



ECONOMICS OF TERRORISM



The recent Pulwama attack took the nation by storm and as an economics student I found the whole relation between terrorism and economics very intriguing. In my article I've thrown some light on this relationship and its impacts.

Terrorist attacks on a country compel the nation to divert its resources for the recovery of the damage and this greatly affects the country, especially a developing country like ours.

The various aspects of economics of terrorism are:

- The measurement of terrorist activity - Terrorist attacks are relatively rare and extreme events, showing a cyclical pattern, but having become more transnational and lethal with time. The use of suicide bombers has become more frequent.
- Nature of terrorists - Explanations for the emergence of terrorist groups range from those based on individual or group behavior to aggregate correlates. Individual hatred towards specific groups or nations can emerge from misinformation and manipulation by political leaders who can enhance follower loyalty by promoting violence. At the aggregate level, studies show terrorism as a result of tensions including the availability of new resources with modernization or the rise of religious-based fundamentalism.
- The utility cost of terrorism - Certainly, terrorist attacks have an adverse impact on individual utility and on the economy. There is a decrease in utility well beyond the computable expectation of losses.

- Impact of terrorism on aggregate output - A large number of studies focus on measuring the economy-wide impact of terrorist attacks. The direct cost to output is relatively small, smaller than the cost of internal conflict, external war, or natural disasters. Nonetheless, for specific populations, regions and sectors the adverse effects can be very large.

- Terrorism and specific sectors of activity - Terrorism impacts different specific sectors of the economy. There is a noticeable decrease in consumption and investment after terrorist attacks. International capital and trade flows are also likely to decrease. There is a negative impact on tourism and airline demand due to their specific vulnerability to attacks. The large population density of urban areas suggests a greater vulnerability to terrorism.

- Terrorism and economic policy- Terrorism can affect fiscal and monetary policy in the same way as any other unexpected shock would, or as policy making responds endogenously to terrorist attacks.

- Countering terrorism - Counter-terrorism is probably the most relevant issue on the economics of what can be done to reduce the incidence and impact of terror acts. Two basic options are available: to counter terrorism by force or by increasing the opportunity cost of terrorism, making targets less attractive or adjusting media coverage to diminish its attractiveness. It is realistic to acknowledge that complete eradication of terrorist activity is unlikely, not only because of imperfect information and cost asymmetry, which gives terrorist groups a strategic advantage, but also due to continuous innovation by both sides to the conflict.

—KRITI VERMA
(Economics Honours, B.A. II)





DISAGGREGATE FOOD INFLATION IN INDIA

Inflation may vary across space and commodities due to differences in region-specific or idiosyncratic factors such as climate, local culture and existing institutional set-up. These factors cause disaggregate or regional inflation, which in turn coalesces into aggregate inflation. Food inflation is a typical example.



Spatial factors and rainfall are the most important determinants of disaggregate food inflation. Local inflation differs from aggregate inflation; the rate of inflation varies by city and commodity; and the determinants of rural and urban inflation are different. In addition to demand management policies, aggressive supply-side policies are the need of the hour.

—**PARIDHI GOEL**
(Economics Elective, B.A. I)

ONE NATION ONE CARD !



If pain for different purchases in different mediums stresses you out ONE NATION ONE CARD might just be the good news you were waiting for !!

In a bid to provide seamless urban mobility to commuters across the country PM Sh. Narendra Modi on MARCH 4 launched India's first indi-genously developed

National Common Mobility Card (NCMC). One Nation One Card: the interoperable card would allow holders to pay for their bus travels, toll taxes, parking charges, retail shopping and withdraw cash.

The One Nation One Card is India's first indigenously developed payment ecosystem. The initiative is supported by the automatic fare collection gate called SWAAGAT and open loop automatic fare collection system called SWEERAR; both SWAAGAT and SWEERAR have been developed in India.

Along with a swipe to pay option, the transport ecosystem card allows contact less payment options like debit cards and credit cards. You can use the card on public transport systems like buses, metros, suburban railways and also while shopping.

NCMC has partnered with 25 banks for this initiative.

—**SMRITI CHAUHAN**
(Economics Elective, B.A. III)



It is not from the benevolence of the butcher, the brewer, or the baker that we expect our dinner, but from their regard to their own interest.-Adam Smith



DIGITAL INDIA

Digital India is one of the most important campaigns launched by the Government of India on 1st July, 2015.



It brought the idea of digital revolution and aimed at ensuring the government services are made available to all the citizens of the country electronically. It also aimed at connecting rural areas with high speed internet along with improving digital literacy.

The motto of this campaign is "Power to Empower", with a motive of serving Indians with e-governance. It is planned to be completed by 2019.

Digital India consists of nine pillars, namely broadband highways, universal access to phones, public internet access programmes, e-governance, e-kranti, information for all, electronics manufacturing, IT for jobs and early harvest programmes. Its three key areas include the creation of digital infrastructure as a utility to every citizen, governance and services on demand, and digital empowerment of citizens.

Digital India is beneficial to all, especially the people residing in rural and remote villages. It reduces paper work, man power as well as time, since most of the people travel long distance for government paper works. It also contributes in improving the knowledge of citizens regarding the digital world and makes them tech-savvy by bringing everyone under the umbrella of internet. It aims to attain Universal Digital Literacy and gives a digital push to governance and jobs, and helps in bridging the gap between government initiatives and its beneficiaries.

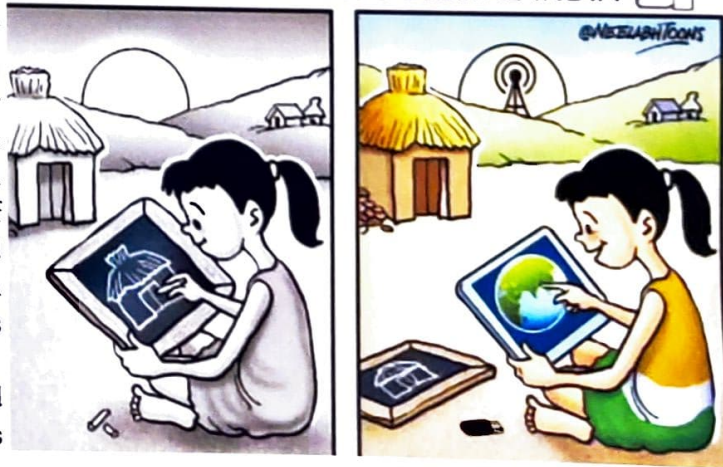
Government services have been digitally transformed for improving ease of doing business under this

campaign. Financial transactions too have been made electronic and cashless. With the help of digital infrastructure and high speed internet, there has been immense participation of people in the digital and financial space. It has made banking facilities, economic activities and financial transactions much easier, thus contributing to the economic growth of the country. Therefore, Digital India is a great step by our Prime Minister Sh. Narendra Modi to offer Indian citizens high speed internet and easy online services, finally making India a digitally empowered country in the field of technology.

—RAVITANAYA SHARMA
(Economics Pass Course, B. A. I)



DIGITAL BHARAT MEETS DIGITAL INDIA



The production of too many useful things results in too many useless people.
—Karl Marx



WORKSHOP

An inter-departmental workshop on National Securities Depository Limited was organized by the Department of Economics and Department of Commerce.



THE FACULTY DEVELOPMENT PROGRAMME

Organised by
Dr. Anupama Tandon Tomar
(Co-ordinator UFV, Canada)



PEER TEACHING

Peer teaching is encouraged to improve confidence and interpersonal skills.

ECONOMICS DEPARTMENT AT WORK FOR THE INTERNATIONAL SEMINAR



TREE PLANTATION

Organised by Mrs. Alaka Verma
(President, Disaster Management Cell)



The most valuable of all capital is that invested in human beings.
—Alfred Marshall



INTER-CLASS PRESENTATION

To promote the communication skills of the students, Mrs. Unnatti Chauhan organized inter-class presentations for the Students of Economics Honours and Commerce.



PRIZE DISTRIBUTION



BOOK TALK

Students from economics department presenting their self-composed work.



ECONOMICS STUDENTS PARTICIPATING IN VARIOUS ACTIVITIES



TEACHERS DAY



In the long run we are all dead. —J. M. Keynes



FOR THE INDIA OF OUR DREAMS

India's challenge of not being able to make the journey from mind to marketplace can be addressed only by building up a powerful national innovation ecosystem ideally comprising physical, intellectual and cultural elements.

India's ranking in the GLOBAL INNOVATION INDEX was 57 in 2018 .
AMAZING. RIGHT!

Invention is a subset of innovation. The power of innovation lies in new value creation on a commercial scale. When an invention is exploited successfully and commercially, it becomes an innovation. Electric bulb is a great invention as it is not only produced, it also fulfils the demand of customers.

Innovation can be defined as something that adds value to what you are really doing, in a unique, unprecedented way which has the potential to add value to the stakeholders.

Indians are intelligent and full of ideas but their ideas are not put to practice due to the financial crunch. Credit is being wasted in OVER-CAPITALISATION and ECONOMIC WASTAGE is speeding up. Allocation of money should be done selectively so that our brilliant brains get finance and subsequently more finance is generated.

They should be given easy loan facilities. Availability of finance will not only help INDIA to develop, it will also make India a number one Global Economy.

"Tomorrow's societies will be knowledgeable societies, tomorrow's markets will be knowledgeable markets, tomorrow's war will be fought by conventional weapons, guns, missiles and so on."

— PALAK AHUJA
(Economics Major, B.A.III)



GST

GST also known as the Goods and Services Tax is defined as the giant indirect tax structure designed to support and enhance the economic growth of a country. More than 150 countries have implemented GST so far. However, the idea of GST in India

was mooted by the Vajpayee government in 2000 and the constitutional amendment for the same was passed by the Lok Sabha on 6th May 2015. But there is a huge hue and cry against its implementation.

The GST simplifies the giant tax structure by supporting and enhancing the economic growth of a country. GST is a comprehensive tax levy on manufacturing, sale and consumption of goods and services at a national level. The Goods and Services Tax Bill or GST Bill, also referred to as The Constitution (One Hundred and Twenty-Second Amendment) Bill, 2014, initiates a Value Added Tax to be implemented on a national level in India.

In GST , there is an amalgamation of Central and State taxes into a single tax payment. It also enhances the position of India in both, domestic as well as international market. At the consumer level, GST reduces the overall tax burden, which is currently estimated at 25-30 percent.

In order to avoid the payment of multiple taxes such as excise duty and service tax at the Central level and VAT at the State level, GST unifies these taxes and creates a uniform market throughout the country. This indirect tax system under GST improves the collection of taxes as well as boosts the development of the economy by removing the indirect tax barriers between states and integrating the country through a uniform tax rate.

The GST structure is likely to succeed only if the country has a strong IT network. It is a well-known fact that India is still in the budding state as far as internet connectivity is concerned.

—BHANU SHARMA
(Economics Honours, B. A. II)





Entertainment Corner



Economics Puzzle

Look for the economics terms

C S C G I M S E R V I C E S
 R U B O O S E M P L O Y E E
 R L S T M O C E R O P Y R S
 O P A P C P D I S R T U E A
 N R E T S R E S M I L S T L
 T U R O B A L T C O O C R A
 P S R O N E D R I P N O A R
 D E M A N D A E E T N O B Y
 P R O D U C T I O N I E C I
 C C O N S U M E R S D O M E
 I N N R D I Y L P P U S N S
 R U E N E R P E R T N E O A
 C C D I S T R I B U T I O N
 U N N O I T P M U S N O C R

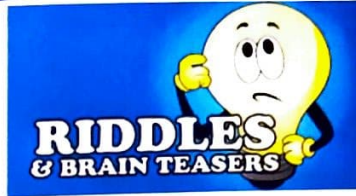
SALARY
 CONSUMERS
 LABOR
 DEMAND
 SCARCITY
 ECONOMICS
 SURPLUS
 CONSUMPTION
 SERVICES
 EMPLOYEE
 BATTER
 DISTRIBUTION
 GOODS
 ENTREPRENEUR
 SUPPLY
 PRODUCTION
 COMPETITION

Answers

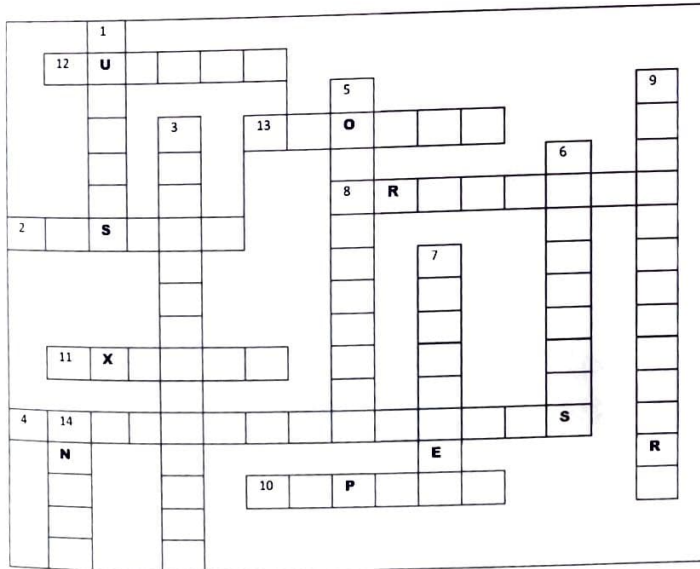
Riddles

2) I am a word. My first 4 letters refer to a mark on a person's skin; 3 letters found in the middle refer to what all mathematics students know. My last 4 letters refer to a place where everyone loves to be, and my whole is familiar to all economics students. I am an eight letter word. Can you guess?

Answers : Scarcity, 20%



Econoword



Across

- These people enjoy hoarding money rather than spending it.
- Study of the economic behavior of individual units of an economy and not of the aggregate economy.
- One who makes goods using the factors of production.
- Goods & services brought into a country from other countries.
- Goods & services sold to other countries.
- Amount of items produced for sale.
- Revenue of a company minus the expenses.

Down

- Too much supply or stock.
- The branch of economics that studies the behavior and performance of an economy as a whole.
- Contest between companies to win more business.
- Social Science that deals with the production, distribution and consumption of goods & services.
- One who buys and/or uses goods and services.
- People who take risks and organise others to run a business.
- Productivity = Output / Input

14. Input

1. Surplus; 3. Macroeconomics; 5. Competition; 6. Economics; 7. Consumer; 9. Entrepreneur;

Down:

2. Misers; 4. Microeconomics; 8. Producer; 10. Import; 11. Export; 12. Supply; 13. Profit

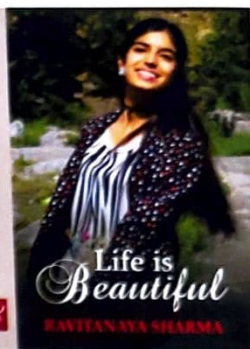
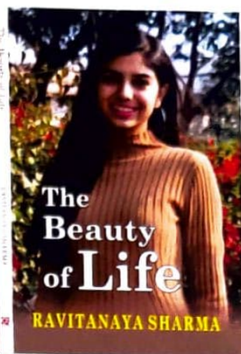
Across:

One of the great mistake is to judge policies and programs by their intentions rather than their results.
 —Milton Friedman





Our Achievers



Ravitanaya Sharma of B.A I has authored two books- 'Life is Beautiful' and 'The Beauty of Life'. She was awarded 'Focus Himachal Award-2018' by the Hon'ble Chief Minister of Himachal Pradesh, Sh. Jai Ram Thakur and 'Swami Vivekananda Pratibha Sammaan-2018' by the Hon'ble Governor of Himachal Pradesh, Acharya Dev Vrat. She has also been bestowed with 'Yuva Pratibha Sammaan-2018' by the former Chief Minister of Himachal Pradesh, Prof. Prem Kumar Dhumal.

Khushbu Sharma of B.A first year Economics Honours represented India in a Targetball Tournament held in Phuntsholing, Bhutan, from 5th to 11th July, 2018. The team won the Champions Trophy.



Amisha Negi of B.A II year has been participating in Basketball tournaments at the national and state levels regularly. This year she participated in the Open Basketball competition and won the first prize and the BEST PLAYER TROPHY.



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Bhanu Sharma Kriti Verma Palak Ahuja

Economics is the art to meet unlimited needs with scarce resources.
—Laurence J. Peter

