

**Editorial...**

As an editor of the Dept. News Letter *Kautilya*, I am glad to state that the very purpose of this News Letter is to provide updated information about the ongoing changes and current economic events taking place in the Indian economy to the targeted audience of the college. In this connection, the department is happy to place before the earnest readers, the 14th issue of *Kautilya*, which is getting released at the weekly assembly.

The present issue contains articles on current Economic topics and problems. As a regular feature, this issue of *Kautilya* covers a brief write up on the contributions of Nobel laureate, **Milton Friedman (1912–2006)** an American economist and statistician who received the Nobel Memorial Prize in Economic Sciences for his research *on consumption analysis in 1976*, also includes few writings contributed by the students of Economics.

The Newsletter has accommodated few well researched articles, namely; Top 10 mega projects in India, Global Recession and India, Skill India and other academic aspects. The main aim of the newsletter is to provide a platform to both staff and students to express their views on relevant economic issues through their contributions in the form of articles and write ups.

Chief Editor

Dr. B.R. Jayakumari

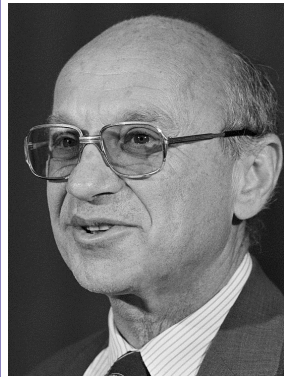
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**Milton Friedman**
(1912 – 2006)

Milton Friedman was an American economist and statistician who received the 1976 Nobel Memorial Prize in Economic Sciences for his research *on consumption analysis, monetary history and theory and the complexity of stabilization policy*. With George Stigler and others, Friedman was among the intellectual leaders of the Chicago school of economics, a neoclassical school of economic thought associated with the work of the faculty at the University of Chicago

that rejected Keynesianism in favor of monetarism until the mid-1970s, when it turned to new classical macroeconomics heavily based on the concept of rational expectations. Several students, young professors and academics who were recruited or mentored by Friedman at Chicago went on to become leading economists, including Gary Becker, Robert Fogel, Thomas Sowell and Robert Lucas Jr.

Friedman's challenges to what he called "Naive Keynesian Theory" began with his interpretation of consumption, which tracks how consumers spend. He introduced a theory which would later become part of the mainstream and among the first to propagate the theory of consumption smoothing. He argued that the Phillips curve was in the long run vertical at the "natural rate" and predicted what would come to be known as stagflation. Friedman promoted a macro economic view point known as monetarism and argued that a steady, small expansion of the money supply was the preferred policy, as compared to rapid, and unexpected changes. His ideas concerning monetary policy, taxation, privatization and deregulation influenced government policies, especially during the 1980s. His monetary theory influenced the Federal Reserve's monetary policy in response to the global financial crisis of 2007–2008.

Friedman's works cover a broad range of economic topics and public policy issues. His books and essays have had global influence, including in former communist states. A 2011 survey of economists commissioned by the EJC ranked Friedman as the second-most popular economist of the 20th century, following only John Maynard Keynes. *The Economist* described



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him as “the most influential economist of the second half of the 20th century possibly of all of it”.

Contributions to Economic theory

Friedman’s contributions to economic theory are numerous. One of his earliest, described in *A Theory of the Consumption Function (1957)*, was the articulation of the permanent income hypothesis, the idea that a household’s consumption and savings decisions are more affected by changes in its permanent income than by income changes that household members perceive as temporary or transitory.

The permanent income hypothesis provided an explanation for some puzzles that had emerged

in the empirical data concerning the relationship between the average and marginal propensities to consume. It also helped to explain why, for example, fiscal policy in the form of a tax increase, if perceived as temporary, might not lead to the intended reductions in consumption; instead, the increased tax might be financed out of savings, leaving consumption levels unchanged. That was Friedman’s novel finding: if households do not perceive permanent income as changing, they will maintain their established spending patterns.

- Venkatalakshmi MN

Associate Professor & HoD, Economics.



Resource Person :

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Departments of Geography, Economics &
IQAC - Jointly Organised

Training Program on

'Behavioural Skills' - 14.12.2022





Top 10 Mega Projects of India may Boost Economy's Development

1. Worlds' first motorable road through the Glaciers HIMANK:

This is one of the border roads organizations most ambitious projects. It intends to construct the world's first glacier road.

2. CHENAB RATI BRIDGE

The Chenab bridge arch was recently finished by the Indian railing in April 2021. The bridge, which is now under construction, will be the world's highest Railway Bridge.

3. MUMBAI TO DELHI EXPRESSWAY:

This enormous Delhi-Mumbai expressway stretches about 1350 km. It is being built between on country's national capital and financial capital.

4. SAGARMALA PROJECT:

The project Sagarmala intends to improve India's vast line. This will make parts and harbor operations more efficient.

5. BHARATMALA PARIYOJANA PROGRAMME:

Since 2018, the project has been underway. The project is one of the country's largest and major highway projects.

6. NAVIMUMBAI INTERNATIONAL AIRPORT (NMIA)

The new airport will be about 85 Km. from current Mumbai airport. The initial idea was to build the airport in four phases from now until 2032. In first phase, the Airport hopes to save 10 million persons later in the fourth phase the number will reach 60 million.

7. CENTRAL VISTA REDEVELOPMENT PROJECT:

This project involved new parliament, prime minister's residence, new ministerial buildings, parks, memorials and many more. The project is

the most expensive and it is first of its kind in Indian history.

8. WORLD TRADE CENTRE KOLKATA:

The world trade center Kolkata is in the Rajarhat, New Town area, is an under construction building in greater Kolkata, Westbengal. It consist of two towers, on completion of the project, it will become tallest world centre in India.

9. DEFENSE:

Under the defense the Govt. trying to develop multi role Helicopter, Tejas MK1A, Tejas MK2, AMCA, TEDBF (Fighter Jet) and many more. This project would be most profitable to Indian Defense expert. It helps in defense expenditure.

10. SMART CITY MISSION:

Under this concept the government investing thousands of crores to set up the world class infrastructures facility in selected cities.

Other Projects of India Government

- * Mumbai Trans Harbour Link
- * Kashi Vishwanath Dham
- * Mahakal Corridor
- * RCA Stadium
- * Coastal Road
- * New Gurgon
- * Diamond, Research and Mercantile city
- * India International Conjunction & Expo Centre (IICE) and many more

These are the main mega projects are under construction in India. These projects will definitely boost Indian Economy surely once its complete and many other projects on under construction and Projects are upcoming etc.

- Rahul C

III Sem. BA - EG



GLOBAL RECESSION AND INDIA

• Global economic activity is experiencing broad-based and Sharper than expected slow down, with inflation higher than seen in several decades. As Central banks across the world simultaneously hike interest rates in response to inflation, the world may be edging to global recession in 2023.

• The UK's inflation rising to 10.1%, the country has ever seen. The fuel costs are said to sky rocket three times higher in UK.

• The USA's inflation rate reaching to 8.3%, food prices rise by 84.6% in Sri Lanka and Pakistan is allegedly said to have only 2% GDP growth in 2023.

• India has reached 80 rupee Dollar mark and its new low of 81.9 INR in September 2022. India's GDP standing at 6.1% in July-September quarter of 2022.

• National monetary funds are considering India among fastest growing economy. Chief economist Pierre Olivia has said and projected India's growth rate at 6.8% for this year.

• Digitalisation has been successfully implemented despite the sheer size of population and even reaching the lowest income groups.

• Adequate international reserves, sufficient food grains stocks, well-capitalised financial system, technology advances, made in India and digitalisation will ensure India better situation compared to rest of the world. Amid the crisis India may become the powerful nation to withstand upcoming recession. Therefore, India seems to be untouched by the rising challenges of the global economy as stated by few of the experts.

- Rakshitha

III Sem. BA - HE

SKILL INDIA

“The youth need to be enabled to become job generators from job seekers.”

- Dr. APJ Abdul Kalam

Skill India or the National Skills Development Mission of India is a campaign launched by our Prime Minister Sri. Narendra Modi. It was initiated to provide skill-oriented employment opportunities to people who lacked opportunities. The government decided to train more than 30 crore youth in India, who had graduation certificates, but lacked skill-oriented knowledge. This subsequently led to better job opportunities in various fields of employment. The government's main objective was to enhance people's, which would also benefit the industrial sector and the economy for its economic growth. Another reason for initiating this programme was to grow India's Human Resources. As India consists of more than 50% of the youth population, this is the right time to utilize the youth power of this economy. To be economically productive, the youth population of our nation needed skill development, hence the government decided to launch the “Skill India” campaign.

This scheme focuses on various sectors of the economy, namely, fashion designing, management and financial development skills, promotion of micro-enterprises, start-ups and many more. There are numerous ways in which this programme will benefit our economy, the youth of our nation can expect high-paying jobs and all the sectors will witness the parallel and equal amounts of growth and development. Our economy will witness gradual development. Through this scheme, the youth can also learn and earn, and over time, they will be their bosses. This scheme is successfully developing our economy in all aspects. It is believed that this scheme will reshape the Indian economy. On the other hand, we cannot deny the reality that the implementation of this scheme is taking place at a slower rate than planned by the government. Also, a large number of funds were raised for this scheme. So, we can conclude by saying that, this scheme is the first step taken towards the development of our economy certainly in a different way.

- Bhargavi V

III Sem. BA - JE



Strong, Healthy and Self Sufficient India can be built through 'Decentralized Approach'



National webinar on 'Atmanirbhar Bharat Abhiyan' - Challenges & opportunities, has been jointly organized by the departments of Economics, Sociology and IQAC of SBRR Mahajana First Grade College through virtual mode on 20.10.2022

The programme started with keynote address by Dr. C.K. Renukarya, Renowned Economist and Director Mahajana P.G. Centre, Mysuru, in his key note, Dr. CKR made a mention that 'Decentralised approach is to be adopted so as to realize the objectives of self reliance India campaign and he was of the opinion that poverty, hunger, educational needs, economic inequalities are the major issues. Therefore, strong, healthy and self sufficient India can be built only by addressing the above mentioned issues.

Resource person for the National Webinar in Session – 1 was Prof. Muzaffar H, Assadi, Dean, faculty of Arts and Chairman, Dept. of Public Administration University of Mysore, Mysuru. He gave his analytical views and observations with respect to the webinar topic. In his remarks, he expressed that 'Development & Self reliance of India without creating sufficient jobs is difficult

also he pointed out that "We cannot become '**Vishwa Guru**' unless we solve the problem of inequal distribution of goods and services.

In session II, Resource person was Dr. B. Gopal Singh, Professor of Economics and Management VVCE, Gokulam, Mysuru. He admitted that 'Achieving 5 Trillion Dollar Economy and self sufficiency is not easy unless and until we address the issues of migrant workers, Agricultural Laborers & Poor people of the country. He also opined that self sufficiency in the defense production should be achieved by the country and concluded his speech stating that self reliance is possible only through viable economic policies.

Webinar was attended by more than 130 delegates from different parts of the country including 80 students. Delegates and Students interacted with resource persons. Welcome address was delivered by Smt. Venkatalakshmi M N, HoD, Economics, Smt. Radha M.S., HoD, Sociology delivered vote of thanks, Anchoring of the programme was carried out by Capt. Dr. M.R. Indrani. Dr. B.R. Jayakumari, Principal, and other faculty member were present on the occasion.

- Venkatalakshmi M N
Associate Professor & HoD, Economics.