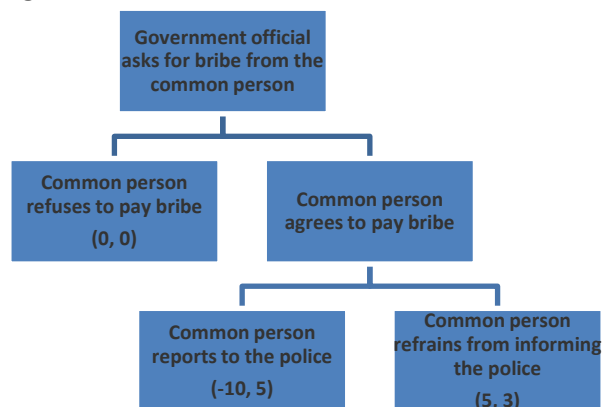


if he reports to the police than if he does not, therefore the corrupt official gets away and corruption persists in the economy.

This gloomy scenario can be changed quite easily, if there is some legal reward provision for the common person (whistleblower) who reports about an act of action. In this way, his payoff can be increased in case of reporting and then the official's payoff falls to -10, thereby rendering bribe-seeking non-profitable. In this way, protection and reward of the whistleblower in the society can help reduce corruption. This case is shown in Figure No.: 3 below.

Figure No.: 3



Economics through Alphabets

Gaganjyot Kaur Narwal

On an early winter morning, 4 a.m: the villages and cities sleep soundly. A young girl, studying in 11th grade and belonging to a poor laborer's family in a small village in north Rajasthan, is wide awake. The cause of her early rise is to read a book titled "Time management". She must finish as much as possible because when the day light spreads she will get busy in tending to the cows and goats and help her mother to take milk to the milk collection center of the village. After that, on her bicycle she will go to school in a nearby town. Her family, asleep, is completely unaware of her daily conferences with the books at this hour.

Her story is no different from that of a few others in the same village. The concept is, to wake up early morning and read books borrowed from the village library which was inaugurated a few years ago. Later in the day the farm and household work will dominate the schedule of all village residents. The evenings and nights will suffer from electricity cuts making it impossible to read books, thus, the time snatched from the busy day and early morning electricity blessed hours are put effectively to gain knowledge.

A few years ago this was not the case- there was no library. The post green revolution era was marked with prosperity- increased use of machinery reduced man hours. A survey of four

villages reveals that against the principles of economics; for 2010 acres of land 89 tractors were being used, a shocking figure. An impartial assessment suggests 25 tractors would be sufficient. About 123 rich Zamindar families and about 127 labor families earned their income from this land; the result was a disturbed economy in shape of higher investment in machinery and excess availability of labor/leisure hours. Another survey further revealed that 252 families with a population of 1260 had about 7360 labor/leisure hours. The available hours were spent in insignificant recreational activities such as gossip, TV watching, and futile visits to nearby markets.

The waves of change entered the village in a sudden yet casual way when an NRI family came on a holiday visit. In one of the monthly congregations in the village temple, there came a casual remark from a member of the aforementioned family: why were 89 tractors needed when 25 were sufficient. This was a spark to ignite the minds of village leaders. They realized the high investment in machinery and wastage of increased labor/leisure hours. The NRI family returned, but in the next congregation villagers decided to persuade themselves to take a bold step towards learning. A small contributory village library with 1000 books was inaugurated. Hindi, Punjabi and simple English books on subjects of self-help, environment, agriculture, religion, auxiliary occupations, comics and story books above were made available.

Education is not at the sole mercy of schools and universities. Villagers started borrowing books according to their interests with a view to learn something new. Books on auxiliary occupations caught the attention of elders,

which created a desire to raise living standards. About 50 families, including poor labor families, paid attention to dairy and poultry. About 20 labor families went for bee-keeping and goat rearing. Women from 5 families showed interest in handicrafts. The employment structure of this cluster of villages began to change. The girls were forbidden to pursue any schooling but they were now allowed to get admission in higher classes. Environmental change became visible gradually: with one or two fruit trees and some flower plants in and around huts and houses. The paradigm shifted diametrically. The leisure hours available earlier were now being put towards gaining knowledge and creating a link with the outside world.

On my periodical visit, I engaged myself in a conversation with a village elder. I asked him to comment on the changing economic environment. Elated, he exclaimed that after the green revolution he has been able to see the second phase of change which can be credited to villagers, not any government aid. However, he was a little apprehensive and stated that village resources were exhausted to their full potential. But he was hopeful that if the pace of change is maintained, one day, national newspapers would publish success stories of these small villages transformed on the basis of knowledge and awareness. Though, laughingly, he concluded that he may not live to see that, but a ray of hope was clearly visible.

A study by 'The Economist' states that the Indian state has the potential to grow at an unbelievable rate provided it fully taps the potential of its demographic dividend. Being an agrarian economy, 60% of this dividend lives in rural areas.

The illiterate must be made literate. For the development of skills and talents, one must be given appropriate opportunities with infrastructure provisions. A small girl in a small village must, firstly, get electricity to complete her book. This is the message of prosperity coming on the wings of alphabets

"Education is both a tool of justice as well as fundamental as driver of economic development"

-Kevin Rudd

Ethics and Economics

Yatish Arya

Kirori Mal College, Delhi University

Remembering Ramayana to recall the importance of ethics may seem too dramatic but the fact remains that this epic is perhaps one of the most important and strongest stories which teach us the importance of ethics and using our knowledge in the right way. Ravan was a great scholar, strong and powerful. He knew all the four Vedas (the highest educational achievement of his time), had defeated the Gods himself and had immense power. But he put his knowledge and power to achieve a wrong end. What followed for him and his kingdom was war and destruction. Now, whether Ravan was unethical or not is another discussion and the importance of destruction is a complex philosophical topic in itself. But the important moral that should be learnt from this text is that knowledge and power without the

right frame of mind can lead to disastrous consequences.

I remember the moral of this story trying to contradict the argument of someone associated with the Delhi university who believed that scraping the Economy, State and Society course from Delhi University (or at least making it optional) was a way forward and would make our course more 'compatible' with universities around the world. His argument was that studying Economy, State and Society which he called nothing but 'Ethical Economics' is useless or at least of secondary importance. Students could do without it. Now naming the academician is not needed or important. But it is important to realize that he is not an exception who believes in such ideals; rather I have observed and noticed that there is a rising trend in economics to focus only towards what is called 'Positive Economics' in curriculum, educational institution and policy making.

First of all, calling Economy, State and Society as Ethical Economics is itself questionable, as the horizon of the subject goes way beyond Ethics. It gives a broader view of the world and the economic system we live in. Many of the students who read the subject with interest (most of them who are lucky enough to have a good teacher) will tell you that it is an extremely interesting and important subject which teaches us things that orthodox mainstream economics fails to do. It explains to us how the world around us is operating and the 'system' in which we live in. Much of this is done without making assumptions (maybe that's why orthodox assumption loving economists don't like it). Secondly, but importantly it makes us realize that we should learn to analyze things not just on the basis of