



Economic Relations of India

The international economic relations between two countries depend on a number of forces like the import-export relations, investment between two countries and the like. Trade is an important factor in this context. Normally there are two types of trades-bilateral trade and multilateral trade. In the recent times, foreign direct investment relations between two countries have assumed increased importance as well.

India has important and strong economic relations with many countries in the world. After the economic reforms of the early nineties, the Indian economy was opened up to further bilateral trade relations with various countries and to Foreign Direct Investment (FDI). Import restrictions on many items were lifted which led to expansion of India's economic relations with other nations.

Some of the countries with which India has strong economic relations are- United States of America, United Kingdom, Japan, China, and other neighbouring countries such as Nepal, Pakistan, Bangladesh, Sri-Lanka etc.

India's relations with United States of America have grown since the economic reforms. India ranks 24th among the trade partners of United states of America in terms of exports and 18th in terms of imports. The Indo-US Economic Dialogue of 2003 was a major step in strengthening the relations between the two countries.

Economic relations between India and United Kingdom have undergone radical changes since the colonial period. United Kingdom ranks 5th among India's trade partners. However, before 2002, UK was 2nd leading export market of India.

Japan has provided substantial loans to India in the form of aid and technical co-operation in recent years. Japan is now 2nd largest export destination of India.

India's buoyant economic relations with China in recent

years, have been one of the most important economic developments.

Earlier, India and Pakistan's bilateral relations looked set for a take-off. However, recent issues on the line of control have cast a shadow on the relations between the two countries.

Nepal's trade deficit with India has surged in recent years with continuously rising imports and sluggish exports. Indo-Nepal trade continues to remain massively in India's favour.

The two-way trade is \$7billion between India and Bangladesh and is set to go at \$10billion by 2018. Bangladesh cabinet has approved a revised trade deal with India under which the two nations would be able to use each other's land and other routes for sending goods to a third country.

As far as India's relation with Sri-Lanka is concerned, a bilateral free trade agreement was signed between the two countries which came into effect in 2000. Negotiations are also underway to expand the free trade agreement to forge stronger commercial relations and increase corporate agreements and ventures in various industries.

Mr. Modi is trying to make Indians deal less in cash and more on cards and other electronic means i.e. a cashless society. Many influential people like Mamata Banarjee (CM Of Bengal) have strongly protested against this drive. However, stories of cashless banks and shuttered ATMs seemed to have given some life to opposition parties looking for an issue to pin the government down. Gandhiji sent out a message long ago-'Be the change, you want to see'. The real question is, 'What change do we really want?'

—RITIKA AGARWAL

(Economics Minor, Semester VI)



Capital is that part of wealth which is devoted to obtaining further wealth.

—Alfred Marshall





PRIVACY CONCERNS IN THE AADHAAR

Predictably enough, the recent Supreme Court order affirming that privacy is a fundamental right sent Aadhaar's public-relations machine into damage control mode. After denying the right to privacy for years, the government promptly changed gear and welcomed the judgment. Ajay Bhushan Pandey, CEO of the Unique Identification Authority of India (UIDAI), suddenly asserted, "The Aadhaar Act is based on the premise that privacy is a fundamental right." He also clarified that the judgment would not affect Aadhaar as the required safeguards were already in place.



What is Aadhaar?

Aadhaar is a 12-digit unique identity number issued to all Indian residents based on their biometric and demographic data. The data is collected by the Unique Identification Authority of India (UIDAI), a statutory authority established in January 2009 by the Government of India, under the jurisdiction of the Ministry of Electronics and Information Technology. Aadhaar is the world's largest biometric ID system, with over 1.19 billion enrolled members as of 30 November 2017, representing over 99% of Indians.

Since its inception, Aadhaar has been criticised as a project which violates privacy. India not having a law on privacy has added to this problem. In fact, the chairman of UIDAI, Nandan Nilekani, wrote to the Prime Minister in May 2010 suggesting that there was a need to have a data protection and privacy law.

What are the main security concerns related to Aadhaar?

- * Aadhaar is a mass surveillance technology. Unlike, targeted surveillance which is a good thing, and essential for national security and public order mass surveillance undermines security.
- * Also, experts argue that biometric information is necessary for targeted surveillance, but not suitable for everyday transactions. It can easily be misused.

How privacy is ensured in Aadhaar?

- * Aadhaar follows the principle of incorporating privacy by design, a concept which states that IT projects should be designed with privacy in mind.

- * Aadhaar collects only minimal data, just sufficient to establish identity. This irreducible set contains only four elements: name, gender, age and communication address of the resident.
- * The Aadhaar Act also has clear restrictions on data sharing. No data download is permitted, search is not allowed and the only response which UIDAI gives to an authentication request is 'yes' or 'no'. No personal information is divulged.
- * UIDAI has also built a facility wherein one can 'lock' the Aadhaar number and disable it from any type of authentication for a period of one's choice, guarding against any potential misuse.



Why there is a need to protect citizen information?

- * India is rapidly becoming a digital economy. We are a nation of billion cell phones and yet we have antiquated laws for data protection and privacy. Problems of ID theft, fraud and misrepresentation are real concerns.
- * With more and more transactions being done over the internet, such information is vulnerable to theft and misuse. Therefore, it is imperative that any system of data collection should factor in privacy risks and include procedures and systems to protect citizen information.

What should the government do?

- * Instead of arguing that privacy is not a fundamental right, it should assure the citizens that it has the technology and systems to protect the data collected.
- * It should assure the citizens of India that it will do everything possible to prevent unauthorised disclosure of or access to such data.
- * It should recognise all dimensions of the right to privacy and address concerns about data safety, protection from unauthorised interception, surveillance, use of personal identifiers and bodily privacy.

This century comes with certain risks. Therefore, we need to take a level-headed approach and ensure that ample safeguards are put in place for data protection and privacy. The government should recognise both the need for Aadhaar and the need for stringent rules concerning access to and security of citizens' biometric data, in order to preserve their privacy.

—KAMINI OMI

(Economics Major, Semester VI)

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





Do we really need economics?

From production of your choice of chips to availability of a pair of denims for almost every budget and range. From introduction of new and faster forms of public transport to cheaper loans for start-ups. From cheaper Phones to a range of options in luxury cars.

In fact from the time you wake up in the morning, the mattress you sleep on, the toothpaste and other toiletries you use, the clothes and shoes you own, the breakfast cereal you eat, the job you do for a living and the salary you are being paid - everything, in fact even the house you live in, is a gift and result of good economics!



So yes! We do need Economics in our daily lives!

—**RAKSHA SINGH**

(Economics Minor, Semester VI)

CONSUMER CULTURE

Consumer culture refers to 'The Culture of Consumption' of different products by different people. The way we consume goods give us the title of " Flawed Consumers ", rather than a sustainable consumer. Nowadays we embrace, buy and throw society.

Studying in girls' college for the past three years has made me more clearer about the facts of the consumer culture mainly



in women. Importance is given to the line "उसके पास है तो मेरे पास क्यों नहीं?" rather than the need of the product. We are more attracted to the things which please our eyes. Generally, when women go out for shopping they see a large variety of products and end up buying more than what is required thereby increasing the money supply in the economy leading to inflation. The materialism that pleases the eyes rather than the mind is indirectly encouraging people to spend more leading to more production, more employment and rise in per capita income. Though women are underestimated in the case of driving vehicles, but it has to be agreed that women have a greater hand in the growth of the economy if shopping be the case.



—**PARUL SHARMA**

(Economics Major, Semester VI)



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





Departmental Activities

SKIT ON POVERTY & INEQUALITY



VISITING THE NATURE

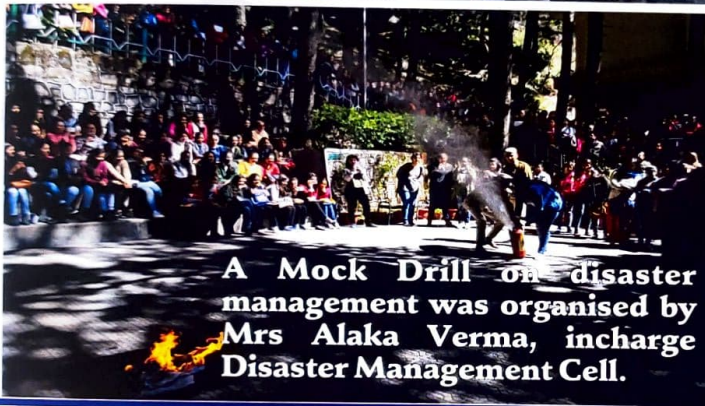


CLASS PRESENTATIONS



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





FRASER VALLEY CONFERENCE

A workshop on 'learning to learn' was organised by Dr. Anupama Tandon Tomar, on 26th February 2018. Dr. Satwinder Bains, Director, University of the Fraser Valley South Asian Studies, Canada stressed on going beyond curriculum and motivated the students to inculcate critical thinking.



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





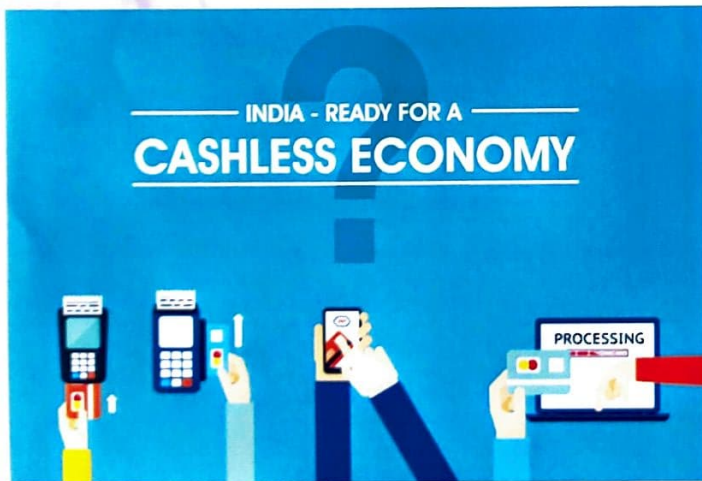
SOUTH ASIAN ASSOCIATION FOR REGIONAL COOPERATION

LETS GO CASHLESS !

Today India is moving towards a cashless society. It is a mission launched by the Government of India led by our Prime Minister Mr. Narendra Modi to reduce the dependency of the Indian Economy on cash and bring hoarded black money lying unused into the banking system. The government took the revolutionary step of demonetization of old currency notes of Rs.500 and Rs.1000 on 8th November 2016. People are now encouraged to adopt digital transactions for all economic activities.



India is gradually transitioning from a CASH-CENTRIC to CASHLESS economy. Also, the latest World Bank Report has mentioned that the demonetization will not have any long term adverse effects on the health of the Indian Economy. Rather there will be a growth of 7.6% in the fiscal year 2018.



—SIMRAN ARORA
(Economics Major, Semester VI)

SAARC stands for South Asian Association for Regional Cooperation. It is the regional intergovernmental organization & geopolitical union of nations in South Asia.



It was founded in Dhaka on December 8, 1985. Describing it as the 'beginning of a new dawn', the then Prime Minister Rajiv Gandhi said that the SAARC paves the way for collective self-reliance in order to overcome problems of poverty, illiteracy, malnutrition & disease in this area. SAARC had seven member states, viz., India, Bangladesh, Pakistan, Sri Lanka, Bhutan, Nepal & Maldives. With the admission of Afghanistan in April 2007, its membership has gone up to eight. The Organization promotes development of regional & economic integration.

Objectives of SAARC:-

The objectives and the aims of the Association as defined in the Charter are:

- To promote the welfare of the people of South Asia and to improve their quality of life;
- To accelerate economic growth, social progress and cultural development in the region and to provide all individuals the opportunity to live in dignity and to realize their full potential;
- To promote and strengthen selective self-reliance among the countries of South Asia;
- To contribute to mutual trust, understanding and appreciation of one another's problems;
- To promote active collaboration and mutual assistance in the economic, social, cultural, technical and scientific fields;
- To strengthen cooperation with other developing countries.



— DRISHTI
(Economics Major, Semester VI)





MEMOIRS



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



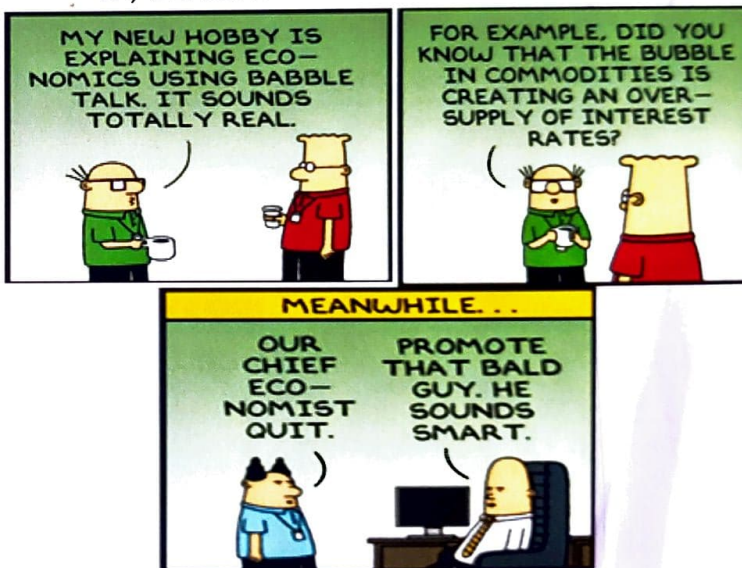


Take the quiz and check your economic literacy



- The large increase in the number of fast-food restaurants in a community is most likely to result in:
 - Lower prices and higher quality
 - Lower prices and lower quality
 - Higher prices and higher quality
 - Don't know
- A person who starts a business to produce a new product in a marketplace is known as:
 - A manager
 - A bureaucrat
 - An entrepreneur
 - Businessman
- An increase from 5% to 8% in the interest rate charged by banks would most likely encourage:
 - Business to invest
 - People to purchase housing
 - People to save money
 - People to spend money
- For most people, largest portion of their personal income comes from:
 - Wages and salaries from their jobs
 - Interest from stocks and bonds they own
 - Rent paid to them from property they own
 - Speculation
- If the prices of wheat doubled and the prices of rice stayed the same, people would most likely buy:
 - More rice and less wheat
 - Less rice and more wheat
 - The same amount of rice and wheat
 - Less rice and less wheat

- If the real gross domestic product of a country has increased, but the production of goods has remained the same, then the production of services has:
 - Increased
 - Decreased
 - Remained the same
 - No effect



Ans. 1. (a), 2. (c), 3. (c), 4. (a), 5. (a), 6. (a)

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Student Editors

Staff Editor :
Dr. Anupama Tandon
Associate Professor & Head
Department of Economics
St. Bede's College, Shimla-2



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Ms. Kamini Omi & Drishti
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