

involve both intuitive as well as reflective reasoning in the decision making process. This could explain why many stories of regret emerged among the accounts of those participating in the 2011 London Riots as the full long run costs and consequences of riotous activity are realized.

This area of decision-making is yet to be extensively researched on but nonetheless the two above mentioned models present some striking ideas. The participation of an individual in such riots doesn't stem from a surge of irrationality and a suspension of optimizing behavior but may, in fact, involve a conscious consideration and evaluation of the pros and cons associated with riotous activity.

Understanding 'Gangnam Style'- Economics Style

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'I work as a finance lawyer, and I'm paid very well (Rs.70,000 approx). My colleagues and I work all day long with investment bankers and private equity people who make more than Rs.1 lakh),so I feel poor'

I've been a proud owner of a Samsung champ s300 phone for over two years. Well, I was, to be real. With all the iphones and Blackberrys and the Ericsons -the gamut of the highly privileged devices that command respect – this champ surely shrinks to a chimp! And that is the power of an exogenous force –which productively shapes our perceptions and even actions. One of the major drivers of an economy is competition –there is interplay of forces in

an economy- wherein not only the producers but also the consumers, in a way, constantly compete.

Relative poverty is a conception that people are poor when they are very much worse off than other people in a society. As living standards rise, the level at which people are said to be poor also rises. More aptly, it is the deprivation of certain comforts of life of some people in relation to others.

In the famous article –Catherine Rampell explains the notion of relative poverty. In her study, she visions a society being something like a long street running up a hill, wherein rising altitude implies rising income. And each person evaluates himself/herself relative to his/her neighbours on a horizontal basis (which implies similar income group). But as income rises and the income differences become more pronounced in the same community, what people end up doing is a vertical comparison; precisely an upward one (which relates to different income levels-which is not reasonable). The reference of this hypothesis here is apropos-in the above statement, even when the lawyer is objectively satisfied with his salary, the resultant discontent is because of the comparison with his uphill neighbour-the banker. This gets even more aggressive in an unequal world, as in an egalitarian society, people find other relevant (personal) yardsticks to define their well being. Per se, Conspicuous consumption –of products that are a mark of status and class-become more pronounced as the income ladder reaches new heights, as in a developing economy characterised by rising income levels. This manifests into a full grown paradox- a society where the 'winners are whiners'!

In the wealth of nations, Adam Smith identifies the inherent problem in concept

of relative poverty through the famous linen shirt example- if you cannot afford a linen shirt ,but not being able to afford a linen shirt marks you out as being poor, then in that society you are poor if you cannot afford a linen. When defining poverty in relative terms, it does not reflect the real poverty. Nonetheless, understanding relative poverty puts light on the exogenous factors influencing the demand of consumers for certain products and explaining consumer 'misbehavior' to a decent extent.

One such is the curious case of demand for counterfeit (fake) products. Ask a label ho- "Jimmy Choo?", and pat will come the reply- "Jimmy Who?!" Fake products are not fabulous, clearly not fashion and are not even a centimetre close to classy. Fakes have little or no quality or control standards, one does not know where they are from, and if there is any problem, no one will give a hoot. They pose serious threat to manufacturers and retailers of authentic designer products. The range of associated irregularities is indefinite, and so, their demand seems incomprehensible. In his pursuit to fit the bill of the cool and the snazzy, customers overtly buy 'knock offs' of big brands. After all, imitation is the best form of flattery. Here, not so much. The demonstration effect is at work- if your budget constraint is too constrained to own Prada, Gucci, herms, Apple, Rado, Eterna- simply ditch the highroad. They are willing to part their cash for fakes but not local goods. Counterfeit goods take up approximately 6-10% of world trade- and that is a lot!

With the rising level of income, standard of living increases which in turn imply the greater incidence of conspicuous consumption .The term 'deprivation' becomes broader and complex, as the meaning of 'necessity' has an attached

subjectivity. The new mantra is- 'It's in vogue to spend money'; the Gandhian doctrines of altruism and simplicity are not coming back and the flamboyance is here to stay. Comparison is imbibed in the human psyche and the notion of relative poverty, though not all embracing, is understandable. And now we clearly know the 'economics inspiration' behind South Korean artist, PSY's single, 'Gangnam Style' -which is a critique of conspicuous consumption in Korea in general. It pokes fun at people of Gangnam, Seoul who try to exude a certain supposed "class" .The song is more than just a plump, funny Korean guy dancing a funny step- it unwittingly teaches economics!

Applying Feminist Economics to the Education Sector

Amrita Garai

*"Education is not preparation for life;
education is life itself."*

~ John Dewey

Economics has influenced our perceptions about not only markets and material goods, but also about political and social institutions, such as education. Economic concepts of self-interest, scarcity, maximization, choice, efficiency, value, and competition, originally developed to understand market transactions dominate education policies. Therefore, education economists apply economic constructs to analyze the outcomes of educational investment and the creation of human capital through education.

Certainly the economic model is appropriate for the business side of education and both both economics and