideas and initiatives. Econspire, the state level intercollegiate quiz competition conducted last November (2022) is one such initiative.

The academic calendar of K N Raj School includes both curricular and extra-curricular activities, which further prepares the students to cope with difficult tasks, time management and inflexibility, grooming them for life ahead. The philosophy at KNRSE encourages an open door approach, open to feedback and constructive criticism creating a ground for a sound learning experience. The environment here is disciplined and rigorous, at the same time giving plenty of scope for creativity, originality and student initiatives. While Economics has an indisputable place in many aspects - from daily life to international treaties - KNRSE is one of the best educational institutions which produce true masters in economics. Thus, K N Raj School continues to be the beacon of excellence and training that has groomed hundreds of students.

## The Changing Face of **ECONOMICS EDUCATION**



**Prof (Dr.) Johney Johnson**  
Director, KNRSE

It is significant to include more pluralism and real-world application in the classroom in order to explain current economic events. Academic reformers around the world are developing a curriculum that better prepares economic graduates for the challenges of the modern world. For example, "Becoming an economist", is a new module added to the curriculum of Kingston University which explores disagreements between economic thinkers and a range of schools of thought. Others have worked on the CORE project (Curriculum Open-Access Resources in Economics), an open-source curriculum programme that restructures the framework of the conventional economics degree. These institutions include University College London and the University of Bristol.

In reaction to corporate demands that economic graduates be more effective communicators of their knowledge to non-economists, modules on 'Communication and presentation skills' are also included that focuses on how economists present their findings to non-specialists in an accessible way.

### THE WAY AHEAD

There is a misconception that uses of technological resources might take the place of class time. For basic textbook learning, it might. Research shows that ICT facilitates the acquisition of important cognitive skills required for effective economic analysis and evaluation. Various types of ICT tools are used in economics courses: Film-clips, tutorial videos, testing, simulation/game, statistical packages, audio resources, databases, spreadsheet, and adding music and animation. Each provides opportunities for students to think 'in an economics way' and could be very informative and fun. Artificial intelligence systems are going to be used to grade students and direct them to watch videos by picking up the areas they have not understood or based on the errors they make. The opportunity to engage with ideas and interact with academics is what students really want.

The study and teaching of economics in academic institutions have taken a beating in the years since the global financial crisis. It has actually experienced the kind of fundamental critique uncommonly levelled at other disciplines. There have been claims that standard economics teaching falls short of explaining the intricate dynamics and risks of contemporary economies due to academics' apparent inability to forecast, let alone prevent, the 2008 economic catastrophe. After years of campaigning, universities are making modifications to their courses, or adding new ones. There is a need in the business community for adjustments to university curricula that would pinpoint areas where economics graduate can sharpen their skills and knowledge.

### REAL WORLD LEADING TO NEW MODULES

Students have realized that the dry-as-a-bone economics they were being taught couldn't deal with the complexities of economic issues. There is much discussion around 'Pluralist Economics', and students have demanded that a more "pluralist", diverse range of theories be taught in their undergraduate degrees. Universities are making adjustments to their curricula to reflect the "post-crisis" environment. For instance, a new first-year module at Royal Holloway, University of London, covers non-market voices in economics; growth from an historical perspective; difficult allocations for markets to handle; and behavioural economics in line with the market opportunities available.

## AN INSPIRING VISITOR **PROF. V. K. RAMACHANDRAN**

Vice-chairman, Kerala State Planning Board



KNRSEians were blessed to have a rare opportunity to interact with Development Economist and the Vice-Chairman of the State Planning Board Prof. V.K. Ramachandran. Prof. Ramachandran is a widely respected academic who specializes in agrarian issues and has to his credit several works on agrarian questions and rural development issues and on such varied subjects as education, labour class, caste, gender discrimination and social oppression.

On one of his visits to Mahatma Gandhi University, he showed keen interest in visiting the Economics department. We were more than glad to welcome such a renowned personality to our department. His visit was on the eve of Open Day Event organized by the university. All our student were enthusiastically engaged in making models, posters and charts to be put up for the grand Open Day programme. Our students were as much enthralled and excited to interact with him as much as Prof. Ramachandran himself was impressed by the efforts put

in by our students. Prof. Ramachandran was quite appreciative of the capacity of the students to gain an accurate and deep understanding of economic theories learnt by them which were showcased in the form of models and charts. He was particularly in admiration of the 'African Corner' prepared by three of our international students of African origin; Matthews, Grace and Melida. Their work largely focused on the topic "How Europe Underdeveloped Africa" inspired by a book written by Walter Rodney. He also admired and recognized the full worth of the facilities for data analysis available in our Econometrics and Learning Lab.

During his interaction with the students and faculty members, his valuable advice was to be socially, politically and financially empowered while envisioning big dreams. Being seen and appreciated by someone of such stature was definitely a proud and memorable experience for KNRSEians.





**Nidhuna M.S.**  
1<sup>ST</sup> Year MA Economics

# CHANGE IN INDIA'S HDI - 2020 Vs 2022

We compare India's HDI in the years 2020 and 2022, so as to know whether Covid-19 had any significant adverse impact on India's HDI.

**India's HDI in 2020:**

- HDI value: **0.645**
- Life expectancy at birth: **70.1 years**
- Expected years of schooling: **11.9 years**
- Mean years of schooling: **6.7 years**
- GNI per capita: **\$ 6,107**

In the 2020 report, India was ranked **131<sup>st</sup>** among 189 countries and territories about which the index is constructed by the UNDP. The following table shows HDI values of a

HDI Rank	Country/Catagory	HDI score
72	Sri Lanka	0.782
85	China	0.764
128	Rwanda	0.684
131	India	0.645
133	Bangladesh	0.632
142	Nepal	0.602
147	Myanmar	0.583
154	Pakistan	0.557
189	Afghanistan	0.511

0.898	0.753	0.631	0.513	0.689
Very high human development	High human development	Medium human development	Low human development	Developing countries

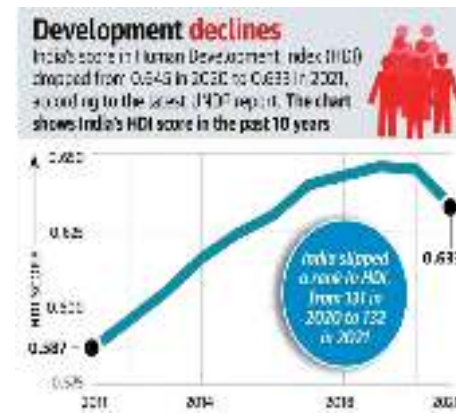
selected list of LDCs in South Asia.

Though larger than all others in the list, India's HDI value is surpassed by three smaller neighbours.

**India's HDI in 2022:**

- HDI value: **0.633**
- Life expectancy at birth: **67.2 years**
- Expected years of schooling: **11.9 years**
- Mean years of schooling: **6.7 years**
- GNI per capita: **\$ 6,590**

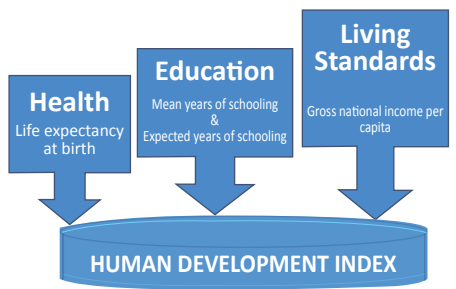
India ranks 132 out of 191 countries and territories in 2021/22. Trend of HDI of India from 2011 to 2021 is available below.



The global average score of human development too has declined between 2020 & 2022. Ninety percent of countries have registered a reduction in their Human Development Index (HDI) as reported by the latest human development report: **'Uncertain Times, Unsettled Lives: Shaping our future in a Transforming World.'** Human Development has declined for two years in a row. A large contributor to the Human Development Index's recent decline is a global drop in life expectancy. The last two years have had a devastating impact on people when COVID-19 crisis hit the country.

India is no exception to the global trend. India's HDI value of 0.633 is 1.86 percent lower than the value of 0.645 in 2020. The decline in the relative position may be the result of the inclusion of more countries in UNDP estimates. The COVID-19 pandemic, beyond its damage to people's health and mental well-being, has also devastated the economy.

The report recommends implementation of policies that focus on **3 'I's - investment, insurance and innovation.** Policies that focus on the 3 'I's will enable people to thrive in the face of uncertainty. Luckily India is already a frontrunner in these areas.



# DIGITAL RUPEE: CHALLENGES AHEAD



**S.R. Santhini**  
1<sup>ST</sup> Year MA Economics

Usually, people think that digital currency and Crypto are the same but crypto is only a type of digital currency. The major difference between Cryptocurrency and CBDC is that the former is based on a decentralised system while the latter has an issuing authority which is the Central Bank in most cases. With the advent of virtual games and the impact of NFT market, popularity and demand for digital currency have been boosted which made more people to use crypto. Though many countries are against making Crypto legal, it has become widely popular among common people as well as multi-national companies. To reciprocate the growing influence of cryptocurrency, some nations chose to create their own digital currency like how India plans to issue Digital Rupee.

Digital rupee will be the digital version of physical cash issued by the RBI and will, therefore, be sovereign backed. Since value of a crypto is determined by free market forces and is not linked to any commodities, it does not have any intrinsic value. On the Contrary, Central Bank Digital Currency issued by the Reserve Bank of India will be a legal tender in a digital form. It is the same as a fiat currency (government-issued currency) and can be exchanged one-to-one with existing currency. There is also an opinion that the

**Presenting Union Budget 2022, Nirmala Sitharaman, the Finance Minister of India, had announced that the Reserve Bank of India (RBI) would be rolling out its digital currency soon. There was also an addition of a 30% income tax on returns from prevailing digital currencies.**  
*(The Indian Express)*

digital currency would not be like crypto but rather it would be closer to a digital wallet like Paytm. RBI has repeatedly flagged concerns over money laundering, terror financing and tax evasion with private cryptocurrencies like Bitcoin, Ether, etc. therefore introducing its own CBDC has been seen as a way to bridge the advantages and risks of digital currency. In terms of technology, both CBDC and Crypto have same negative impacts such as highly volatile in value, susceptible to hacks, etc. Besides the technical part, CBDC has certain other limitations such as--

- Central Bank's complete control
- Less privacy for users
- Difficult to attain widespread adoption
- Possible competition between central bank and commercial banks

Moreover, for a developing country like India, introduction of digital currency might be a herculean task considering the possible challenges it may create. Following are some of the major challenges before Indian banking sector regarding the introduction of digital rupee:

- I. **Cash remains the preferred mode of payment:** Even though there is wide acceptance to the prevailing digital payment system, cash remains the most preferred mode of payment of majority of Indian citizens. According to a Reserve Bank's pilot survey on individuals' retail payment habits in six cities between December 2018 and

January 2019, cash is most often used for small-value transactions averaging 37,000 INR.

- II. **Reduction in transaction demand:** CBDCs may reduce transaction demand for bank deposits, depending on the degree to which they are used. Because they minimise transaction liquidity requirements. On the other hand, if banks start losing deposits over time, their capacity to provide credit is hampered. Thus, investments will also be adversely affected.
- III. **Technological Readiness:** The development of a population-scale digital currency system depends on the advancement of high-speed internet and telecommunication networks and the availability of adequate technology for storing and transacting in Digital Rupee with the general public. Lower levels of technology adoption in underdeveloped areas in India may restrict the reach of the Digital Rupee.

Regardless of these challenges and ongoing debates, it is true that the arrival of digital currency would be a trump card to fuel the knowledge economy in our country. Since the past few decades, the world has been tracking the potential of digitalisation and its possible outcomes. Now India is also getting ready to mark a new era in its digital payment system. But it is equally important to cross check the pros and cons of introducing a digital currency, taking into account the above-mentioned challenges. Lately the RBI had decided to introduce the CBDC in the wholesale segment first, with the rollout for retail users to follow later. Even though the central bank and the government are cautious in testing the water by adopting such strategies, we can only wait and see what unfolds further.

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# 'ECONOMICS OF ENOUGH' - HOW TO LIVE LONGER WITH LESS

**E**conomics of Enough', is a book by Daniel Koyle (2011) with a subtitle- *How to Run the Economy as If the Future Matters*. He criticises the dominant model of development, which promotes growth craze, which in turn, leads to a race for growth at the global level with reckless disregard for the future—leading to crises of different kinds. Fast depletion of resources is one aspect which has received considerable attention in discussions of sustainable development. The study sponsored by the *Club of Rome* that formed the basis of the book *Limits to Growth*, predicted, 50 years back (1972), a gloomy future regarding humanity's survival beyond some 100 years. The authors considered resource limit as a crucial one, the other two being high growth of population and exponential rise in pollution.

A group of economists and technocrats—known by the name '*growth men*'—challenged the above view. Their contention was that through technological progress and behavioural changes these issues can be overcome to a reasonable level. Developments since the 1980s seem to justify their optimism. This article briefly discusses how countries can reduce the use of non-renewable resources that fuel modern growth by bringing positive change in human behaviour, together with technological innovation and creative policy by government. Thus, the life of available (proven) resources can be prolonged—enabling us to live longer. It is significant, in this context, to note that resource conservation and saving has a synergic effect on environmental betterment as mining of metallic resources, their purification and use account for a major share of environmental pollution. (It is estimated that one Kg. of useful final product of mining generates, on the average, 100 Kgs. of solid waste. Transportation of minerals and their purification lead to pollution of air and water.)

One area that need focused attention so as to conserve resources is cutting down energy demand, at the household level, in industry and transportation. Currently energy demand grows faster than economic growth (by around 35 percent). A decoupling of this link between rate of economic growth and the rise in energy demand is crucial for reducing demand for

non-renewable resources. If the MDCs and the five fast-growing economies of the world (the BRICS nations) maximise the use of best available technology and their governments are able to nudge their citizens-consumers and producers- to move away from the business-as-usual mode of behaviour, we can be optimistic about human survival in to the next millennium, if not longer. In the remaining part of this article, I discuss the basis of this optimism.

### Promotion of Green Energy

In the tropical region—where all BRICS nations except Russia lie—solar and wind energy holds great promise. Yet only a small fraction of the potential is currently being exploited. Significant progress in this line requires promotional measures at domestic level as well as international level (liberal sharing technology and money). The process, can result in huge savings of coal and petroleum as thermal plants currently generate the major share of electricity (64 % globally). Industrial and household sectors have to be encouraged through appropriate policies—which include provision of subsidies and tax breaks and promotion of the use of star rated electrical/electronic equipment.

### A Lesson from the past—How the demand for petroleum fell

There was a remarkable reduction in the global demand for crude oil since the 1980s which was the outcome of multiple strategies including technological improvements and behavioural changes. A six-fold increase in international price of oil between 1973 & 1977, after the formation of a cartel of its major exporters, accounted for the initiation of the above measures. More and more commuters opted for small-sized cars and shared travel (behavioural changes); technological changes in automobile sector included introduction of computer (chip) guided fuel injectors, adoption of front wheel driving, automatic adjustment of spark timing, precise carburettor setting for different driving conditions, substitution of steel by lighter materials (aluminium & plastics) in the vehicle body and the use of radial tyres. Alternate fuels like ethanol were promoted by fiscal policy.



Dr. Jose J. Naduthotty

Intensive exploration led to discovery of new sources of oil in the US and elsewhere. The remarkable reduction in the demand for oil—to the tune of seven billion barrels per day in the OECD countries alone in 1989 compared to 1979—is a remarkable example of how critical resources can be saved by technological innovations and behavioural changes. International price of oil declined to pre-1973 levels in the 1980s.

### What de-materialism can do?

Reduced material intensity—getting more out of a given quantity of resource—has many potential applications. One simple example of it is reducing water demand for irrigation by replacing conventional 'flood-irrigation' by various kinds of micro irrigation (drip irrigation, for example). Farmers in Israel adopt the best water saving technique in the world—they let droplets of water directly to the roots of plants via small tubes. They were able to display the miracle of producing a variety of horticulture products in desert-like land. Application of material-saving techniques has resulted in long-term fall in the use of steel and cement in construction sector (per unit of building space) of OECD nations. Energy saving by improved building designs and the use of super insulating materials in between the walls-(two layers of brick work with insulators in between)- led to saving of electricity demand in residential buildings of the Nordic countries by as much as 90 to 95 percent.

Tremendous saving of resources can be done by maximising the promotion of the *4-R services* (Recycle, Reuse, Recondition and Recover). Japan, Germany, France, Denmark, Canada and Australia recycle nearly 50 percent of all metals, glass and paper, thus reducing the demand for virgin resources. In the distant

past, the traditional cultures promoted reuse and reconditioning and we have to return to such practices. (To recall a personal example, the first watch and the first umbrella that the author used were 'inherited' from his father, and these were used with a lot of pride). But there is a problem here. Components of many costly products such as computers and washing machines are made by industry in such a manner as to pre-empt their repair and reconditioning. This has to be prevented by laws and their strict implementation. Energy-efficiency has to be promoted by issuing star ratings of electrical and electronic equipment and gadgets. Many countries have already imposed minimum fuel efficiency norms for automobiles. No producer should be allowed to supply items that do not meet these standards. Such measures are not so costly as to raise product prices in a marked way. Pressure from industry against such measures has to be resisted.

In spite of our best efforts, some of the non-renewables may not last beyond few decades. In such cases, intensified efforts have to be made to substitute them with renewable resources. Oil is one such resource according to current estimates. Already, bio-fuels such as ethanol have appeared. Petroleum companies in India are now supplying petrol mixed with 20 percent ethanol. Brazil, which has introduced ethanol for the first time in its automobile sector in a big way, now have vehicle fleet that run entirely on ethanol. I shall conclude this piece by pointing out the interesting case of great saving of grain and other fodder if meat eaters decide to eat less of beef and more of chicken. It is estimated that cattle require 7.5 Kg of fodder to gain one Kg weight; chicken require around 2.5 Kg feed for the same. Remember, the MDCs use a disproportionate share of grain produced globally—a major use of it is as animal feed.

### Are you ready for the change?

Note: Data and examples used in this article have been taken from reputed, dependable sources. Many of them are quoted in the author's PhD Thesis on Sustainable Development and India's Five-Year Plans (available online-Refer chapter II)

## PRICE DROP OF NATURAL RUBBER PRICES IN KERALA: AN ANALYSIS

I

ndia is the fifth largest natural rubber producing country of the world, by producing about 9 per cent of the global output. At the same time, it is the second biggest consumer of the material globally. About 40% of India's total natural rubber consumption is currently met through imports. Rubber plays a crucial role in the Indian economy. It provides the principle raw material for manufacturing over 35000 varieties of products ranging from toy balloons to giant size tires. In India, Kerala is the largest natural rubber state by producing 595 thousand tonnes or 92 per cent of total rubber production in 2002-2003. Kottayam, Kollam, Ernakulam, Kozhikode districts produce practically all the rubber of the state. The natural rubber production of the state during 2010-11 was 7.71 lakh tonnes and the coverage under the crop 5.34 lakh ha. Tamil Nadu is the second largest producer of rubber but lags far behind Kerala producing only 22 thousand or 3.39 per cent of the total Indian production in 2002-2003. So Kerala will be the most affected state, if a small change occurs in the price and demand of natural rubber.

Recently, rubber cultivators are facing serious setbacks due to fall in natural rubber



Anooja R.S.  
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price. After the post-pandemic revival, the price of natural rubber has crashed to a 16- month low of Rs.150 per kg (RSS Grade 4) from Rs.180 in the Indian market. The price of latex, which soared during the pandemic due to huge demand from glove makers, took a more severe drubbing with its prices rolling down below Rs.120. With the price of natural rubber in a free fall, about 12 lakh small-scale rubber farmers in Kerala, the country's rubber heartland, are counting their losses since the last couple of months. What has caused the sharp fall in prices? The current fall in prices is attributed primarily to a weak Chinese demand and the European energy crisis, along with high inflation and an import glut, among other things. While the unremitting zero COVID strategy in China, which consumes about 42% of the global volume, has cost the industry dearly, analysts have also flagged the acceleration of imports.

Low import duty is one of the major reasons for the price fall of natural rubber. As a result, import of rubber to India has increased tremendously and it affected our domestic production in the way that it's demand declined. In the past few years, the annual aggregate import of rubber has increased from 75,000 tonne to 5 lakh ton. The Central government has the authority to increase import duty, in line with the World Trade Agreement, but it has not done so.

Another problem that badly hit rubber production is the challenges due to climatic changes. Dr K N Raghavan said that domestic production of rubber has not been at par with the demands of the market in recent years. According to the Rubber Board statistics for 2019-20, the local production of rubber was 7.12 lakh tonne whereas the demand in the market is 11.34 lakh tonne. In 2018-19, the domestic production was 6.51 lakh tonne whereas the demand was 12.11 lakh tonne. With such disparity, it would be impractical to impose higher import duty.

Above graph shows the annual price level of natural rubber (Graded RSS 4) from 2012-22. In year 2022, there occurred a huge fall in the price of NR monthly. It's approximate estimations are shown in the table below.

Sl No.	Months (Year 2022)	Price of NR (Grade RSS 4) per kg
1	March	177
2	April	170
3	May	164
4	June	167
5	July	155
6	August	149
7	September	144

How does falling price affect farmers in Kerala?

Panic in Kerala: The state accounts for majority of total NR production, as local economy depends on it. Therefore, the falling price could lead to major panic in villages of Kerala.

Crop Shifting: The impact of the price fall is felt more in the rural areas, where most people are solely dependent on rubber cultivation, therefore, they might switch to other crops. It



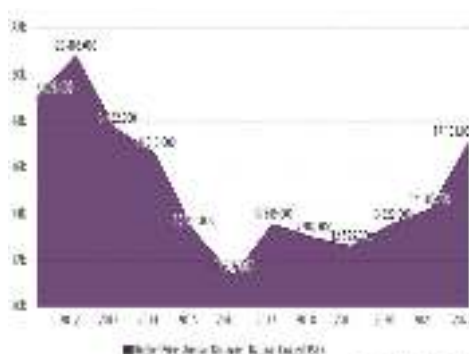
can even lead to the fragmentation of rubber holdings.

Effect on Small and Medium Enterprises: As most of the production occurs in small and medium enterprises, the falling price could lead to their uncertain future and force them to stop production temporarily.

### Way Forward...

- The Government needs to raise the import duties on compound rubber to make it on par with natural rubber.
- The government must address the demands of the farmers by raising the replanting subsidy and the support price of the crop under the price stabilization scheme.
- Need to increase the area under cultivation in order to meet the demand.

For Kerala, Rubber cultivators are an important segment like many other agricultural sectors. They are the backbone the Kerala economy. Therefore, the Government should help them by implementing clear policies that are favourable to them.





# SEX RATIO IN INDIA FROM 1901 TO 2011



**K. Sreya**  
1<sup>ST</sup> Year MA Economics

Sex Composition of the human population is one of the basic demographic characteristics; as changes in sex composition largely reflect the underlying socio-economic and cultural patterns of society in different ways. It is an important social indicator to measure the extent of prevailing equity between males and females at a given point in time. It also becomes important for various types of planning and for the analysis of other demographic characteristics such as mortality, migration, marital status, economic characteristics, etc. Sex composition is expressed with the help of a ratio known as sex ratio.

SEX RATIO is defined as "number of females per 1000 males in the population". Thus, a sex ratio of 1000 implies complete parity between the two sexes. Ratios above 1000 indicate excess of females over males; those below 1000 indicate a deficit of females. There are three reasons why the sex ratio of populations varies and is rarely equal.

### Differences in mortality rates and life expectancy for women and men.

Women, on average, live longer than men. This means that all else being equal, we would expect females to account for slightly more than half of the total population. Sex ratios at birth are not equal. In all countries, there are more male than female births. In the absence of selective abortion practices, births in a given population are typically male-biased – the chances of having a boy are very slightly higher than having a girl.

Migration can also affect the sex ratio of the population. If in some countries there is a significant amount of imported male-dominant labour, all else being equal, we would expect males to account for more than half of the total population.

S. N.	Census Year	Sex Ratio (females/1000 males)
1.	1901	972
2.	1911	964
3.	1921	955
4.	1931	950
5.	1941	945
6.	1951	946
7.	1961	941
8.	1971	930
9.	1981	934
10.	1991	927
11.	2001	933
12.	2011	943

The major cause of the decrease of the female birth ratio in India is considered to be the violent treatments meted out to the girl child at the time of the birth. The Sex Ratio in India was almost normal during the phase of the years of independence, but thereafter it started showing gradual signs of decrease. Though the Sex Ratio in India has gone through commendable signs of improvement in the past 10 years, there are still some states where the sex ratio is still low and is a cause of concern for the NGO organizations.

There are also states such as Kerala and Puducherry where the number of women is more than the number of men. Kerala houses a number of 1084 females to that of 1000 males. While Puducherry and Kerala are the only two states where the number of female is more than the number of male, there are also states in India like that of Karnataka, Andhra Pradesh and Maharashtra where the sex ratio in 2011 is showing considerable signs of improvement. Some facts related to the Sex Ratio in India follows: the main cause of the decline of the sex ratio in India is due to the biased attitude which is meted out to the women. The main cause of this gender bias is inadequate education. Puducherry and Kerala houses the maximum number of female while the regions of Daman and Diu and Haryana have the lowest density of female population.

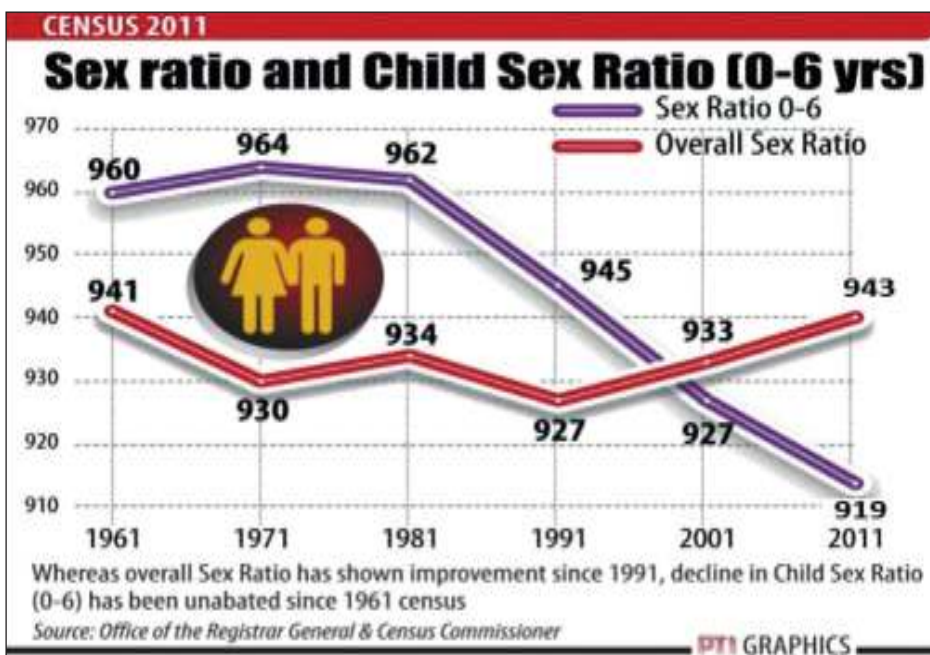
As per National Family Health Survey, 2019-21 (NFHS-5) India's Sex ratio in 2022 is 1020 females per 1000 males\*. Among the Indian States, Kerala with 1145 females per 1000 males has the highest sex ratio and Haryana with 926 females per 1000 males has the lowest.

### The steps taken to improve the sex ratio in India

- ◆ Complete ban under law on sex determination during pregnancy under the PCPDNT Act.
- ◆ Declaring 24th January as the National Girl Child Day in 2012.
- ◆ Sabla scheme launched on the International Women's day in 2011, aims at enabling self-development and empowerment of adolescent girls, improving their health and nutrition status; and spreading awareness about health, hygiene, nutrition, reproductive health, family and child care.
- ◆ 'Beti Bachao Beti Padhao Scheme' was launched in 2015 in Panipat, Haryana to address the issue of decline in child sex ratio, whose main objectives are prevention of gender biased sex selective elimination, Ensuring survival and protection of the girl child and Ensuring education and participation of the girl child.

### Other recommendations/suggestions:

- ◆ Rolling out campaigns benefitting women and children.
- ◆ Effective implementation of the existing women-and children-related policies.
- ◆ Improving women's status in the society, could help change the bias for son preference.
- ◆ Investing on education and economic prosperity could help empower women and reduce gender gap.



# SUSTAINABLE DEVELOPMENT



**Nafia Ashraf**  
1<sup>ST</sup> Year MA Economics

### IMPORTANCE OF SUSTAINABLE DEVELOPMENT

Sustainable development involves a commitment to conserve and enhance our resources, by gradually changing the manners in which we develop and use technologies. All countries should meet their basic needs of employment, food, energy, water, and sanitation. Secondly, it deals with environmental protection and improvement.

### SUSTAINABLE DEVELOPMENT GOALS

It was the UN that appointed the WCED in 1983. Once its report was available, the UN decided to take follow up action which is contained in the declaration of Sustainable Development Goals which all member countries have to pursue in a time bound manner.

According to the UN, The Sustainable Development Goals (SDG's) are the world's shared plan to end severe poverty, reduce inequality and protect the planet by 2030. Various goals are indicated below.



held in Rio de Janeiro in 1992. The summit marked the first international attempt to draw up action plans and strategies for moving towards a more sustainable pattern of development. However, the concept of sustainable development moves beyond the environment.

### India's Responsibility on Fulfilling the Sustainable Development Goals

India is one among the fast-growing economies of the world. Resource scarcity and environmental problems are closely linked to economic growth. Hence, India's achievement of SDGs is crucial for their global attainment. With India being World's youngest country its youth needs to be engaged in early actions to create and sustain a long-term momentum that can help the country see its targets through and drive sustainable development goals action. More than 70% of the world population lives in cities. Cities already consume 80% of global material and energy supplies and produce 75% of all carbon emissions.

### Role of Citizens in Sustainable Development

The citizens should reduce deforestation and promote afforestation and has to make the environment cleaner. We should restrict the use of non-renewable resources and substitute them with renewable resources, as far as possible. The rate of extraction of renewable resources should not exceed the rate of their regeneration. We can't have decent work and economic growth or food security without first taking care of the environment.

*"No matter how complex global problems may seem, it is we ourselves who have given rise to them. They cannot be beyond our power to resolve".*

In conclusion, we may note that sustainable development brings stability to environmental demands. This allows future generations to take advantage of resources that can be used. Sustainable development is a great way to protect the resources that nature provides.

Thus, sustainable development contains three concepts, namely, 'needs, development and future generation'.

- The concept of needs means distribution of resources such as real income, education, health, services, water supply, sanitation, electricity etc. to all. Notable is the fact that need and want are different.
- Development has to be inclusive.
- An equitable distribution of opportunities to all including the future generations.

### THREE COMPONENTS OF SUSTAINABLE DEVELOPMENT

- Economic sustainability
- Social sustainability
- Environmental sustainability



# A FEATHER IN HER CAP



KNRSE Congratulates Annada A. of first year M. A. Economics on securing 'A' Grade in Mimicry, Monoact and Kathaprasangam (Narrative Setting) in the Youth Festival 2023 organised by Mahatma Gandhi University. She has twice bagged the first position in Mimicry conducted by Kerala University.



# THE UNION BUDGET 2023: A QUICK LOOK!



The Finance Minister of India, Smt. Nirmala Sitharaman delivered the final full-fledged Union Budget of the Second Narendra Modi Government (for FY 2023-24) on February, 1st. As is true with most budgets, it has got a few notable positive points and a number of negative aspects. An attempt is made here, to have a look at its highlights.

Any Government that faces the voters in the near future would strive to present a feel-good budget. Budget 2023-24 is no exception to this rule. The vision of *Amrit Kaal* exactly reflects a populist agenda. It consists of the following:

- Inclusive Development
- Reaching the Last Mile
- Infrastructure and Investment
- Unleashing the Potential
- Green Growth
- Youth Power
- Financial Sector

Some comments on *Amrit Kaal*—its very conceptualization—seem appropriate. Unleashing the potential of *what* is not clear. In the same way 'financial sector' and 'youth power' convey nothing concrete about the two crucial areas. Intention of the Finance Minister(FM) appears to be to create an impression that something new is on offer—anyone can think anything about these, as he or she likes. Budgets are to be viewed as a political tool, apart from being a statement of economic agenda.

Some elaboration of the vision of the budget is available when we go to specifics contained in the handout prepared for the media and public (although some vagueness remains). Focus areas:

- 1) (Increasing) opportunities to citizens with focus on growth.
- 2) (Providing for) growth and job creation.
- 3) Strong and stable Macroeconomic environment.

## Policy Highlights

**Infrastructure:** A major share of the increased capital expenditure of Rs. 10 Lakh Crores is set apart for improving physical infrastructure. Railways get a major chunk of this. 100 critical 'last and first mile connectivity' for various sectors such as ports, coal, steel will be taken up. This will have an investment of Rs 75,000 Crore including Rs 15,000 crore from private sources. States are offered interest free, 50 year loan (an outlay of Rs 1.3 lakh crore is provided) with three *specific conditions*: They have to spend it on capital projects; the entire loan has to be utilized in 2023-24 itself; they have to be prepared to carry out (an unspecified set of) reforms.

**Agriculture & Allied Sectors:** An 'agriculture accelerator fund' will be set up to encourage Agri Start-Ups in rural areas. Decentralized storage capacity will be set up in various parts of the country for farmers to store their products, especially those which are perishable. For the fishery sector, the '*PM Matsya Sampada Yojana*' will be launched with an investment of Rs 6,000 crore to support fishers, fish vendors,

**Land Improvement/Conservation:** A Programme for Restoration, Awareness, Nourishment and Amelioration of Mother Earth—'*PM-PRANAM*'—will be launched to Incentivize states/UTs to promote balanced use of chemical fertilizers and alternative fertilizers.

**Energy and Environment:** A '*Green Credit Programme*' will be notified under the Environmental (Protection) Act 1986, to incentivize environmentally sustainable actions by companies, individuals, and local bodies, and help them gather additional resources for

such actions. Battery energy storage systems with 4,000 MWh capacity will be supported with viability gap funding.

**Research and Development (R&D):** Centers of excellence for *R & D in Artificial Intelligence* will be established in three selected educational institutions. 100 labs will be set up in engineering institutions for developing applications using 5G Services. A *national data governance policy* will be declared to enable *access to anonymized data*. A programme to promote research and innovation in pharmaceuticals will be taken up through centers of excellence.

**Health:** New nursing colleges will be started in 157 medical colleges. In order to eliminate sickle cell anemia by 2047, a mission will be launched covering seven crore people in the age group 0-40 in affected tribal areas.

**Finance:** A *National Finance Information Registry* will be set up for accessing all financial and ancillary information. A small savings scheme for women by the name '*Mahila Samman Savings Certificate*' will be launched for two years. Further, the deposit limit for Senior citizens savings scheme will be increased from Rs 15 lakh to Rs 30 lakh.

**Taxation:** A proposal for simplification of indirect taxes so as to help achieve higher exports, higher domestic manufacturing, more value addition in the economy, further development green energy and mobility. Direct tax proposals aim to reduce the compliance burden, promote entrepreneurial spirit and provide tax relief to citizens. Income tax payers are nudged to the new income tax regime (declared in 2020)—by reducing the number of tax slabs and raising the exemption limit by Rs.50000. The surcharge on those having income above Rs 5 crore will be reduced from 37% to 25%. Further, those who opt the new regime can claim standard deduction of Rs. 50000. By availing various rebates, those having income below Rs 7 lakh need not pay income tax.

**Growth Rate & Deficit:** The government has estimated a *nominal GDP growth rate* of 10.5% in 2023-24. A week before the budget, the World Bank (WB) predicted India's real growth rate in the next financial year to be between 6-6.8 %. According to WB, India occupies the 7th position among large economies. It is notable that the leading developed countries are reporting weak growth due to the current global issues like recession and Russia-Ukraine hostilities.

## The Positives

- Higher allocation compared to last budget, for capital expenditure is a significant positive aspect. Within it the emphasis on infrastructure is appropriate as further growth in various sectors will be difficult unless the existing bottlenecks in infras are overcome.
- The emphasis given to green economy is well taken. Particularly notable is the project for development of Lithium-ion storage battery for electrical vehicles. India cannot escape the fact that our share in global pollution is high (though not so in per capita terms). With the new status of India as the President of G20 for 2023, our responsibility towards bettering global commons has increased. However, the allocation for various required investments has to go up.

## Unaddressed Issues & Problem Areas

- Lack of clarity about the headline project, *Amrit Kaal*, has been already pointed out. The *PM-Pranam* Policy also suffers from similar vagueness. Extolling the PM in as many places as possible seems to be a major intent of the FM.
- In spite of our claims of having crossed the 'take-off' stage in development, the agriculture and allied sectors constitute the India's mainstay of employment. The budgetary allocation for them is less than 2 percent. Subsidy for fertilizer has been further reduced. In spite of their environmental merit, the viability of organic fertilizers to substitute chemical fertilizers for a large country like India is suspectable. Recent experience of Sri Lanka in this regard should be taken as a lesson.



Milsha V. L.  
2<sup>nd</sup> Year MA Economics

■ India being a large economy inhabited by roughly 1400 million population, the size of many high-sounding programmes contained in the budget is too small. Funding new research/programmes in AI in three centers only is a good example of this. Allocation of Rs.6000 crores to the *PM Matsya Sampada Yojana*' (for fishing sector) is another case.

■ Continued contraction in allocation for the MNREGA Programme, from around Rs. 90000 Crores (three years ago) to Rs.60000 Crores, in the current budget has drawn widespread criticism. Since the economy experienced inflation rate of 5-7% during this period, the allocation in real terms is even less. The programme was the mainstay of rural employment ever since it was started (2006).

■ The fact that several conditionalities are attached to the interest free loan to the States will ensure that most of them cannot avail the same. The fact is that many of them are neck-deep in debt and any further rise will push them further down in financial crisis.

■ India suffers from high levels of inequality of income and assets. This is likely to go up. Concessions offered to the super rich—like those having income above Rs. 50 million—through reduction in surtax, concession to senior citizens who are able to save beyond 1.5 million etc, point to this direction. On the other hand, the poor and low-income sections do not get much out of this budget. There has been a severe cut in social security schemes that used to provide food security and rural employment (MGNREGA). Funds under the centrally sponsored National Social Assistance Programme meant for the elderly & other social security pensioners has remained frozen at around Rs.9000 crore from 2007 & 2022. This budget has made a cut in the allocation by 16 crore (amounts available are pitifully low at Rs.200 for seniors and Rs.300 for other per month; also beneficiaries have to belong to the BPL category. Considering the fact that due to inflation that took place between 2007 & 2023, the real value of the social assistance provided has fallen steeply in real terms.

■ The FM has resorted to a few statistical juggleries. Growth rate of the economy was stated in nominal terms, for example. Apart from that, we have to remember that the current positive growth came after a negative growth of over seven percent in the recent past. We have just regained the lost ground.

## Invited lecture on Sustainable Development



Prof. H. M. Desarda is a renowned Economist and former member of Maharashtra State Planning Board. His insights and thoughts are great contributions to today's generation. It was a great honour for KNRSIEians to meet and interact with him. In the invited lecture, he addressed the issue of sustainable development in India.

According to various surveys and data, India is one among the largest economies and one of the fast-growing developing countries. But there is a fundamental question raised by economists for decades - is the development here sustainable? While the world is

thriving to learn new ways of sustainable development, Third World countries like India are still hanging on to the numbers of GDP growth rate. But when it comes to advanced indices like Happiness index, Inequality Adjusted Human Development Index, Multi dimensional Poverty Index, etc. India's performance is still miserable. While India boasts about the increased GDP or growth rate, a glance at the per capita income reveals the pathetic, superficial situation here. Prof. Desarda gave an overview of all the above statistics and analyzed multidimensional developmental programmes of India.

## Prof. K K George Memorial Lecture



Legacy of predecessors, especially if they were great personalities, would never fade even if they pass on to the other world. Prof. K. K. George was such a person who had made immense contributions in the field of economics. His commemoration was a great

opportunity for the young generation to know more about his life as a sensible person, a wonderful family man and a responsible economist. Students of economics could also perceive the multi facets of his expertise area - public finance and Centre - state financial relations. Most of the dignitaries were experienced in the field of financial planning and centre state relations thereby providing raw and honest comments on the same. While the whole event turned out to be an informative session, the experience sharing of Dr. Ann George, daughter of Prof. K K George, spared no-one from getting teary-eyed.



# ECONSPIRE- Intercollegiate Quiz Competition



When KNRSEians suggested to organize a state level quiz competition along with many other programs scheduled for this academic year, whole department welcomed this idea despite its large scale making in terms of fund and resources. On the day this idea was sprouted, the theme and name of the quiz were decided. The event was named Econspire, indicating to the aspiration to inspire everyone participating in this initiative.

### Initial step

The very first step in the journey was to form as many committees as needed for the smooth conducting of the event. Major committees formed were Organization, Finance, Publicity and Food committees. Every student was appointed in atleast one of the committees. Coordinators of the committees made sure everyone was aware of their duties and were on call whenever needed. Regular meetings were conducted to discuss the updates so far and to add more suggestions.

### Is money everything??

Well.. Sometimes money does play an important role. In the quest for a large scale competition also the first hurdle was to raise enough funds. Looking for sponsors and presenting the agenda diplomatically was more of a herculean task until the faculty came forward to help students. As first few days were exhausted from covering the Kottayam region, result was not so satisfying as it only amounted to a minimum of the expected budget. But with the guidance of Director and faculty members, they could gather as many sponsors as they needed. The design team (from publicity committee) was ready with an outstanding sponsorship proposal. All the cash inflow was directed to the Finance committee under faculty guidance so that the expenses could be coordinated later. Weeks of search and trials fortunately had a happy ending with awesome sponsors.

### Mastery of quiz...

As the expected competition was a quiz, of course the pillar of the competition would be the quiz master. Next immediate task was to find an appropriate quiz master with both experience

and skills. Well... With having experienced personalities in the department itself, it was not a mammoth task. One of the faculty members took the initiative to arrange the quiz master. And here is a spoiler alert... He was none other than Mr. Alex Aloysius(from Alappuzha) who had run many quiz programs across India. With having such a passionate quizzer-turned-quiz master in our boat reassured a good sail to Econspire.

### How big would be a large scale event...?

Strength and success of an event depends on its participation. Since the program had no such predecessor, the number of students coming to compete could only be anticipated. Publicity committee was responsible for reaching out to colleges. They went directly to colleges nearby and across a few districts. Much of the publicity was done online as it found to be more efficient and cost effective. Once again design team got busy with working on brochures declaring the event as well as its various instructions. Quiz was planned for team consisting of two members and was themed as a general quiz covering almost all subject areas including current affairs to avoid limiting the bounds to economic scholars. So a large crowd was expected and further discussions on refreshments and other requirements became necessary.

### D-Day

While almost all the preparations were done beforehand, much more preparations were needed to deal with the long queue at registration counter. When the total no. of registrations hit a solid 50 on the previous day, students were aware that their efforts had reached halfway success. Every committee were in position handling their duties. Registration committee members were draped in uniform sarees and present at the counter at 9:30 am to welcome all the participants. Organization committee was supervising the stage and hall as well as the Audio visual arrangements for the competition. Food committee was ready with all the refreshments required for volunteers, participants and audience.

Siren for commencing the program went off at 11:00 am. 54 teams from different corners of Kerala were ready to embark on the battle of facts. Formal address from VC and Director was followed by general instructions from Student coordinator and the quiz master. Quiz was conducted in two major rounds out of which the second and final round consisted of another 5 rounds. The exciting questions from each round not only tested the memory of the participants but also enriched them and audience with knowledge.

The final round was much more exciting and It was such an interesting thing to watch geniuses - professional quizzers - being smart and witty in their answers. So towards the end of it, the audience were pretty much sure about the winners. Yes... Shintu M. Mathew and Sarath V. R. of IGNOU who have a record streak of winning quizzes across Kerala won the title prize of Rs. 10000/- in Econspire 2022. In the valedictory function, all the finalists were given prizes accordingly (second prize of Rs. 7000/- College of Engineering, Trivandrum and Third prize of Rs. 5000/- SB College Changanassery). All the participants were awarded certificates too.

### An Experience certificate for KNRSEians

At the end of the day, the students of KNRSE also got a certificate - an experience certificate for conducting a large scale event, mobilizing funds for it, supervising everything related.... It was like first in the history of the department that students on their own initiating such a program. Students' hard work of months was supplemented by timely guidance from faculty members. This day not only showcased their organizational and managerial skills but also threw insights on how united they can be, how resourceful they can be and how much more they can learn from such an on-site experience.

# FAREWELL



At the end of every journey, begins the road to another one. Every ending in KNRSE is worthy of celebration, as it beholds the joy of completing a 2 year course. And this successful journey of KNRSEians is reminisced in the farewell party thrown by their juniors.

Egress was the recent farewell celebrated here. The specially arranged farewell cake aroused bittersweet memories while the performances of students were like icing on the top. First year students were eager to get their vengeance upon their seniors for the convivial fresher's party they got and therefore be prepared with many games and surprises for bidding an unforgettable farewell to them. Most games were focused on the teamwork and sync among them as well as their friendship. The ramp walk where everyone was crowned a title (like best artist, best clown, so on) at the end can be regarded as the performance of the day. While recollecting their favorite moments in KNRSE and sharing their experiences with others became emotional moments for many, the heartfelt messages from the Director and faculty members filled with well-wishes for all outgoing students. Further all students were offered an opportunity to interact with representatives of some foreign universities, who were visiting MG University, which gave them more insights on the procedure and facilities of higher education abroad.

# CHRISTMAS CELEBRATION



Great feasts are the ones which create great memories and without doubt, Christmas being a globally celebrated function, holds high levels of expected nice moments with it. Christmas is a season of great joy, greetings, cakes, gifts and fun. The Christmas tree is decorated with lights and gifts. Everyone is in a merrymaking mood, singing the carols and dancing to the tune of 'Jingle Bells' as an add-on surprise package by the Santa Claus. Most interestingly for people in the university, nothing is better than celebrating Christmas at school while knowing that they have just finished the semester and that the following year they will come for a fresh start. It is no

time to think of tight assignment due dates, study for exams or class times or presentations anymore, but it is a time for connections, playing, making amends and making merry. Being the first of its kind to be celebrated in the new magnificent building – The University's Convergence Academia Complex in the Sixth floor, the school conducted a memorable event. Despite bringing the members of the school together after a long-completed semester to celebrate the birth of Christ, the Christmas celebration also empowered the first-year students fully as responsible members of the school as they were tasked to entirely organize this event. As for the performances; nicely crafted songs, well thoughtful plays and thrilling games were conducted. On the part of food, well prepared, toothsome, finger licking food befitting an event of this kind was served. All in all, good advice for an energetic start of the next semester was given to students at the end of it all which without doubt left them in joyous mood while going for Christmas break. The 2022 Christmas season really created life long memories.

# SOFT SKILLS DEVELOPMENT TRAINING



Manners maketh a Man' is slowly giving way to 'Skills define a human'. And these skills have become measuring rod for finding how efficient he/she is. So in this era, having as much skills as possible is kind of unspoken rule in job hunting. To secure a stable job or to lead a typical successful life, soft skills are more important. Understanding its significance, the department schedules soft skill trainings too. And the session held for 21-22 batch is one of most memorable experiences of KNRSE.

The one-day training session was led by Mr. Balachandran Gopinath, one of the most sought after trainers in India. As expected of such a great personality, the 7 hours he interacted with us gifted manifold insights into time management, good observation, leadership qualities, teamwork etc. Through various games and group activities, he not only made it so interesting but also meaningful. It was an opportunity to self-assess, self-critic and self-learn.