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DEPARTMENT OF ECONOMICS

BANGALORE CENTRAL CAMPUS

EPHEMERIS

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DEPARTMENT OF ECONOMICS
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THE ECONOMICS ASSOCIATION
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EPHEMERIS

FROM THE HOD'S DESK

"*Economics is not a study of the past alone; it is the art of understanding change as it unfolds.*"

EPHEMERIS has, over the years, established itself as more than just a departmental magazine. It is a living document of ideas, a platform where students and faculty come together to reflect on pressing issues, challenge conventional thinking, and offer creative insights into the evolving landscape of Economics. Each edition captures the spirit of its time, and this year is no exception. With its focus on Economics of Change, this volume highlights the dynamic nature of our discipline, reminding us that change is not only inevitable but also how it becomes central to economies, societies, and individuals helping them move forward.

The science of Economics is often referred to as the mother of many other disciplines. The very essence of Economics lies in its relationship with transformation. From shifts in consumer behaviour and patterns of inequality to technological breakthroughs and governance reforms, change defines the questions we ask and the solutions we seek. It pushes us to revisit long-held assumptions and adapt our frameworks of understanding. This edition of EPHEMERIS mirrors that very spirit, it does not confine itself to a narrow theme but instead embraces the breadth of contemporary concerns that animate both classrooms and public debates. By weaving together themes of society, behavioural shifts, technology, climate, governance, and creative expression, it reminds us that economics is not a static subject but one that continuously evolves with the world around it.

This issue of EPHEMERIS is rich in diversity. It includes rigorous articles that explore critical issues such as inequality, labour, climate finance, and policy resilience; reflective artworks that capture the emotional and symbolic side of economics; and powerful poems that speak to the human condition in the face of constant flux. The interview with Aditi Jha, our proud alumnus and IES topper of 2023, shares an applied perspective of the discipline from someone deeply engaged in the policy world, while the 'Policy Pulse' section anchors the real-world debates and contemporary governance challenges. The 'Upcoming Events' section ensures that the magazine connects not only with academic reflections but with the ongoing intellectual life of the Department as well. Together, these contributions create a publication that is holistic, thought-provoking, and deeply engaging.

None of this would have been possible without the collaborative spirit of our department. I extend my deepest gratitude to the Academic Coordinators, Dr. Divya Pradeep, Dr. Rajeshwari, Dr. Mahesh, and Dr. Subramanian for their guidance and encouragement. My sincere appreciation goes to the Editorial Team, Chief Editor Savani Mane, and Sub-editors Anshu, Prisha and Jahnavi for their commitment, creativity, and dedication. Their tireless efforts have ensured that the magazine is not only a collection of writings but a meaningful and cohesive dialogue on the title 'Economics of Change'. I would also like to acknowledge the invaluable contribution of the faculty coordinator, Dr. Sankar Varma, and the unwavering support of the AMARTYA Economics Association at CHRIST, whose energy and involvement continue to enrich every edition of the magazine.

As you turn the pages of this edition, I invite you to reflect on change not as a disruption to be feared, but as an opportunity to be embraced. Economics equips us with the tools to make sense of this flux, to analyse it, to adapt to it, and, more importantly, to shape it for the better. May this edition of EPHEMERIS inspire you to view change through a critical yet optimistic lens, and to recognise your own role in steering it toward a more equitable, sustainable, and humane future.

I wish a meaningful and engaging reading experience to all of you.

Dr. Joshy K. J
Head
Department of Economics

EDITOR'S FOREWORD

Dear Readers,

It is with immense joy and gratitude that I present to you this year's edition of EPHEMERIS, themed "Economics of Change."

Change, though often unsettling, is the very force that defines our economies, societies, and identities. Every shift in markets, transition in policies, and advance in technology reminds us that economics is not static; it evolves with the times. In this sense, Economics of Change is not just a theme for this edition; it is a reflection of the world we inhabit today.

This edition brings together diverse perspectives that highlight both the challenges and opportunities of change. Our contributors have explored how identity influences consumer behaviour, what resilience looks like in the face of inequality and political violence, and whether sustainability can truly be achieved in a growth-driven global economy. From behavioural insights to critiques of development, these works encourage us to question the familiar and engage with fresh ways of thinking.

On a personal note, working on EPHEMERIS has been a rewarding journey of collaboration and learning. As an editor, I have had the privilege of shaping contributions that reflect not only academic rigour but also creativity, passion, and lived experience. Each page is a testament to the intellectual spirit of our department and the dedication of my peers who have poured their ideas and artistry into this magazine.

I am deeply grateful to my sub-editors, Anshu, Prisha, and Jahnavi, for their commitment and keen attention to detail, which ensured that every piece was presented with clarity and care. My sincere thanks also go to our HoD, Dr. Joshy K J, our Academic Coordinators, and our faculty coordinator, Dr. Sankar Varma, whose guidance and encouragement have been invaluable in bringing this edition to life.

As you turn these pages, I hope you find yourself not only reading but also reflecting. Change may bring uncertainty, but it also carries within it the promise of innovation and hope. May this edition inspire you to see economics not as a set of models and numbers, but as a living discipline, one that helps us make sense of change and, more importantly, equips us to shape it.

Happy reading!

Warm regards,
Savani Mane
3MAECO
Editor,
EPHEMERIS

SUB - EDITOR'S FOREWORD

As an MA Economics second-year student, I deeply value clarity of thought and depth of analysis. My passion for editing is rooted in a commitment to creativity, accuracy, and originality. I believe that *"Writing gives ideas a voice and editing ensures they are heard."* This magazine becomes a reflection of how economics shapes the way we perceive the world, make decisions, and nurture our hopes for the future. Here voices are sharpened by accuracy, colored by creativity, and grounded in originality.

Anshu Binoy, 3MAECO

Being the only undergraduate sub-editor and a third-year BA Economics and Sociology student with a minor in Political Science, I feel truly grateful to present this edition of *Ephemeris*. This edition's theme, "*Economics of Change,*" resonates deeply with me, as it breaks glass ceilings and brings forth ideas and expressions in economics that extend beyond the textbook, capturing the real pulse of economic discourse today.

For me, working on this magazine has been more than just an editorial exercise; it has been an opportunity to witness how diverse perspectives come together to create something greater. Now, it becomes yours, and I hope you find in its pages the same inspiration and curiosity we found while bringing it to life.

Prisha Chandgothia, 5BAES

Elected as the sub-editor from the first-year MA Economics cohort, I step into this role with both excitement and responsibility. I hold a bachelor's degree in economics with a minor in media studies. My previous research experience and editorial internships at The Wire and IndiaSpend have helped hone my skills and shape how I write, edit and build narrative.

The word '*Ephemeris*' has its etymology in the Greek for *"a diary, a record of the day, of change."* For this edition, I've kept this meaning close: change not as an abstraction, but as something lived, debated, and integral to economics. My hope is that as you can see this vision as you go through these pages.

Jahnavi Thotakuru, 1MAECO

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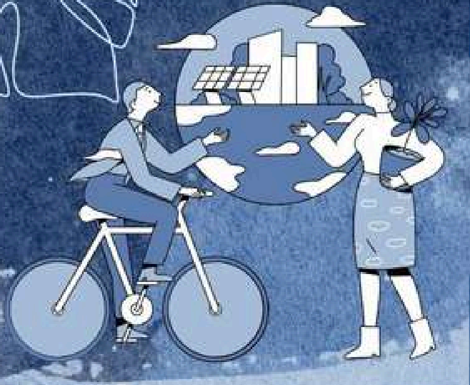
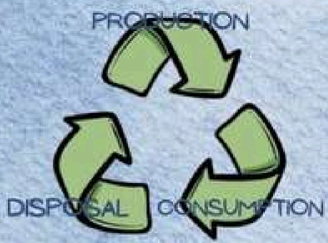
" FROM TRENDS TO TRASH : BALANCING WANT AND WASTE "

DO YOU KNOW HOW THESE CHANGING TRENDS AND CONSUMERISM ARE AFFECTING OUR ENVIRONMENT ?





Consumerism involves buying and selling goods and services based on trends and patterns to meet societal and economic needs and desires. The cycle shown has a significant effect on the planet. Environmental consequences are as follows:

MATERIAL WASTE

India collects 51% of domestic post-consumer collections, 42% from pre-consumer stages, and 7% from imported post-consumer

ENVIRONMENTAL POLLUTION

Manufacturing processes often generate toxic byproducts that can escape into the environment, harming aquatic ecosystems. And 45% of emissions are due to carbon-intensive manufacturing and transportation

RESOURCE DEPLITION

Increased demand drives excessive demand for raw materials, leading to over-exhaustion of natural resources, like minerals, timber, water, and fossil fuels.

EMBRACING SUSTAINABILITY AND ETHICAL CONSUMERISM, APPROACHES AND STRATEGIES -

- **Use of 3Rs - reduce, reuse, and recycle**
- **educate yourself and others - conscious consumption, minimalistic**
- **Supporting sustainable and ethical brands**
- **advocate for change & technological advancements**
- **Incentives and subsidies from the government**
- **Ethical supply chain environment**

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HOW IDENTITY SHAPES CONSUMER BEHAVIOUR?

One day, I was sitting in Starbucks with a Rs 210 coffee, an aesthetic planner open in front of me, pastel highlighters lined up neatly, writing notes on demand and supply. To be honest, I wasn't just there for the ambience or the caffeine; I was there because that setting made me feel like something more, like the version of myself I admire. Maybe I was pretending to be a future entrepreneur, chasing the aesthetic of being a "productive girl" in a new city.

It's funny how our environments shape how we see ourselves. Somewhere between the coffee aroma, the soft chatter of people, and the gentle flipping of book pages, I felt like I belonged. I was in a space that made me romanticise productivity. As if I was part of something bigger, a world where ambition, effort, and dreams all meet over overpriced lattes and highlighted notes. Looking back, that moment wasn't just about studying; it was a classic example of behavioural economics at play.

My choices weren't entirely rational or based on need. I could've studied at home for free, but I paid for an experience. This is what behavioural economists call identity economics, where our decisions are shaped not just by logic, but by who we believe we are, or who we want to be.

Social media amplifies this behaviour even more. We scroll through reels of clean desks, iced coffees, and hustle culture. This creates an aspirational loop: we buy what we see and we mimic what we admire. Somewhere in between those pastel highlighters and neatly arranged books, we convince ourselves that looking the part is almost as good as being it. And in some ways, it becomes a self-fulfilling prophecy; we step into those roles by acting them out first.

Our choices are not fake; they are honest reflections of who we are. The things we buy show our values, our dreams, and even our insecurities. Our sense of self is hence tied to the market around us. The economics of identity is not shallow; it is deeply human.

Humans are not always driven by numbers rather guided by psychology. The market does not only respond to logic, it responds to identity. We are emotional, hopeful, and shaped by what we believe. We chase brands that reflect our values, and follow routines that match the person we want to become.

Each choice tells a little story of who we are, and who we hope to be; it shows how beautifully layered our inner lives are. The economy doesn't revolve around money and numbers; it's about behaviour, psychology, perception, and the quiet dreams we carry. And somewhere in the middle of all this, there are people like me, trying to make sense of it all by one coffee sip, one chapter, one pastel highlight at a time.

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SPATIAL INEQUALITIES AND THE SIDE WALK ECONOMY

It is a curious thing, to walk down a street and feel the ground beneath one's feet change and twist and turn, as if a large earthly snake might be resting within the surface. Commercial Street, Bangalore (or rather, Bengaluru, as the postcolonial resistive nomenclature supports), offered us this rather striking contradiction of spaces between what was permitted to be seen and what insisted on remaining firm.

But what is space? According to Henry Lefebvre’s *The Production of Space*, it is defined as that which is a social product, a product of the time in which it exists; Space is no passive vessel; it is political: produced by discourse, planning, and lived experience.

The space in Commercial Street is not merely occupied; it is written, rewritten, erased, and superimposed. Hundreds of shops and brands rub elbows with each other to catch your attention, to dare you to make eye contact, to seduce you into the havens of fabric and jewellery and shoes and sheer *light*. But herein lie the differences, the asymmetry.

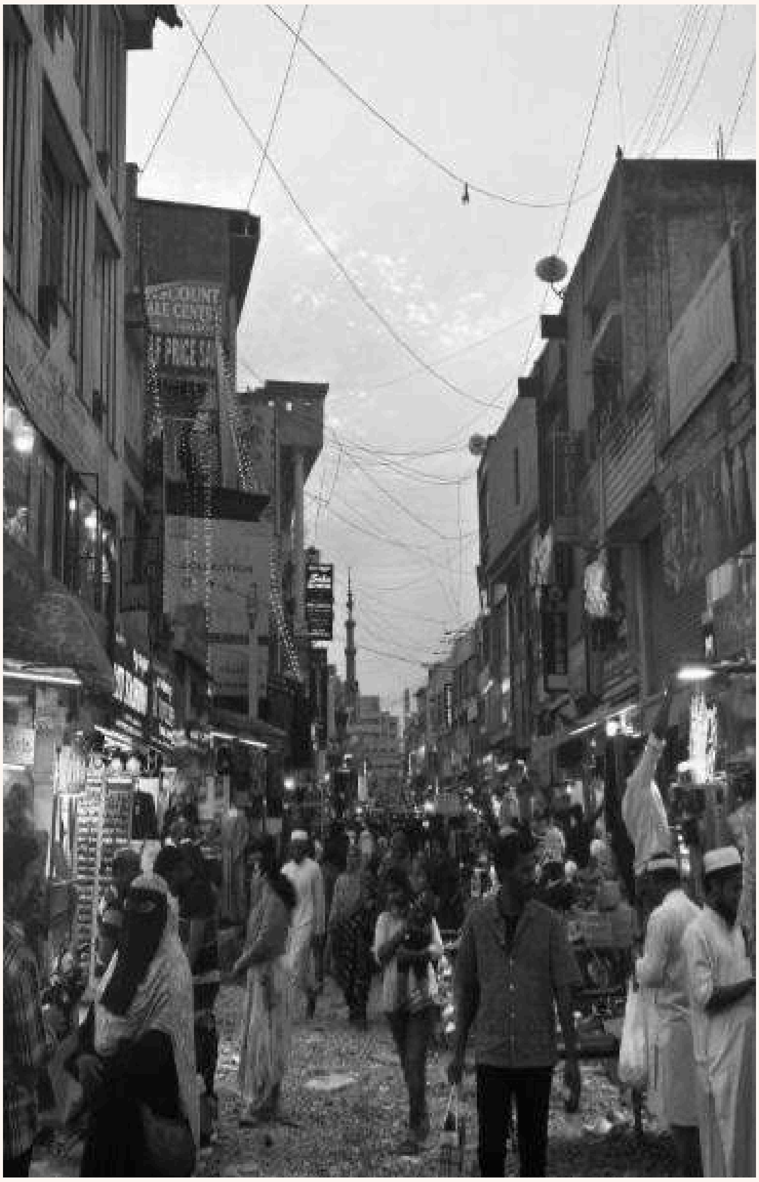
In the first image, one can see what Lefebvre (pronounced *luh-fay-buh*) described as the *conceived space*: the domain of architects, planners, capital, and industry. We see the big names and big brands, the Peter Englands and the Fossils, with their large luminous signboards, bringing to you the smooth zones of commodified status. This manicured space creates the environment of exclusion and elitism, intending to sell a dream to a specific demographic – what modern Indian economists would call “aspirational India”. Neatly packed cars line both sides of the street, and glittering lights invite us to be a part of the 1 per cent, the larger-than-life global community that was previously out of reach for the majority of us.

The second image is a mural of informality. It is the *representational space*, the space of the lived, the bodily, the insurgent. Men selling roses by the handful, women clutching children, veiled faces, and weathered hands. There is no polished surface here, only the ground uneven, scattered, urgent. This results in the *spatial contradiction*: where the logic of planning collides with the chaos of survival. The formal and informal economies are not binary, but dialectical. One produces the other. The student who does not have the time or budget to browse the branded shops may find himself eyeing the carts of shirts and pants; the bride who cannot wear grams of gold for her wedding finds respite in imitation. There, one witnesses what Mitchell Duneier, chronicler of the American sidewalk, described as *“legal entrepreneurial activity”* — where “men are able to maintain respect for themselves and others” through trade, even in the absence of recognition.

Jane Jacobs, in her defence of the *“organic city”*, argued that “a city sidewalk by itself is nothing. It means something only in conjunction with the buildings and other uses that border it.” In Commercial Street, it is the sidewalk that gives meaning to the buildings. The stalls overflow with jewellery, second-hand clothing, toys, fruits, and scooters zipping through hagglers and bargainers. But this is not disorder, it is economic choreography, a sidewalk economy — an example of what economists now begrudgingly call the informal economy, though it sustains nearly 80% of India’s non-agricultural labour force (ILO, 2018). Here, there are no e-commerce apps or loyalty cards. There is only what Asef Bayat would call “the quiet encroachment of the ordinary” — where the urban poor, without fanfare or revolution, claim their right to exist through repeated presence.

Each plastic tarp strung across the street is a form of tenure; each glance exchanged with a repeat customer, a contract.

To walk down Commercial Street is to walk through a collision — not of cultures, as the tourist brochures might claim, but of systems. Here, space is not merely inhabited; it is negotiated. The sidewalk becomes a ledger, a protest, and a poem. If development is to mean anything in the modern city, it must first acknowledge the simultaneity of the formal and the informal, of glittering aspirations and grounded survival. The city, Lefebvre tells us, is not one space — it is many, layered and unresolved.



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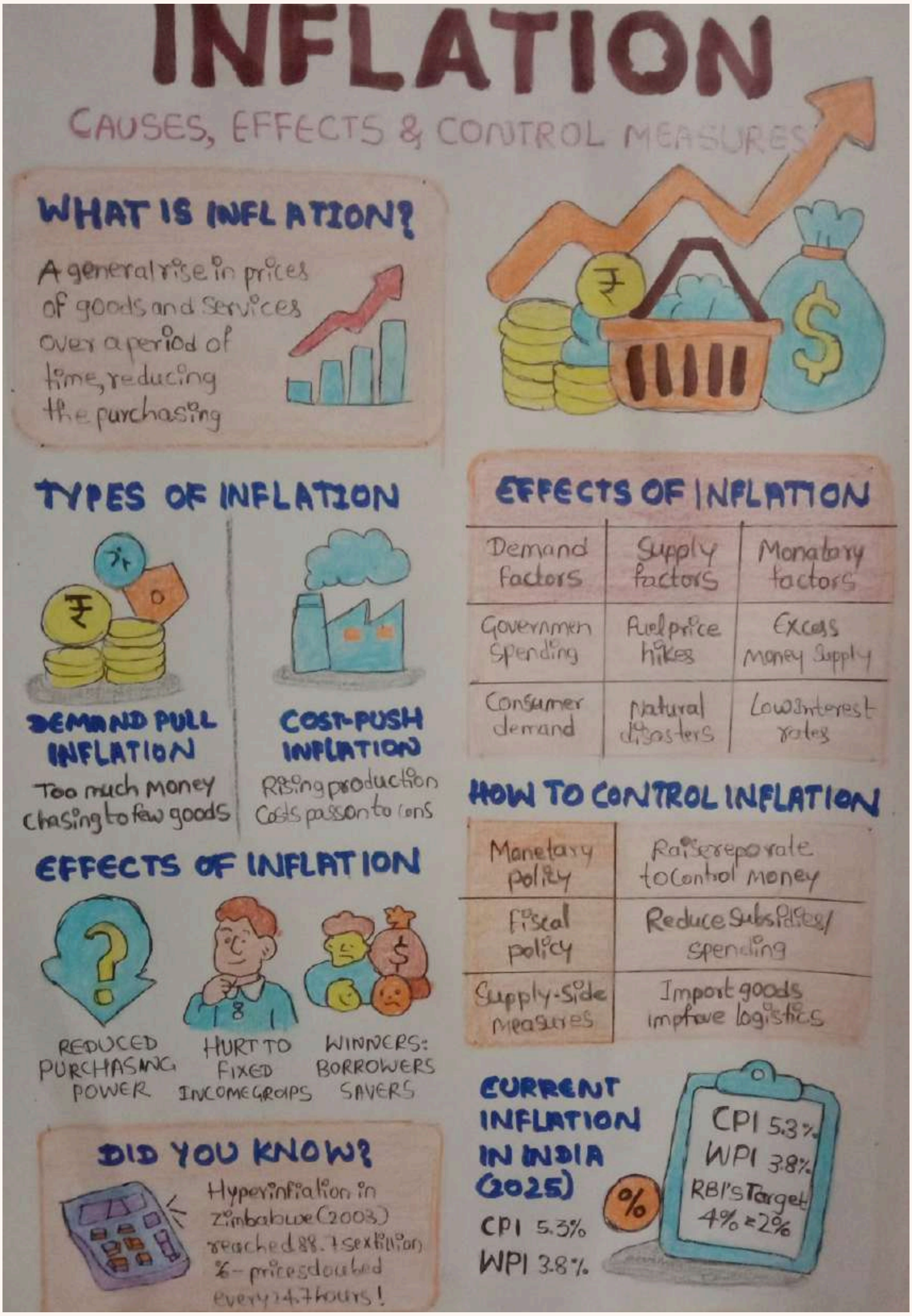

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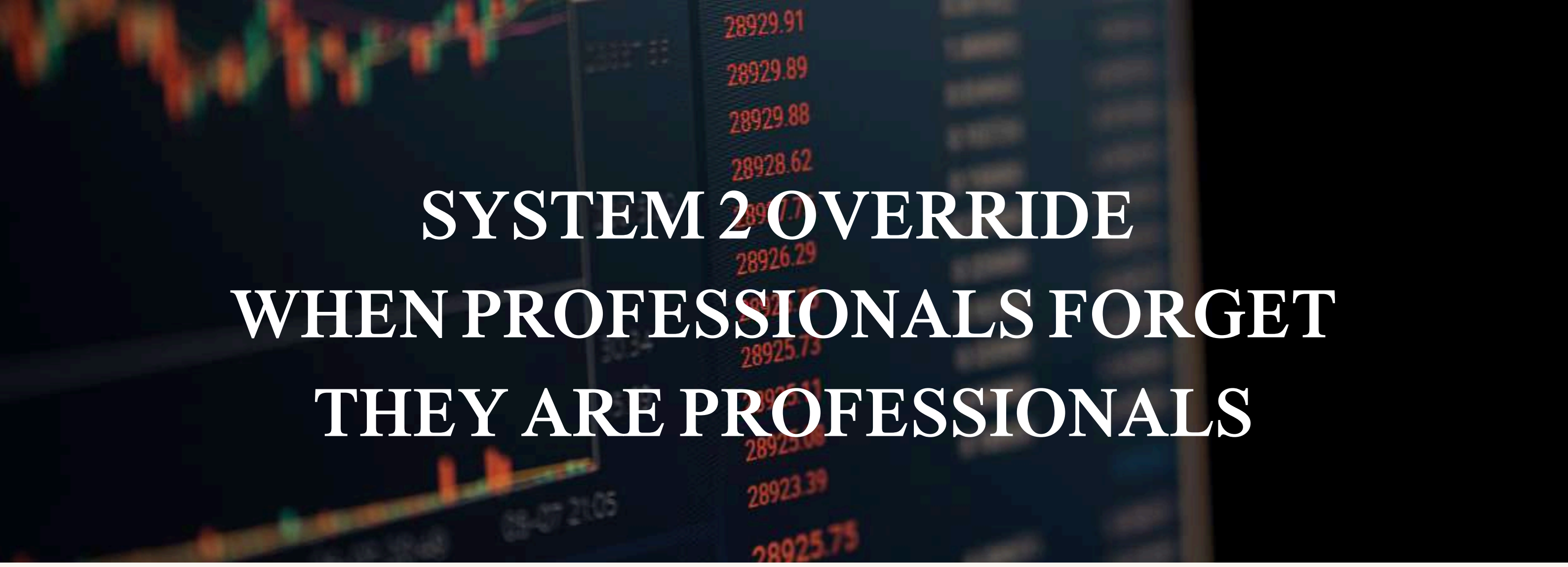

SYSTEM 2 OVERRIDE
WHEN PROFESSIONALS FORGET THEY ARE PROFESSIONALS

We have all heard this famous quote by Warren Buffett, "Be fearful when others are greedy and greedy when others are fearful." It seems simple, yet empirical evidence says otherwise. Why is this, one might wonder? The answer lies in Behavioural Economics. Traditional economics makes us believe market participants are rational actors even in a severe crisis. However, during a severe crisis, there is a behavioural convergence between Experts (Institutional investors) and Novices (Retail investors), leading them to make similar decisions and creating high inefficiencies in the market. This convergence occurs under an extreme stress environment caused by a black swan event, which diminishes experience and expertise due to a lack of actionable frameworks in this crisis, leading to a shift from System 2 to System 1. When decisions are made by System 1, many heuristics and biases affect the decision-making of institutional and retail investors alike, resulting in similar outcomes.

During the 9/11 attacks, the Dow Jones Industrial Average declined 712 bps. Now, from hindsight, how does a terrorist attack alter the fundamentals of good companies? It happened due to loss aversion as both Institutional and Retail investors were afraid of losing money rather than looking at an opportunity to make money, as markets were undervalued in the short term. This idea also challenges the long-standing assumption that financial investors are highly rational and will consistently outperform retail investors. However, we have observed that experts and novices make the same mistakes during a black swan event, which serves as a "Great equaliser" regarding the expertise between the two groups. When a crisis of extreme rarity occurs, neither the experts nor the novice has any idea of the course of action they are supposed to take, hence relying on System 1, which diminishes the expertise factor, creating extreme inefficiencies and a value opportunity for investors. Finding inefficiencies in the markets is extremely tough, as much information is accounted for in the price. However, these events give retail investors equipped with the knowledge of behavioural economics an edge over experts. Another example of this behavioural convergence is October 19, 1987, also called Black Monday.

Before this day, institutional investors had algorithms to counter any panic selling by investors. However, as the crisis unfolded, they abandoned these frameworks. They operated on their thinking, leading to the biggest single-day crash in the history of capital markets. The Dow Jones Industrial Average collapsed by 22.6% in a single session (a −2,260 basis-point drop). This crisis perfectly demonstrates how, during a crisis, experts abandon systems with rationality and instead rely on their System 1 thinking, leading them to make the same mistakes as those of novices.

I intend not to reject the Efficient Market Hypothesis completely but to partially embrace it. Markets are relatively efficient due to the abundance of information and expertise. However, when an unforeseen event occurs, there is a behavioural convergence between the experts and novices, resulting in the overall market reacting irrationally, giving rise to inefficiencies in the market. Next time, when you see the markets respond too harshly, have a contrarian mindset and think whether there is a Behavioural Convergence, as it can be a once-in-a-lifetime buying opportunity.

In the midst of chaos, there is also opportunity ~ Sun Tzu.

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Finance and Behavioral Economics: Understanding Human Decision-Making

1 Cognitive Biases

Learn how mental shortcuts such as overconfidence, anchoring, and loss aversion influence financial decisions, sometimes leading to suboptimal investments or spending choices.

2 Emotional Decision - Making

Find out how feelings like fear, greed, or excitement affect how people take risks and invest, which can lead to illogical market movements like panic selling or speculative bubbles.

3 Herd Behaviour

I learn why people often copy what a larger group does, such as buying or selling assets, because "everyone else is doing it." This can generate market booms and busts.

4 Time Inconsistency

Find out why people often prefer short-term incentives over bigger long-term ones, which can affect how much they save, how much debt they take on, and how they plan for retirement.

5 Mental Accounting

Examine how people divide money into discrete "buckets" for consuming, saving, and investing, often treating funds differently based on their origin or intended use.

6 Nudges and Defaults

Consider how small modifications in financial options, such as automatic enrollment in savings accounts, can help people make better selections while preserving their freedom of choice.

Sarthak Pathak MECO 2582017

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QUIET QUITTING OR SETTING BOUNDARIES?

Moving deeper into the year, the workplace continues to handle the repercussions of long- standing effects of the pandemic, economic uncertainty, integration of AI, and changing employee expectations. An expression that has refused to disappear is quiet quitting.

Although it sounds like quitting, it really entails employees opting to complete work that is strictly within the boundaries of their job descriptions-they do what is expected of them but will not work "extra hours" or "unpaid tasks", nor will they put any emotional investment in their work beyond the scope of their jobs. In a way, this conversion is sorely needed in an era where burnout has sadly become almost the usual way. The rise of quiet quitting has also spotlighted the fact that since five years, the world of work has been seeing so many changes. Global crises of the early 2020s created a window for much reflection, and workers in all categories began to wonder and rethink what exactly they were willing to exchange for mere job security. Thus, in 2025, this act of reflection has been cemented into a wider cultural shift. With mental health awareness and remote work finally being normalized, and with the discourse on hustle culture turning toward ethics, many now believe that overworking is not a virtue. So, people are not leaving their jobs-they are leaving a culture that once demanded constant availability, overperformance, and silent sacrifice.

This trend also intersects with increasing dissatisfaction around corporate transparency, pay equity, and job security in the face of automation and restructuring. With these AI tools becoming part of everyday workflows, employees increasingly feel that they are pushed into churning out output rather than being recognized as human beings. This feeling of being undervalued encourages disengagement, not because the workers don’t care, but because they feel that their efforts are mere transactions.
Quiet quitting is a way to regain agency- quietly but clearly drawing a boundary in response to unrealistic expectations and lack of acknowledgment.

This is, however, when the nuances come in. Setting boundaries is not the same thing as disengaging. Employees can still reasonably perform and meet goals while setting boundaries towards well being. Quite the opposite, the quiet quitters are often some of the most dependable organizational people, they just refuse to give more than what they are paid for. On the other hand, whole teams quietly withdrawing can result in stagnation, loss of creativity, and weakened collaboration.

The challenge for 2025 is how they respond-punish, or think, and adapt? The new workforce does not ask less work; it wants better work environments. From fair compensation, clear roles, emotional safety, respect for off-duty hours to real chances of growth, these are the new benchmarks of engagement. Companies that fail to recognize this risk being regarded for high attrition and low morale. Conversely, those who acknowledge it can expect to attract loyalty, innovation, and long-term sustainability.

By 2025, quiet quitting will no longer be a trend; rather, it is part of a much broader recalibration of what constitutes professionalism in a zeitgeist dominated by constant change. It stands for gratification of the needs for balance, dignity, and humanity in the workplace. Employees are no longer willing to exhaust themselves in exchange for vague promises of future reward. Instead, what they are asking for is to be able to share meaningfully within concepts of fairness; should that cycle be considered rebellion, then the cycle should be seen more as an opportunity to rebuild work culture from the inside out.

In essence, there is a quiet revolution today, one that does not consist of strikes or mass resignations, but rather intentional withholding of work and setting of boundaries. And if organizations learn how to listen to this silence, they may realize that they are not being presented with a problem to fix but an opportunity to get back to a more honest, humane, and sustainable world of work.

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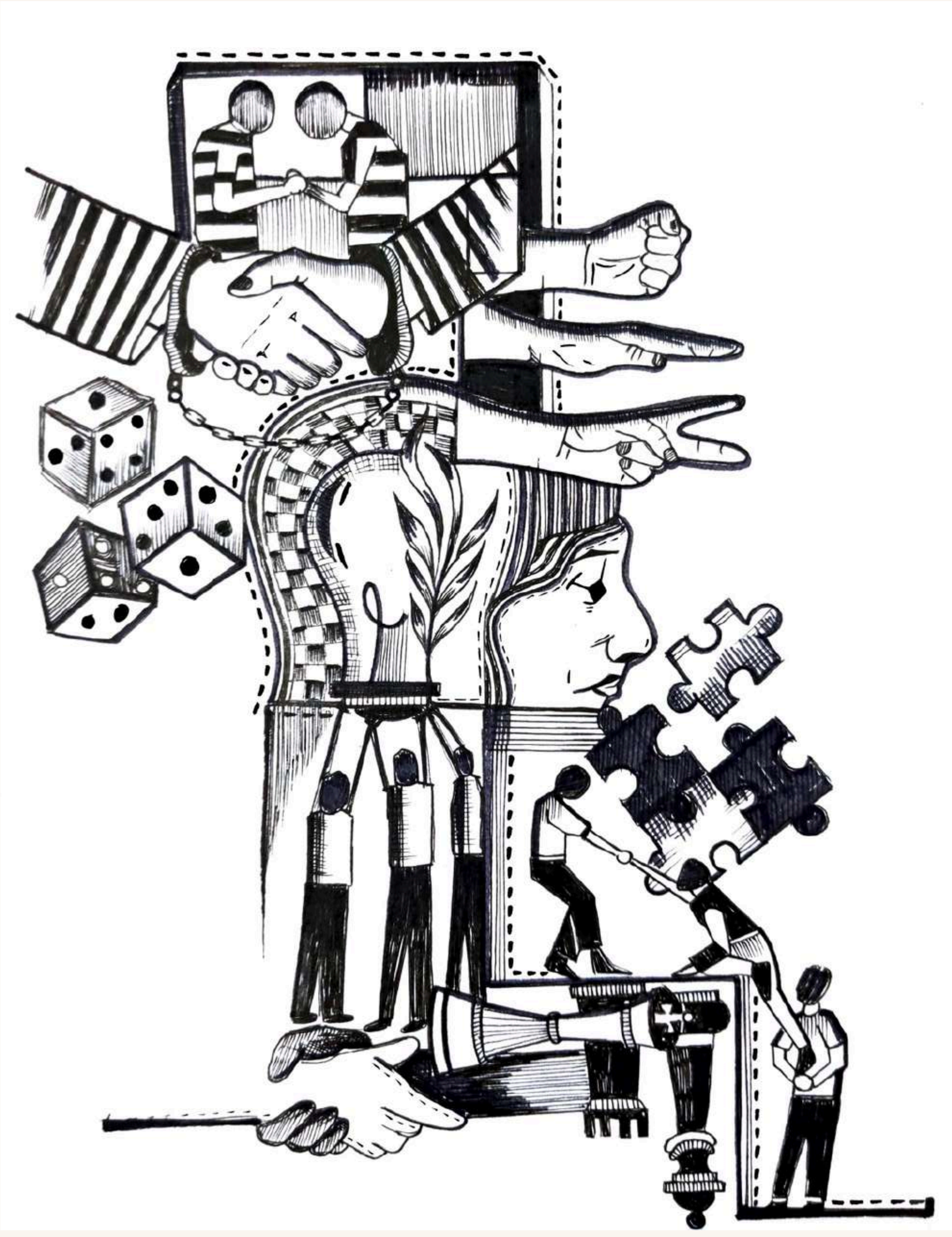
Rationality and Game Theory



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IN CONVERSATION WITH

ADITI JHA

An alumna of Christ University, Bengaluru, **Aditi Jha** secured **AIR 2 in the Indian Economic Service (2023),** being the only candidate from Jharkhand to clear that cycle. She entered government service in 2024 and is currently serving as **Assistant Director at the Ministry of Commerce**, contributing to national trade and economic policy. Her interests lie in labour economics, unemployment policy, and youth development.

Q. **It has been over a year since you cleared the IES and recently joined the Ministry of Commerce, how has your professional journey evolved and what have been some key learnings so far?**

Aditi Jha: The journey has been very nice so far. I'm currently serving as an Assistant Director at the Ministry of Commerce, Government of India, since March 2025. What I've realised is how different the transition feels from training to becoming an officer. During training, you're more of a passive participant, absorbing frameworks and observing processes. But as an officer, you're suddenly on the stage yourself, in a very active role where decisions have direct consequences. It's a drastic change. Fresh entrants are given the liberty to make mistakes, but at the same time, they also carry the weight of responsibility. Balancing those two has been one of my biggest learnings so far.

Q. **During your time at Christ, both at the undergraduate and postgraduate levels, what experiences, academic influences, or mentors helped shape your interest in economics and policy?**

Aditi Jha: My interest in economics started quite early, back in school, which is why I chose to study it in college. At Christ University, my academic journey really took shape. During my undergraduate degree at the Bannerghatta Road campus, I was exposed to the fundamentals of economics, and in my postgraduate degree at the Central campus, I was able to go much deeper.

I was fortunate to have excellent mentors, whose teaching, especially in areas like microeconomics, helped sharpen my interest. At the master's level, I also began to appreciate fields like public finance, which gave me a broader understanding of how policy and economics intersect. Together, these experiences and mentors gave me both clarity and confidence that economics and policymaking were the right path for me.

Q. The Indian Economic Service is often less understood compared to other civil services. What are some of the misconceptions you've encountered about the IES exam or the role itself, and what would you like aspirants to know?

Aditi Jha: A lot of people assume the IES is somehow "different" or "lesser" than other civil services, which is not the case at all. It is a Group A central civil service, and at the Centre, all Group A services are considered equal. The distinction lies only in the domain you work in: IAS officers might be posted at the district level, IES officers work directly in ministries on economic policy. During training, through the foundational courses, you see very clearly that everyone is on equal footing; the designation itself carries the same weight. The expectation is that, whether you're young or experienced, you are equally placed within the system.

Q. Many students today are faced with a range of career options: academia, the civil services, policy research, or the corporate world. How did you arrive at clarity on which path aligned best with your long-term goals?

Aditi Jha: For me, there was never much ambiguity. I always knew I wanted to work in policymaking. That clarity was there from early on. Of course, there are moments when you question yourself or explore other options, but those are part of the process. Trial and error will eventually give you clarity, and it's okay to have those thoughts along the way. What matters is persevering through doubts and continuing to move forward. For me, every step reinforced that public policy was where I wanted to be, and that conviction only grew stronger over time.

Q. In 2023, you successfully cleared both the Indian Economic Service exam and the UGC-NET with JRF. How did you approach preparing for such demanding exams simultaneously, and what advice would you offer to students attempting the same?

Aditi Jha: My biggest advice would be: never put all your eggs in one basket. Especially in today's context, where the number of seats in the IES is shrinking. This year, for example, only 12 were available, and overall recruitment is reducing even though 5,000 to 10,000 candidates attempt the exam every year. It's important to keep your options open. For me, that meant also preparing for the RBI exam and qualifying for the NET-JRF.

The advantage is that the master's syllabus overlaps across these exams. For instance, the IES is largely descriptive and answer-based, while RBI and JRF rely more on objective MCQs. But preparing in parallel isn't as daunting as it sounds, because the conceptual foundation is common. Once you have that in place, you can adapt your preparation to the style of each exam. The key is to diversify, keep multiple doors open, and use every exam as a way to strengthen your knowledge and test-taking ability.

Q. Many people believe moving from corporate to government service means an easier work-life balance. Has that been your experience?

Aditi Jha: Not exactly. Work in the service often comes with no fixed work-life balance. For example, when I first joined, one of the major issues I worked on was the India–UK rare earth negotiations. These minerals are vital for high-tech industries, and the talks were complex, demanding long hours and constant follow-ups. In such situations, the line between office and personal life can blur.

That said, the satisfaction is immense. As a Group A officer, you carry real impact and responsibility from day one. Compared to roles like the IPS, where the workload is relentless with strict 9-to-8 schedules and heavy fieldwork, the IES rhythm is different. It's still demanding, but the intellectual engagement and the sense of shaping economic policy make it deeply rewarding.

Q. **India's demographic dividend presents both opportunities and challenges. In your view, what policy areas should be prioritised to ensure meaningful employment and engagement for the country's youth?**

Aditi Jha: We're working toward the larger vision of Viksit Bharat 2047, and many strands of policy already align with that trajectory. If I had to name one lever with outsized impact, it's women's employment. India's female labour force participation is low, and there isn't a single, specific answer. There are actually multiple social and societal variables at play. Policy has to dig deeper rather than look for one fix: address safety and transport, childcare and the care economy, flexible and formal work opportunities, skilling that matches local demand, and workplace norms. The point is to pursue deeper, evidence-led interventions that raise women's participation meaningfully; that alone can shift the employment landscape for the youth at large.

Q. **As you look ahead, what does the future hold for you? Are there personal or professional milestones you aspire to in the coming years?**

Aditi Jha: The service offers a dynamic career path, so I prefer not to box it into specifics. I'm happy at the Ministry of Commerce. Trade policy and the broader policy environment keep you close to many good initiatives. At the same time, careers can evolve; Finance or Environment are areas where priorities may change and roles can shift accordingly. My focus is to keep learning, contribute where I'm posted, and stay aligned with the larger policy goals as they evolve.

Closing Remarks

Aditi Jha: If I could leave students with one thought, it would be about preparation and balance. At the undergraduate level, you really shouldn't be worrying too much about your career. That's the time to explore, learn, and balance academics with other experiences.

By the time you're in your master's, of course, the expectations rise, so you need to engage more seriously with the syllabus and give steady time to your studies. But even then, don't take it so seriously that it overwhelms you. Things fall into place with consistency. For me, in the first year of preparation (2021–22), I didn't clear a single exam, but consistency and focus made all the difference.

SILICON DREAMS, CONCRETE DIVIDES: Who Really Benefits from Bangalore's Tech Parks?

It's been a month since I arrived in Bangalore, and I couldn't help but wonder , do tech parks, the very symbols of India's digital economy, deepen inequality in the cities they thrive in?

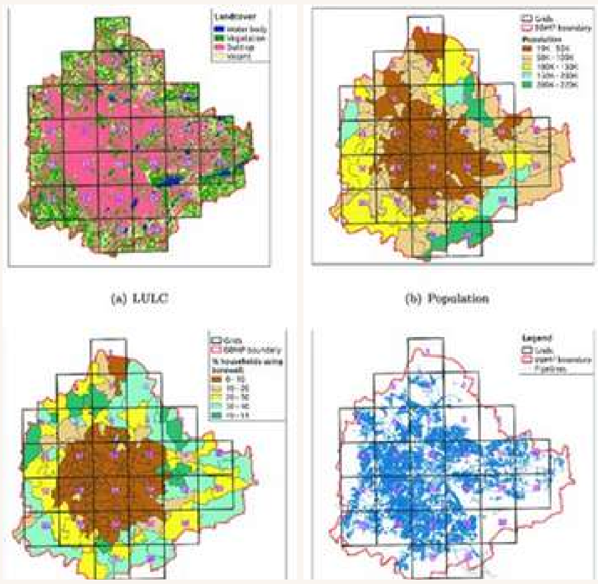
Home to India's Silicon Valley, Bangalore's glittering tech parks, Electronic City, Whitefield, Manyata Tech Park stand as beacons of progress, employing over 1.5 million people and contributing nearly 38% of India's total IT exports. Yet, as I rode past gated tech campuses and slums separated by a single compound wall, I realized this wasn't just about jobs or GDP. This was a tale of urban economic duality.

Tech Parks: Growth Engines or Isolated Islands?

Tech parks have undoubtedly driven Bangalore's GDP, which stood at $110 billion in 2023, the highest among all Indian cities. But the trickle-down effect where the benefits of growth reach the broader population appears weak.

Consider this:

- The per capita income in wards near Whitefield (a tech-heavy zone) is 2.5x higher than in adjacent urban villages like Kadugodi and Varthur.
- Housing prices in tech corridors have risen by 150-200% in the past decade, pricing out informal workers and lower-middle-income groups.



(a) LULC

(b) Population

The Informal Sector: Stagnant and Shadowed

While tech workers enjoy air-conditioned offices and stock options, over 45% of Bangalore's workforce is still employed in the informal sector in construction, delivery, security, and domestic work. Yet their real wages have stagnated or declined when adjusted for inflation.

Many of these workers commute long distances due to unaffordable housing near tech parks. A study by the Indian Institute for Human Settlements (IIHS) found that daily commuting time for informal workers is 1.7x higher than for formal IT employees.

Public Infrastructure: Built for the Few?

Much of Bangalore’s infrastructure investment is skewed toward serving tech clusters:

- The Namma Metro Purple Line prioritized connectivity to IT hubs.
- The Suburban Rail project and airport corridor expansion were fast-tracked, largely to benefit tech professionals and expatriates.

Meanwhile, neighborhoods in North and West Bangalore, where low-income populations reside, face chronic water shortages, poor drainage, and overcrowded government schools.

Labour Market Polarisation

Tech parks fuel labour market polarisation, a phenomenon where high-skill, high-pay and low-skill, low-pay jobs increase, but middle-skill jobs decline. For example:

- While demand for software engineers and data scientists skyrocketed, the city lost over 20,000 garment manufacturing jobs between2015–2022, once a major source of female employment.

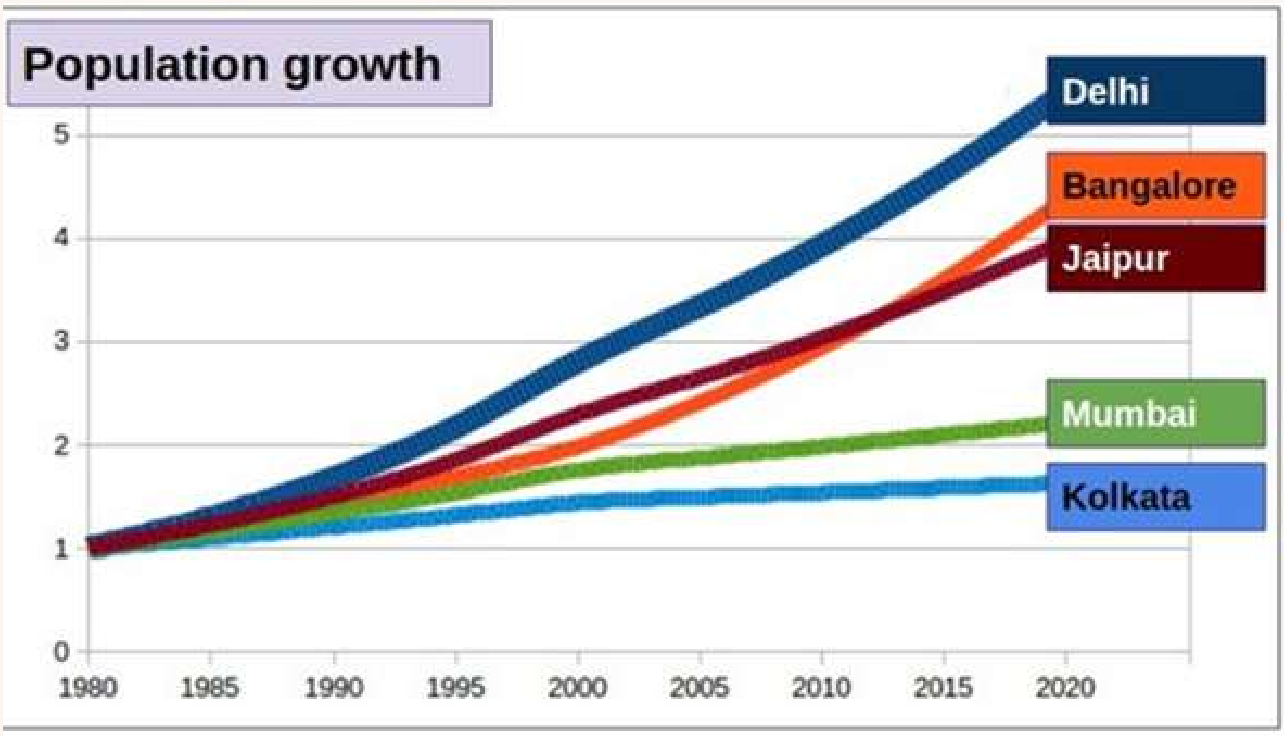
The result? A widening income inequality, with Bangalore's Gini coefficient for urban income estimated at 0.52, one of the highest among Indian metros.

Land and Capital: Who Really Wins?

Large tech parks benefit from subsidized land, tax breaks, and dedicated power and water supply.But local vendors, small traders, and nearby farmers often face:

- Land acquisition without fair compensation
- Reduced access to water and traffic flow
- Loss of traditional livelihoods

In essence, capital flows into gated zones, but exclusion is the price of entry.



What can be done? (My Perspective)

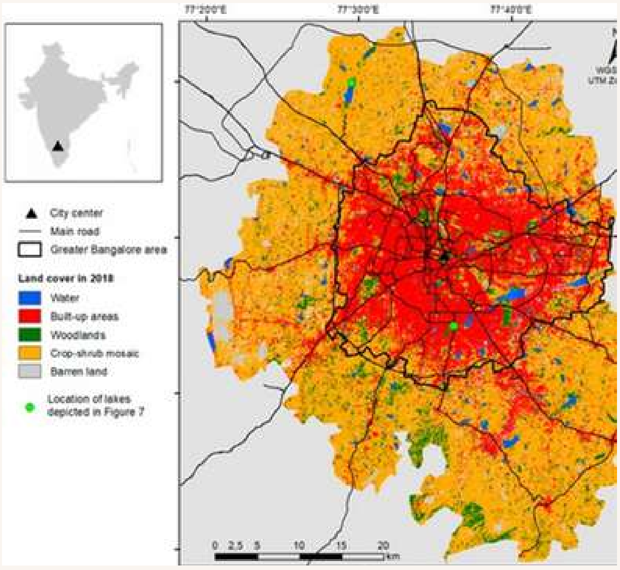
The answer is not to vilify tech parks; they are engines of innovation and employment. But urban economic planning must become more inclusive:

- Mandatory CSR and Inclusion Zones: Tech parks should fund nearby public schools, skill centres, and clinics through targeted CSR policies tied to floor-area ratio (FAR) relaxations.

- Zoning Reforms: Mixed-use zoning can allow for low-income housing, MSMEs, and street vendors within tech districts.

- Participatory Urban Planning: Slum dwellers, informal workers, and small businesses must have a voice in Bangalore's urban master plans.

- Mobility Equity: Prioritize public transport access for non-tech workers with subsidized passes and first/last- mile options.



Economic & Spatial Evidence of Inequality

Economic Concentration in Bengaluru Urban

- Karnataka's per capita income in 2020–21 was ₹2.36 lakh, with over 36% of state GDP generated by Bengaluru Urban, home to only ~16% of the population (ResearchGateThePrint).
- Implication: Massive concentration of economic activity in Bangalore creates uneven wealth distribution.

Urban Land Use & Infrastructure

- Maps show dense built-up zones in central tech corridors, contrasted by peripheral regions with sparse infrastructure and water access (WID - World Inequality Database).
- Implication: Spatial inequality underlies economic disparities.

Public Transport Utilisation

- In Bangalore Urban, 28% of commuters use buses and 29% walk (ResearchGate). Public transit mainly serves low-income groups and lacks coverage in tech corridors.
- Implication: Infrastructure favors affluent tech professionals.

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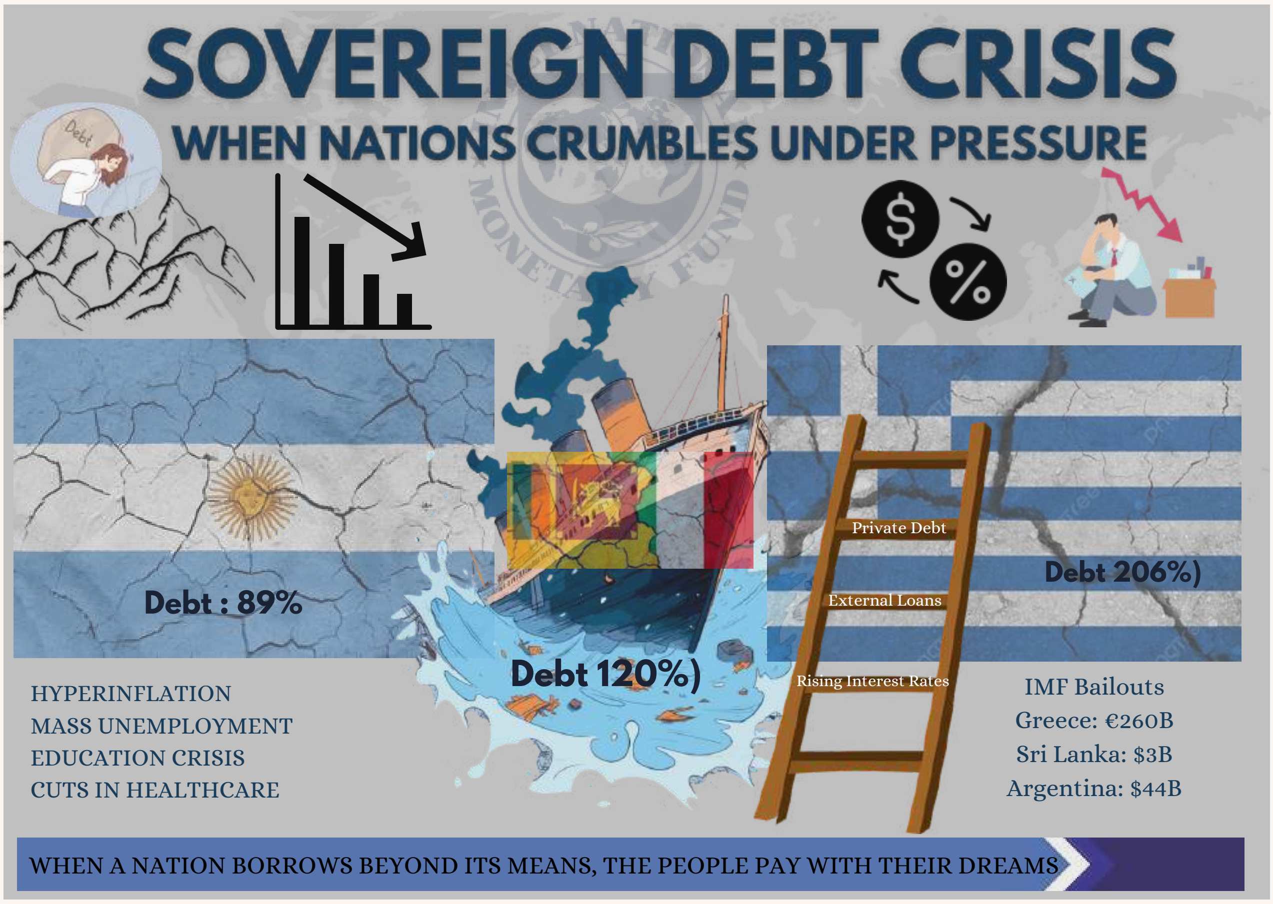

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THE $100 BILLION CLIMATE FINANCE MIRAGE:
Why promises fail and what's at stake?

The Grand Promise That Never Was

In 2009, at the Copenhagen climate summit, rich countries vowed to send $100 billion a year by 2020 to help poorer nations tackle climate change. The idea was simple: wealthier nations, which've pumped out most of the world's emissions, would fund climate fixes in vulnerable countries. It was supposed to be a win-win, i.e, fairness plus global protection. But in 2025, we're still waiting. In 2021, only $89.6 billion arrived, and it came with problems: too many loans, not enough grants, and a focus on green projects over survival needs. This gap isn't just a broken promise; it's hitting vulnerable economies hard. From Pakistan's flooded villages to Kenya's stalled renewable energy plans, the shortfall is real. Breakdown of this failure, what it's costing, and how to fix it, is what needs urgent attention.

The Math Doesn't Add Up

The Copenhagen deal was clear: rich nations would pay up to ease the climate burden they helped create. But the reality?
A mess. OECD data from 2021 shows:

• 65% loans, 35% grants. The UN says grants should be at least half, but loans pile debt on nations already strapped for cash.
• Mitigation over adaptation: 66% went to emissions-cutting projects like solar farms, while only 34% helped countries adapt with things like floodwalls. This setup screws over poorer nations. Loans pile on debt. Ghana's debt-to-GDP is now over 90% and the focus on mitigation leaves adaptation underfunded.

Real-World Fallout: Lives and Livelihoods on the Line

Pakistan's Drowning Economy:
In 2022, floods drowned a third of Pakistan, causing $30 billion in damage. Donors pledged $9 billion, but only $2 billion showed up, mostly as loans. Now, Pakistan's stuck paying half its revenue to service debt, and GDP growth crashed from 6% to 0.3%. People are rebuilding with borrowed money they can't repay, while the next flood looms.

Kenya's Green Dream Deferred:
Kenya wants 100% clean energy by 2030, but it's short $7 billion a year. Donors promised $3 billion for wind and geothermal; only $1.2 billion arrived. The gap forces Kenya to lean on diesel backups, costing $500 million annually in subsidies. Clean energy stalls, and so does progress.

Why It's Broken: A Game of Dodge and Delay

Think of climate finance as a global poker game where nobody wants to ante up. Rich nations know climate action benefits everyone, but the cost hits their taxpayers directly. So, they underpay. A classic free-rider problem that leads to a Nash equilibrium of too little cash. Worse, donors favor loans over grants to appear generous without making real fiscal sacrifices. But for countries like Senegal, where a €2 billion solar project is 70% debt-financed, it's a trap. These loans create tough trade-offs. For example, Zambia saw debt servicing rise from 20% to 38% of its national budget between 2018 and 2021, while health spending fell from 9.5% to 8% and education from 16% to 12%. It's not generosity; it's risk-shifting dressed as support.

Fixing It: Smart Money, Not Empty Promises

1. Lock it in. Turn pledges into binding commitments, like IMF quotas. Add a public "Climate Finance Delivery Index" to call out slackers.

2. Get Creative. Swap debt for climate action– for ex, Belize erased $553 million in debt to save its reefs. Redirect IMF Special Drawing Rights ($650 billion issued in 2021) to fund adaptation. Or use carbon border tax revenue (the EU could raise €14 billion a year) for flood defenses.

3. Focus on Survival. Shift to 50% adaptation funding and prioritize grants to avoid debt traps.

The Stakes: A Climate Marshall Plan or Collapse

The $100 billion shortfall isn't just a diplomatic oops. It's a market failure that's pushing vulnerable nations toward collapse. Without real fixes, we're staring down sovereign defaults, mass migration, and climate poverty traps that'll cost far more than $100 billion to clean up. It's time for a Marshall Plan for the climate era. One that swaps vague promises for hard commitments, loans for grants, and mitigation bias for adaptation parity. Anything less, and we're just kicking the can down a very hot, very flooded road.

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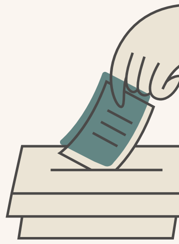


POLICY PULSE

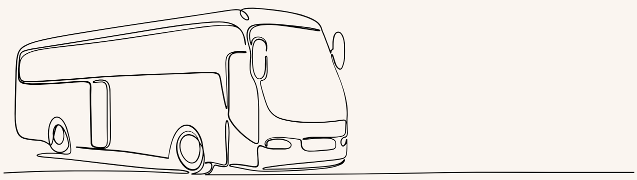
Students weigh in on timely economic debates

Welcome to Policy Pulse, a new space in Ephemeris where students weigh in on pressing economic debates in just a few lines. Each edition, we pose a timely question at the intersection of policy and politics. For our very first feature, we asked: do pre-election welfare schemes, like free bus rides, cash transfers, and subsidized rations, empower the vulnerable or serve as electoral strategy?

Government support before elections often feels like sugar before surgery—sweet for now, but bitter consequences later. To a large extent these services tend to lure the public for the sake of votes. It is all political tactics " bread baits for the voters".

“Welfare schemes as a tool for electoral incentives have been and will continue to be an inalienable part of electoral democracy. In such a scenario, the real question is how to accommodate these schemes in such a way that political benefit can be maximized, with an acting constraint placed by fiscal health and sustainability. A replication of policies such as the FRBM Act at a state level can impose greater accountability and transparency. However, the state governments may not consider such an option given their payoffs in the current circumstances. Such a question of constrained optimization can and should be studied in the realms of political economy.”

“Impact of these freebies are short lived as it does not contribute to value creation rather in value dependence.”



“Freebies don't serve any form of genuine welfare in India. Vote bank politics have historically cost us way more than the actual benefits received. The government will just try to churn money from other sources instead. All those free bus tickets in Karnataka have led the bus to be unaesthetically decorated with advertisements. I guess the state government is just trying to protect our ultra-luxury buses from evil foreign eyes.”

“There is no denying that the schemes offer some kind of liberation or empowerment to certain demographics of people, such as the free bus rides for women of Karnataka throughout the state (Shankti scheme), or the ration schemes to the citizens of the lower economic bounds. However, there is a certain opportunity cost to these schemes, often paid by someone else. For example, within a year and a half of the introduction of the Shankti scheme, we have noticed an increase in the bus fares. While these schemes achieve good outcomes, we must understand that the money must come from somewhere. Until the economy is at a surplus, it is a burden upon its citizens masked as a benefit, to try and buy one's vote.”

BETWEEN PRUDENCE AND PROMISE:
Union Budget 2025–26 in Perspective

ABSTRACT

The Union Budget 2025-26 arrives amidst global volatility and domestic economic fragility. Though it maintains fiscal prudence, its conservative allocations reveal a disconnect between growth aspirations and inclusive development needs. This article critiques the macroeconomic assumptions, public investment quality, sectoral priorities, and institutional gaps that shape India's fiscal path.

BUDGETING IN A FRAGILE ECONOMY

India’s post-pandemic recovery is shaped by global uncertainties, tepid industrial growth, and persistent joblessness. The 2025-26 Budget was expected to spur employment-intensive growth. Instead, it emphasizes macro-stability and fiscal consolidation while deferring structural commitments to inclusive development.

Though headline growth remains high, it conceals weak private investment, subdued manufacturing, and deepening regional disparities. The budget pursues a restrained trajectory, raising concerns about whether fiscal prudence can align with long-term developmental needs.

CAPITAL EXPENDITURE: Growth Engine or Missed Opportunity?

Capital expenditure (capex) remains the government’s preferred stimulus tool. Goyal (2025) highlights how capex contributed to high real GDP growth from 2021 to 2024. However, implementation gaps led to a dip in 2024-25, and the projected rebound in 2025-26 may not suffice.

Mundle and Sahu (2025) affirm that capex, when well-directed, boosts output and employment. But the current year’s modest rise in capex (10.1%) and stagnant rural, welfare, and agriculture spending suggest a cautious posture. Without structural investment and state-level coordination, capex-driven growth may falter.

DEBT ANCHORS, FEDERAL GAPS

A key shift is the adoption of a debt-to-GDP ratio as the main fiscal anchor. Chakraborty and Nagpal (2025) argue this provides flexibility to the Centre, but states, despite accounting for most social expenditure, remain bound to older fiscal norms. This asymmetry threatens cooperative federalism and equitable development.

BETWEEN CAUTION & CRISIS

Chakraborty (2025) situates the budget within broader economic vulnerabilities, rising debt, weak demand, and global shocks. The fiscal tools used, mild tax relief and selective expenditure boosts, lack the scale for meaningful stimulus. Without deeper spending on health, education, and employment, household stress remains unresolved.

The Centre’s push for Public–Private Partnerships (PPPs) in non-infrastructure sectors reflects a belief in private capital. But Singh and Gupta (2025) warn that success depends on regulatory clarity, risk-sharing, and institutional strength, areas India still struggles with.

INDUSTRIAL GROWTH: Still Elusive

Despite renewed focus on industrial revival, Babu (2025) finds little structural momentum. Industrial GVA growth remains below 6.5%, while the sector's share in GVA has shrunk. The reliance on capex to crowd in private investment has yielded limited results due to execution bottlenecks and trade constraints. India's "reverse structural transformation", from manufacturing back to agriculture and services, undermines employment prospects and long-term productivity gains. Without demand-side policies and targeted incentives, the budget's industrial strategy risks stagnation.

AGRICULTURE: Subsidy Overhaul Needed

Juneja and Gulati (2025) critique the agriculture budget for prioritizing subsidies over productivity. Nearly 60% of the sectoral allocation goes to food and interest subsidies, with negligible support for R&D, post-harvest infrastructure, or climate resilience.

BUDGET PRIORITIES VS REALITIES

Karnik and Lalvani (2025) show that while the budget claims to boost rural prosperity and industry, allocations have declined or stagnated. Rural development fell from 0.27% to 0.25% of GDP, and support for MSMEs remains at just 0.06%.

Even in social development, allocations stay under 1% of GDP. Infrastructure receives 1.45%, but basic urban services get less than 0.03%. This skewed allocation questions the state's commitment to inclusive growth.

TAX POLICY: Relief Over Reform

Mohan (2025) and Rao (2025) assess the budget's dual tax approach: reducing income tax burdens while improving compliance. Nearly ₹1 lakh crore of revenue is foregone, with the new tax regime favouring middle- and upper-income groups.

Rao notes that exemption thresholds now stand at 4.5 times per capita income, a level unseen since the 1980s. While this supports consumption, it risks narrowing the tax base and raises concerns of fiscal equity.

URBAN DEVELOPMENT: Imbalanced Push

Chattopadhyay and Kumar (2025) argue that the budget's urban push is focused on large projects, neglecting basic services. MoHUA's 52% allocation increase contrasts with persistent underutilisation, especially in housing and sanitation. Metro projects received a 37% hike, yet poor last-mile connectivity and weak uptake raise doubts about efficacy. Urban services for tier-2 and 3 cities remain marginal. Inclusive urbanisation requires stronger local institutions, not just higher outlays.

Despite agriculture employing 46% of the workforce, schemes like PM-KISAN have seen no real increase, and support for diversification into pulses or horticulture remains limited. The sector demands a shift from subsidy-heavy policies to investment-led reforms.

EXTERNAL SECTOR: Intentions, Limited Action

Veeramani (2025) applauds the Export Promotion Mission and investor-friendly reforms. Yet, he cautions that India's weak share in global trade persists. In an era of protectionism and supply chain realignment, institutional strengthening and competitive reforms must complement budgetary measures.

SOCIAL SECTOR: Underinvested and Undervalued

Sinha (2025) identifies a steady decline in the social sector's share of total expenditure, from 23% in 2015-16 to 19% in 2025-26. Health spending has dropped below 0.3% of GDP, and education lags.

international norms. Capital spending dominates at the cost of human capital.
A growth-mediated approach, without strong social investment, risks excluding large sections of the population from the benefits of economic expansion.

CONCLUSION: Promises without Deep Commitment

The Union Budget 2025-26 reflects a familiar dilemma: ambitious declarations paired with conservative spending. Capex remains the centrepiece of stimulus, but without strong social investment, state coordination, or sectoral transformation, its developmental impact remains limited.

Employment-linked priorities are underfunded. Agriculture continues to rely on subsidies, industrial growth is sluggish, and social spending remains far from sufficient. Tax and urban reforms signal intent but fall short in implementation.

For India's $5 trillion economy vision to be inclusive and sustainable, fiscal prudence must be matched by institutional reform, decentralisation, and greater equity. Otherwise, budgets will continue to underdeliver on transformative change.

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DESIGNED TO PROTECT, TOO RIGID TO HELP

He looked too young. That was the first thing I noticed, even before his thin arms, bony legs, sunken cheeks, and eyes sagging with tiredness. He barely filled out the uniform.

He was sorting plastic off a conveyor belt, piece by piece. Bottles, wrappers, milk pouches. After hovering around the shop floor with that thought circling in my head, I casually asked his age

“Athaarah” (Eighteen) came the answer with a rehearsed quickness. That night, I called the labor agency that had sent him to verify his credentials. “Everyone has Aadhaar ID,” they said dismissively. As if a document could confirm adulthood.

The next morning, I spread the Aadhaar cards out on my desk. Migrant laborers from Bihar to Andhra filled the length of the desk. Then in one corner, I saw it:
Sanjay Kumar. Date of Birth: 10-12-2005.

He was sixteen.

I informed the facility management, and the instruction was to immediately send him back. It was the legal thing to do. The right thing. But I felt conflicted at each step thereafter.

Sunny should’ve been in school. But the system had failed him long before I met him. It didn’t protect his basic rights; instead, it absorbed him into an unregulated, unprotected, and brutal informal economy. For his family, education was never free. It costs money, and worse, it cost the day’s earnings he might bring home. Economists might call this the opportunity cost of schooling. But standing beside him, it felt less like economics and more like abandonment, by every institution and social system that was meant to protect a child.

Today, nearly 138 million children remain in child labour worldwide, and most of them are in the informal sector. We say “no child labor” as a principle. And this is where our policies end. But we don’t say what comes after. We don’t know what to do with the children we remove from work. We have no pathway to put them back in school, no system to help them catch up, no net to break their fall.

We just hope the problem leaves the premises. And moves out of sight.

When I broke the news to Sunny that he cannot work here anymore, a strange sense of guilt weighed over me, and my voice faltered.
He didn’t resist, he just stood there, head down like someone who’d been turned away enough to keep asking why.

As he left for the staff quarters, one of the staff informed me of his family troubles, explaining his presence here.

“Ghar pe problem hai, seth ji. Isliye woh aaya idhar. Uska bhai bhi Jigani mein kaam karta hai.” (Things are bad at home, sir. That’s why he came. His brother also works somewhere in Jigani.)

That evening, I found him sitting near the staff quarters, on the edge of a cot, staring at the floor. I asked where he wanted to go.

He didn’t look up. Just murmured:
“Vaapas gaav nahi ja sakthe baiya,” he murmured softly without looking at me. *“Mera baiya ke paas bej do”*
(I can’t go back home, brother. Send me to my brother.)

The labour agency suggested I put him on a bus and let them handle the rest. But, Sanjay was afraid of the new city he was in, of the roads, of travelling alone. He didn’t have a phone, or money, or even a name for where his brother worked. So, I insisted and arranged a vehicle despite the agency’s hesitance and apathy. That evening, he left on the back of a bike with an agency staffer. He had no bag or belongings with him. Just his small frame disappearing into traffic. Boys like Sanjay don’t go home. They go elsewhere, into another factory, another night shift, another blind spot of the informal economy.

And I stood there, wondering:
But had I helped him?

What do you do when the right thing by law isn’t the right thing for the person it was meant to protect?

In the months that followed, I met many other Sanjay’s across different waste management facilities, in different cities. Some were working, some were playing near garbage heaps.
Some, unbelievably, were living inside the sorting sheds, which we call “waste worker colonies.”

Sanjay wasn’t a one-off. He was a symptom. We removed one Sanjay, but the system has more in the queue, same silence, same broken childhoods.
And I realised no individual empathy, no well-intended intervention, no one-time act of removal could fix this.

What we need is an ecosystem, one that is agile, interdisciplinary, and rooted in ground realities. One that doesn’t just remove a child from work, but holds them in school. One that sees education, income, safety, housing, and dignity as parts of the same whole.

Because the real question isn't why Sanjay was here. The real question is, what would it take to build a world where he never had to be?
Because an ecosystem permeable built to exploit cannot be fixed by individual compassion. It must be redesigned urgently, deliberately, together.

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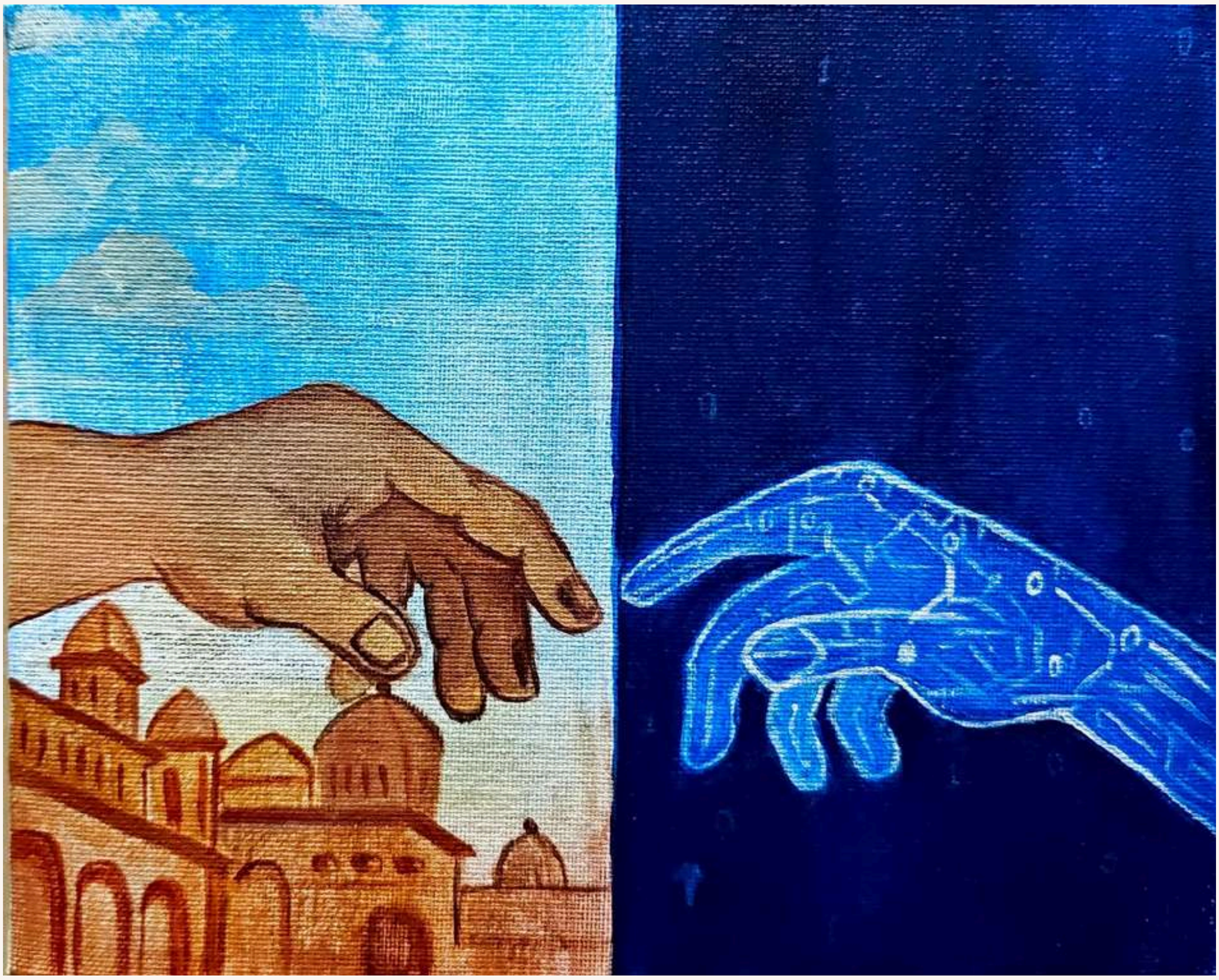
INVISIBLE HAND MEETS THE INVISIBLE ALGORITHM



The concept of Invisible Hand by Adam Smith in his ‘Wealth of Nations’ pictures how an individual unintentionally contributes to the well-being of another individual through his/her own gains. Self interest leads to social good. The Invisible Algorithm refers to the modern technology, the AI, and other recommendation algorithms that alter to an extent what we see, know and experience through our digital devices. Itpredicts behaviour and thus influences our choice.

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The Ever-Expanding Human Appetite

One of the core economic principles that any undergraduate economics student would have come across in their coursework is the idea of human wants as unlimited. From the scarcity definition to many development perspectives, the basic argument of this principle is that human consumption can never cease to exist, and on a macro level, consumption levels will grow exponentially. Observing history, we can assume this proposition to be true. Human wants, demands, and subsequent production are all increasing over time. Just look at the total world GDP over the years. In 1960, it was 1.37 trillion (current US$), while it is 111.33 trillion in 2024 (*World Bank*).

Towards the early 21st century, a very new and political idea of human wants emerged. Influenced by science fiction and popularised through private companies, such as SpaceX, the idea that planet Earth cannot sustain the growing population started gaining traction. "*I'm going to colonise Mars. My mission in life is to make mankind a multiplanetary civilisation.*" If we were to play 'guess who said this', probably not many of us would guess it to be said by an entrepreneur, but by a character in some sci-fi movie, while it was said by a real American billionaire!

These developments made me think: ***Is the quest to colonise Mars and space an extension of consumer capitalism and unsustainable growth, or a moral and ecological flounder for survival?***

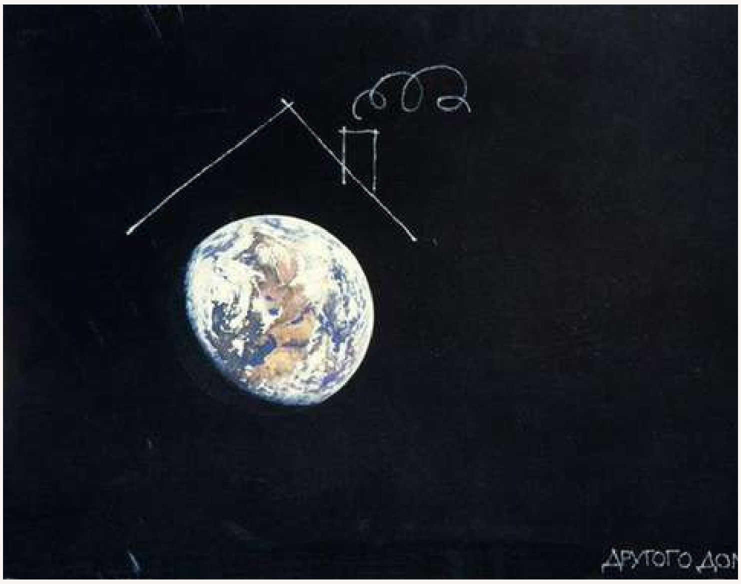
According to The Space Report published by the Space Foundation, the space economy reached an astonishing $613 billion in 2024. Government space spending grew 6.7%, to reach $132 billion in 2024. In addition to government spending, private entities also invest substantial amounts in space exploration. Out of the total operations cost incurred by NASA in 2024, 44%, i.e., $ 10,920 million, was spent to extend human presence on the Moon and Mars for long-term utilisation (*NASA*). A smaller percentage was invested in expanding knowledge and innovation, and other operations.

Let us compare this with global climate financing to see how much we prioritise a sustainable planet. According to the Global Landscape of Climate Finance report 2025 published by The Climate Policy Initiative, climate adaptation finance flows came down from 77 billion USD to 65 billion in 2023, which is the latest available data. Dual-benefit finance, which looks at both adaptation and mitigation objectives, stands at 58 billion USD (Climate Policy Initiative). These data do not mean that governments are ignoring problems on Earth and are prioritising something else, because research and development in space exploration can provide long-term contributions to knowledge and human understanding. One example can be satellite internet services, but at the same time, it points out how space colonising projects are driven by unsustainable growth aspirations and capitalist motives.

Ecological and Moral Implications

Many astrophysicists and scientists argue that human interplanetary migration is inevitable. It may be true, maybe not, but in my opinion, it will definitely make us think and invent better recycling, farming, and energy use models for the future. It is also interesting to see how the contradiction of space missions works. We are abandoning our home while destroying it. Because space missions require massive carbon emissions, which adds to the deterioration of the state of climate. The consequences of which are already being faced by many communities.

Looking through a sociological lens, we can think about larger and prevailing challenges being implied in these missions. The same social challenges that prevail on Earth can be transported throughout the solar system. Questions like who gets to leave? Will it be a millionaire escape plan from problems in which they are a major contributor to? Will arise. It also radiates doubts relating to the historic legacy of colonialism and imperialism. The biggest lesson of human reasoning's inconsistency was seen during the Cold War era, while a large-scale arms race threatened the future of the human race. A poster from the soviet union named "*There is no other home*", which communicates the idea that there is no other place for us to go if we do not resolve our differences, had struck a really impactful image in my mind. *(inserted below)*



There is no other home USSR poster (Soviet Life 1983)

I would conclude by posing the long-standing criticism of conventional economics. ***Should our human needs and measures of development be solely based on profit, productivity, growth, and quantifiable indicators, or should they be interpreted based on equity, sustainability, and measures that go beyond simple numbers?***

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POLITICAL VIOLENCE AND ECONOMIC RESILIENCE IN KERALA'S NORTHERN FRONTIER

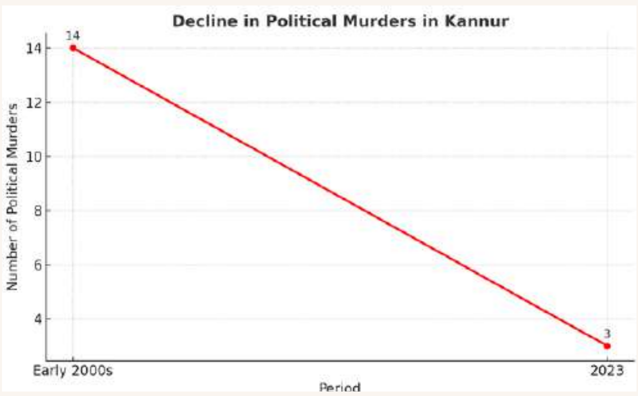
The Kannur district, located in northern Kerala along the Malabar Coast, is well-known for its rich cultural heritage, resilient economy, and turbulent political past. Over the years, Kannur has frequently made headlines nationwide, not because of its advancements, but because of its frequent political violence, particularly between competing groups of major political parties.

According to the Kerala Police Crime Records Bureau (2022), Kannur reported 67 cases of political murders between 2000 and 2017, with a majority concentrated in areas like Thalassery, Koothuparamba, and Panur. While this political strife has made headlines, the deeper question remains: how has such a turbulent socio-political atmosphere affected Kannur's economic trajectory?

The economic performance of Kannur in comparison to its unstable political climate is critically examined in this article, which focuses on the years 2000–2024. Kannur has demonstrated notable progress indicators in literacy, health, education, and industrial activity, despite perceptions of stagnation brought on by political turmoil. This analysis of Kannur's economy specifically references key sectors like education, employment, manufacturing (particularly handloom), infrastructure, and human development. We explore whether political violence has significantly hindered Kannur's economic development or whether the district has progressed in parallel.

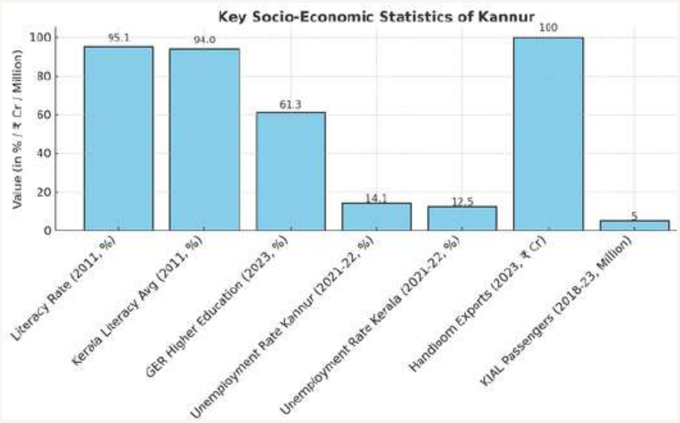
THE HISTORICAL CONTEXT OF POLITICAL VIOLENCE IN KANNUR

Kannur's political landscape has long been shaped by a deep-rooted culture of party rivalry, primarily between the Communist Party of India (Marxist) [CPI (M)] and the Rashtriya Swayamsevak Sangh (RSS). Several Seminal works, including those by Ruchi Chaturvedi (2012), have traced the origins of this political conflict to structural causes such as land redistribution, party allegiance rooted in social identity, and rival masculinities cultivated by political organizations. According to Chaturvedi, political violence in Kannur is "ritualized" and embedded in party-based community structures, particularly among the youth.



However, from the early 2010s onwards, crime records and police interventions suggest a gradual decline in political killings. As per the data released by the Kerala Home Department, political murders in Kannur dropped from 14 in the early 2000s to 3 by 2023, indicating a significant effort in peace-building. Even during peak periods of conflict, the economic growth metrics in the district surprisingly remained stable or even showed improvement in some sectors.

SECTORAL ANALYSIS



Kannur is one of the most literate districts in India. According to the 2011 census, Kannur recorded a literacy rate of 95.1%, higher than Kerala's average of 94%. By 2023, as per the Kerala Economic Review, the gross enrolment ratio (GER) for higher education in Kannur reached 61.3%, the third highest in the state. The presence of reputed institutions like Kannur University and multiple professional colleges has contributed to Kannur's academic standing. However, this high literacy and educational attainment have also contributed to educated unemployment, particularly among youth. Per the periodic labour force survey (2021–22), Kannur had an unemployment rate of 14.1%, higher than Kerala's average of 12.5%, and significantly higher among degree holders. Scholars argue that this phenomenon is partly attributed to the politicisation of youth, who are absorbed into political networks instead of formal employment pathways. This issue of "educated but unemployed" youth is critical in understanding Kannur's labour market paradox.

The handloom industry in Kannur is a legacy sector dating back to colonial times. Even amidst political conflict, this sector has shown resilience and adaptability. According to the Kerala State Planning Board, there were over 40,000 weavers and associated workers in Kannur's handloom sector as of 2020. The Cannanore Co-operative Spinning Mills, export-oriented units in Azhikode and Chirakkal, and design clusters supported by the Ministry of Textiles' Integrated Handloom Development Scheme have strengthened this sector's viability.

Kannur contributes nearly 40% of Kerala's total handloom exports, with products exported to the Middle East, Europe, and Southeast Asia. According to the Department of Industries and Commerce, the annual export value from Kannur's handloom industry has crossed ₹100 crore in 2023. Despite political disruptions, this sector has sustained employment and income, becoming a backbone of the local economy. From 2015 onwards, there was a visible shift in Kannur's physical infrastructure. The Kannur International Airport (KIAL), inaugurated in December 2018, transformed the district's connectivity. The airport handled over 5 million passengers within five years, boosting tourism, trade, and NRI connectivity. Infrastructure projects such as national highway expansion, rural roads under Pradhan Mantri Gram Sadak Yojana (PMGSY), and electrification schemes have further improved Kannur's socio- economic ecosystem.

Assuming a direct causal relationship between political violence and economic stagnation in Kannur would be simplistic. As observed, many sectors have thrived or remained stable despite periodic outbreaks of political tension. However, particular spill-over effects cannot be ignored.

For instance:

- Private investments in small and medium enterprises (SMEs) have been cautious in politically volatile taluks like Thalassery and Koothuparamba.
- Real estate prices and residential property development have shown slower growth in areas historically prone to conflict.
- Despite its potential, tourism has underperformed in areas like Payyambalam and Muzhappilangad, partly due to security concerns in earlier years.

A study published in the Economic and Political Weekly (EPW, 2019) concluded that "perceived risk associated with recurring political violence has a minor but persistent effect on investor confidence," especially among non-local entrepreneurs. However, recent years have shown a trend of recovery, especially post-2018, as political truce mechanisms and community-level peace-building efforts gained ground.

KANNUR'S HUMAN DEVELOPMENT AND INCLUSIVE GROWTH

Kannur consistently performs well on the human development index (HDI). As per the Kerala Human Development Report 2021, Kannur ranks 3rd among Kerala's 14 districts, with high indicators in health, gender equality, and income. Notably:

- Infant mortality rate (IMR) stood at 5.1 per 1,000 live births, lower than the state average.
- Women's labour force participation is relatively high at 32.4%.
- The average life expectancy is over 76 years.

These indicators suggest that kannur's social infrastructure has remained robust despite the political turbulence. A key driver of this stability has been the strong presence of the panchayati raj institutions and community-level planning, especially in sectors like health, women's empowerment, and education.

STRUGGLE FOR INCLUSIVE DEVELOPMENT

Kannur's development story reveals a paradox within India's broader growth trajectory. While the district has shown resilience in improving literacy rates, education infrastructure, and sectoral diversification, especially in handloom, MSMEs, and tourism, it struggles to translate these gains into effective employment outcomes. High levels of educated unemployment, particularly among the youth, reflect a systemic underutilization of human capital. This highlights a deeper issue prevalent in Kannur and across India: economic growth is not automatically inclusive or employment-generating. Unlike states that have leveraged education for industrial or service sector expansion, Kerala and Kannur suffer from a mismatch between skills and job markets. Therefore, while Kannur stands as a symbol of recovery from political violence, it does not yet offer an entirely successful model for equitable development. The region's experience calls for reorienting India's growth strategy toward employment-centric policies that align education with market needs and prioritise grassroots-level economic participation.

ATHIRA SAJU
3MAECO

UPCOMING

AUGUST
SEPTEMBER **2025**

PAPERS, CONFERENCES & EVENTS *in Bangalore!*

1. RESEARCH PAPERS

AUG 2

- Unfulfilled Promises | Economic and Political Weekly
- Exploring the Linkage between Education and Financial Autonomy of Women Working in the Urban Informal Sector | Economic and Political Weekly
- The Changing Structure of Female Self-employment and Its Determinants | Economic and Political Weekly
- Exploitation in Sri Lanka's Plantation Economy | Economic and Political Weekly
- India's ASEAN Trade Intensity Determinants | Economic and Political Weekly
- Fiscal Aspects of the Sixth Schedule | Economic and Political Weekly

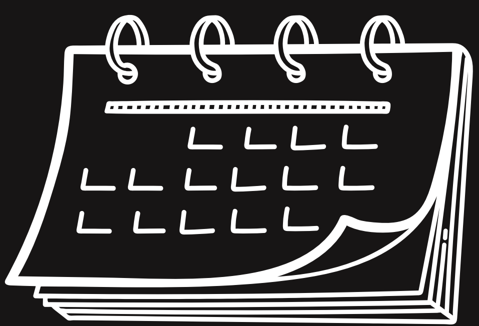
AUG 9

- Quantifying the Monetary Value of Environmental Pollution | Economic and Political Weekly
- Supply and Use Tables for India | Economic and Political Weekly
- Should the RBI Target Only on the Core Inflation? | Economic and Political Weekly
- The e-Shram Portal | Economic and Political Weekly

AUG 16

- Navigating Educational and Skill Mismatches | Economic and Political Weekly
- Economic Growth and Sustainable Energy in India and China | Economic and Political Weekly
- Bridging Data Gaps in ASUSE to Address the Enterprise Formalisation Challenge | Economic and Political Weekly
- Political Economy of Pakistan's Benazir Income Support Programme | Economic and Political Weekly

2. CONFERENCES



- International Conference on Law & Economics (ICLE)
  https://www.conferencealerts.in/events/1527988 — **AUG 25**
- International Conference on Law & Economics (ICLE)
  https://www.conferencealerts.in/events/1528084 — **AUG 28**
- International Conference on Business Management & Economics (ICBME)
  https://www.conferencealerts.in/events/1544000 — **AUG 31**

SEP 3

- International Conference on Business Economics & Finance (ICBEF) - Yeshwanthpur
  https://www.conferencealerts.in/events/1524969
- National Conference on Business Management, Economics & Social Science (NCBMESS)
  https://www.conferencealerts.in/events/1535949

SEP 4

- International Conference on Finance, Bank & Economics (ICFBE)
  https://www.conferencealerts.in/events/1534443

SEP 5

- International Conference on Law & Economics (ICLE)
  https://www.conferencealerts.in/events/1532361

SEP 11

- International Conference on Law & Economics (ICLE) - Yeshwanthpur
  https://www.conferencealerts.in/events/1532493
- International Conference on Law & Economics (ICLE)
  https://www.conferencealerts.in/events/1532505
- National Conference on Business Management, Economics & Social Science (NCBMESS)
  https://www.conferencealerts.in/events/1536021

SEP 14

- International Conference on Economy, Finance, and Business
  https://conferencealerts.co.in/event/3343767

SEP 15

- International Conference on Business Economics & Finance (ICBEF)
  https://www.conferencealerts.in/events/1525113

SEP 16

- National Conference on Business Management, Economics & Social Science (NCBMESS)
  https://www.conferencealerts.in/events/1536065

SEP 25

- International Conference on Law & Economics (ICLE)
  https://www.conferencealerts.in/events/1532793

SEP 27

- International Conference on Business & Economics (ICBE)
  https://conferencealerts.co.in/event/3343746
- World Conference on Entrepreneurship in High-Potential Economies in the Digital Era
  https://conferencealerts.co.in/event/3343745
- International Congress on Economy, Finance, and Business
  https://conferencealerts.co.in/event/3343744

SEP 30

- International Conference on Business Management & Economics (ICBME)
  https://www.conferencealerts.in/events/1531416

SEP
31

- International Conference on Law & Economics (ICLE)
  https://www.conferencealerts.in/events/1532889

3. EVENTS

AUG
14-17

- Harvard Model United Nations India
  https://10times.com/e1k2-g8x3-g4fr

AUG
26-27

- International Conference on Global Business, Economics, Finance and Social Sciences 2025 (ICGBEFSS)
  https://10times.com/icgbefss-bengaluru

SEP
3

- National Conference on Business Management, Economics & Social Science 2025 (NCBMESS)
  https://10times.com/ncbmess-bengaluru

SEP
12-14

- FFFP Conference 2025
  https://10times.com/e15h-pdhd-x5x0-5

SEP
17

- CX Strategy Summit 2025
  https://10times.com/cx-strategy

SEP
26

- Future of Finance Summit & Awards 2025
  https://10times.com/e1rp-0x3f-d1d5
- Great India Family Office Summit 2025
  https://10times.com/e1h4-p7h0-s3rk-p

ECONOMIC IMPLICATIONS OF AN AGEING POPULATION

An ageing population means an increase in the proportion of older people. The number of people aged 60 and older is projected to double from 1 billion in 2020 to 2.1 billion by 2050 (Ageing and health, 2024) .

This demographic shift has major effects on the workforce available and healthcare expenditure. The reason for this shift is declining birth rates and increased life expectancy. Modern societies often encourage having fewer children and focusing more on personal pursuits and career goals. Urbanisation has changed the societal norms to have fewer or to forgo having children due to rising expenditure in bringing up a child. Increased focus and innovation in healthcare have extended the life expectancy from 65.11 in 1990 to 72.18 in 2020 (World Life Expectancy (1950-2025), n.d.). Even though people live longer on average, there is no solid proof that these years are spent in good health (Global population, 2024).

Evidence suggests that the proportion of life in good health has remained broadly constant, implying that the additional years are spent in poor health (Ageing and health, 2024) . This reason hinders economic growth due to the reduced productivity of an increasing proportion of the workforce. With more workers retiring, the labour shortage will shoot up, especially in those industries relying on specialised work.

Economies with a higher proportion of aged people depend on a smaller pool of young people to contribute to their higher health costs, pension schemes and other publicly funded programs (Borji, 2024) . This places considerable pressure on the public finances and can lead to an increase in taxation or a reduction in benefits. This rise in the average age of the general population and the expenditures that follow would lead to a rise in transfer payments, wherein the government would have to spend much more on social welfare programmes and lead to an increase in change in consumer preferences that would drive up the demand that caters to the underlying population.

The demand for commodities that are a requirement for the aged population, like retirement homes and healthcare, increases (Borji, 2024).

Older people tend to save less and spend more on healthcare, leading to a reduction in the national savings rate, which can result in excess demand and potentially cause inflation in an economy (Distefano, 2024). An ageing society leads to an increase in healthcare expenditure while causing a reduction in educational expenditure. The US began increasing its retirement age in 1983, gradually moving it to 65, and plans to extend it to 67. Countries such as the UK, Australia, France, Germany, and the UAE have followed suit. And many are even equalizing retirement ages for men and women to boost female labour force participation, which is being implemented to maintain a sustainable quantity of workforce (D’Silva, 2025). This shift in the type of workforce would eventually lead to a decrease in productivity, regardless of the quantity of the workforce and also cost the economy in terms of advancements in society through the latest education and training to cater to the needs that are necessary for the current economy, which may include domains such as technology, Artificial Intelligence or thinking that is aligned with current issues and ideologies.

Many countries compensate for population decline through immigration to keep their labor forces well-supplied (Borji, 2024). For example, Japan has adopted this strategy to maintain a sustainable workforce (Faber, 2024). Japan and Singapore have figured out a re-employment system after retirement, where retirees can work with reduced hours and pay, like part-time jobs (D'Silva, 2025). However, this only resolves a part of the problem, that is, the quantity. This strategy does not resolve the underlying issue of productivity or development. The declining workforce due to ageing results in a smaller tax base, as there are fewer working-age people to support a growing number of retirees. In such a case, the government might cut down the social benefits or increase the tax rate to support the social benefits of the retirees.

While solutions like increased retirement ages, immigration policies, and re-employment strategies provide temporary relief, they often fall short of addressing the more pressing concerns: declining productivity and innovation. To safeguard future generations from prolonged economic strain, governments and societies must re-evaluate their priorities, investing in preventative healthcare, reimagining workforce structures, and fostering inclusive economic models that empower all age groups. Only through proactive adaptation can nations transform the challenge of demographic ageing into an opportunity for sustainable and resilient growth.

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THE CASE OF COMBINATORIAL CONSPIRACY

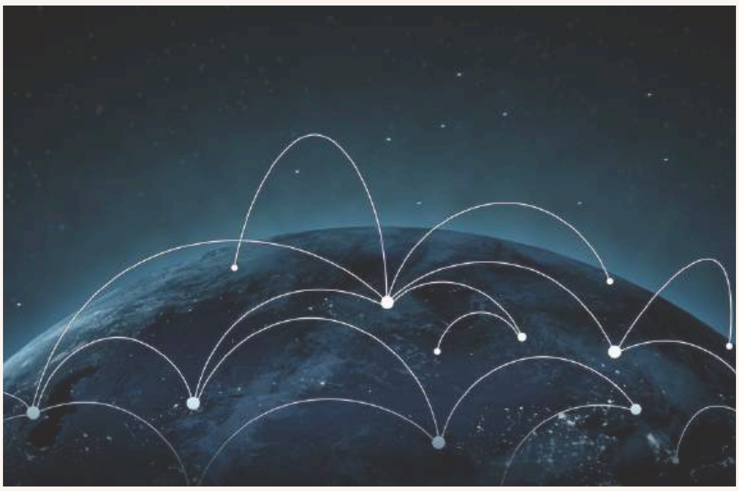
There are 195 countries in the world. So, how many trade agreements could be possible? The number will surprise you- it's ginormous. Countries negotiate trade deals on a daily basis to boost their economies, but the math behind it will tell you why some deals happen and others never do.

Nations are no longer bound by shared ideology. Strategic relationships hold the architecture of global trade in 2025. The World Trade Organization finds itself in a deadlock. Countries look to new coalitions as they reevaluate their positions amid changing alliances and waning trust. The paradox here is thus- while global cooperation is weakening, the space of possibilities is booming. Let us revisit elementary math, in particular combinatorics. Consider any two countries. With just these two countries, there is only one possible bilateral agreement. Expanding this to 195 countries, we have 195C2 agreements, which amounts to 18,915 bilateral agreements.

Now imagine groups of three or more countries forming coalitions, like the European Union (EU), ASEAN, or BRICS. Using the concept of power set mathematics, the number of possible coalitions becomes 2195 -195-1. That's a number with over 50 digits, far beyond what the human mind can grasp. If you follow world trade, you would know that not all of these alliances are realistic. Some groups may clash in interests, not all countries want to work together and historical tensions often strain diplomatic relations between countries. This reveals that while the number of options grow faster than our ability to process them, economics, politics and history begin to filter the math.

Global trade is not a chain, but rather a web. To make sense of it, we turn to network theory. In this network, each country is a node, and trade agreements are links. The resulting structure is a global mesh of alliances. But not all nodes are equal.

Some countries act as hubs, forming agreements with multiple partners, like the USA, China or Germany. Others act as tightly-knit clusters, such as the European Union or ASEAN, where internal trade is abundant. Countries like Singapore and Turkey are bridges, that link disconnected regions. Finally, we have some countries that remain at the periphery, less connected and more vulnerable to external shocks.



However, this structure isn't random. It represents economic priorities, political choices, and historical ties.

In any network, some nodes are more important than others. The same holds true for the global trade web. Take the USA, for example. It is highly connected, giving it more leverage and a greater number of choices. Think of a room full of people. In this room, the USA is the one who knows and talks to almost everyone. In network theory, this is called Degree Centrality.

Countries like Singapore or the Netherlands are small in size, but important connectors. They act as bridges between disconnected regions. These countries have high Betweenness Centrality. They play the role of a mediator or a broker. They can help deals happen or delay them. Finally, we arrive at Closeness Centrality. Think of Germany within the European Union. It has strong relationships with almost every EU member, access to both eastern and western Europe, strong ties with China, and a strong incorporation in supply chains. Thus, closeness centrality measures how efficiently a country can interact with all others. These countries trade strategically, occupying spots that can increase speed and reduce friction.

Given the theory, one would think that global trade is a clean and elegant web. But instead, it looks more like a bowl of spaghetti. Just like spaghetti, global trade is overlapping, tangled, and messy. Economists call this the Spaghetti Bowl problem, which is essentially the idea that having too many intersecting regional and bilateral trade agreements leads to confusion and inefficiency. This should be pretty intuitive- while one agreement may lower tariffs, another might impose regulatory barriers. A country might have to navigate multiple hurdles for the same product, depending on the partner or the route. This is where opportunity turns into chaos.

Math gives us options. But these options are dictated by history, politics, and trust. The combinatorics of trade are appealing on paper. Unfortunately, the world doesn't run on math alone. It runs on people, politics, and power. And that is why the spaghetti bowl keeps getting messier.

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5EMS

ECONOMICS V/S INVESTMENT BANKING

Financial matters at the intersection of finance, leveraged buyouts (LBOs), mergers and acquisitions (M&A), and private equity (PE), are generally extremely controversial in business, academic, and policy-making circles. Praised for driving economic dynamism and innovation, they have also been blamed for engendering short-termism, extractive wealth accumulation, and, even, economic harm to workers and local communities in some instances. This essay addresses some of the most accurate but controversial features of LBOs, M&A, and PE, emphasizing their far-reaching influence and the persistent controversies surrounding them.

The Controversial Mechanics of Leveraged Buyouts

A leveraged buyout is a financing transaction whereby a company is bought largely with borrowed funds, typically financed against the assets or future cash flows of the target firm. Although it allows investors to leverage returns, LBOs are usually condemned on various fronts:

Stakeholder Risk and Asset Stripping: The leverage imposed on the target company may limit its ability to invest for the long term and most often leads to reductions in costs, oftentimes through staff reductions, asset disposal, and reductions in employee benefits. Specifically, Toys "R" Us' demise was also caused in part by the suffocating debt taken on during its LBO, which did not allow it to invest in updating its business.

Fiduciary Duty Concerns: In some high-profile LBOs, the deal structure allows PE firms to earn massive fees while limiting their exposure even when the firm collapses soon afterward. This practice raises ethical and pragmatic questions about whose interests are really being served: those of the PE sponsors or the broader group of stakeholders like employees, lenders, and purchasers.

Regulatory Hurdles and Legal Uncertainty: Regulators have struggled with facilitating efficient capital deployment while also protecting companies from excessive risk-taking. The Italian experience is a learning process: LBOs were first prohibited outright due to fears about asset stripping, but later legalized with stricter constraints. Still, there are continued controversies throughout Europe and the rest of the world regarding their suitability and investor accountability.

Mergers and Acquisitions: Synergy or Disaster

Though M&A has the potential to unlock enormous synergies, increased efficiencies, market share, or technological innovation, the study found that the majority of large deals destroy, not create, shareholder value. Complaints and controversies surrounding M&A are:

Cultural Disputes and Human Cost: Several blockbuster M&A deals, such as Daimler's acquisition of Chrysler and HP's troubled acquisition of Autonomy, were tainted by cultural incompatibility, poor integration, and failure to realize synergy. These downturns often lead to layoffs, plant closures, and local community economic setbacks.

Overpaying and Shareholder Suits: In the frenetic race to outbid other bidders, acquiring firms frequently overpay, incurring excessive debt and disappointing stockholders. Such transactions have given rise to hordes of lawsuits alleging unfair enrichment, inadequate disclosure, and breach of fiduciary duty.

Regulatory and Antitrust Issues: Big deals always attract the attention of antitrust regulators who are worried about market concentration and anticompetitive practices. Litigations or mandatory divestitures can derail deal logic or cause protracted, costly legal battles.

Private Equity: The Double-Edged Sword

Private equity's business model to buy, restructure, and sell has rendered it the darling and nemesis of the world economy.

Short-Termism and Value Extraction: PE's short investment horizons, their single-minded focus on financial engineering, and debt-loading strategy are charged by critics with contributing to bankruptcy rates many times higher than those of non-PE firms. Arts like dividend recapitalization (in which new borrowings are used to pay dividends to PE sponsors) and sale-leasebacks far too often prioritize short-term cash extraction over long-term survivability.

Zombie Funds and Transparency Issues: Over-valuations and bad disclosure requirements have given rise to so-called "zombie funds", illiquid investments with investors caught, unable to cash out, but still paying high charges. This transparency issue has come under regulatory scrutiny and induced regulatory interventions towards improved transparency, not always effectively.

Social Impact: The reach of PE ensures that its activities reverberate far beyond the corridors of Wall Street, touching the lives of millions of workers, patients (in healthcare), and consumers. PE's negative image is further inflamed when necessary services or institutions, such as hospitals, are acquired only to face drastic cutbacks and bankruptcies.

Investment Banking: The Enablers and Their Own Controversies

Investment banks structure LBO and M&A deals, providing both financial engineering talent and capital. But this lucrative role as middleman has not gone uncriticized:

Conflicts of Interest: Investment banks have been faulted for prioritizing client commissions at the expense of sound strategy analysis at times producing disastrous investments for lesser able market participants, such as pension funds and municipal governments.

Work Culture and Ethics: Aside from the deal-making, investment banking's hard-driving culture of 100-hour work weeks and tremendous pressure has been excoriated, most notably in the aftermath of a series of well-publicized cases of worker burnout and mental collapse.

Market Manipulation Charges: The. largest banks, including, Goldman Sachs, have faced record fines for alleged. misrepresentation and conflict of interest selling complex financial instruments. Even when they comply with the letter of the law, they have been accused of acting "unethically," leading to international debate over legal standards and regulatory arbitrage.

Conclusion

The modern financial system, with its set of high-pitched resources and participants—such as LBOs, M&A, PE, and investment banking —is still generating and destroying value at the same time. While these resources have the ability to achieve unusual efficiencies and rates of return, their evil potential cannot be undervalued. From corporate failures and ghost towns to historic bonuses for the few, the scandals are not random footnotes but are central to the struggle today over the role, ethics, and regulation of finance in the world.

Sunay Antonio

FRUSTRATION'S MONOLOGUE

(*Why) Are We Always Broke?* I have a bank account, which has enough money to finance a cup of tea per week without creating a minimum balance issue. I have a degree, working on another one, and a side hustle I call "hope." But somehow, every time I see a bun samosa, or pav bhaji, or a karapori, I play " Should I? Should I not?" with my brain leaves.

My parents raised a budget-conscious, Excel-using child, who is ready to starve rather than spend a little on food, and squeeze the entirety of the toothpaste with a razor blade before I buy the new one. We somehow automatically think we might burden our parents with this. But why is it so?

Everyone says we will earn more than our parents did at our age, but they didn't spend a ton of money on simple things like popcorn, parking, and autos. But we aren't spending foolishly, we aren't making irrational and emotion-driven purchases (at least not every single time). We spend on **survival**. No one told us earning more would feel this empty. We don't live from paycheck to paycheck all the time, we have money, we have needs. But how do we tend to prefer wants over needs? I know I didn't need that overly-priced hoodie, that I would probably wear anywhere except for an expensive outing, which we go to once a year, but still it ended up in my closet.

Behavioural economics says irrational behaviour is what makes us humans, and that's okay. I don't think Thahler meant this:
It's called lifestyle inflation — a so-called f(r)iend that walks quietly beside you, whispering, "Treat yourself, you worked hard." And so, we do, blindly. Somehow, we included dignity in luxury, like we did character with caste, parenting with the behaviour of a girl. And somehow, somewhere, these basic needs turned premium, and the extra wants became "a must-have".

Your friend's Instagram shows a weekend at a well-lit restaurant or cafe? You feel poor. Your colleague watched their third movie released this month? What a buzzkill. It's not jealousy—it's that subconscious need to feel relevant, and that's expensive.

This is the pretend economy: you look posh, act posh, but in reality, you're buying Lays and a curd packet. Think twice before you splurge on that extra dosa.

We are victims of choices, push notifications that flirt, apps that look better than our bank's user interface, and ads that know us better than we know ourselves.

It is called **hyperbolic discounting**. We pick parotta salna from outside instead of eating the last chapathi dough at home. We prefer short-term gratification over long-term, slow peace. Apps exploit this, nudging us to buy now instead of buying big later. Clever, right?

So, where do we save, if we even can? Bank? Stock market? Gold? Rent and interest drain our income before we can even think about "savings." In reality, there is often nothing left.

The naked truth? We are fighting an economy that romanticises self-reliance but makes survival costlier, disguised in EMIs and the illusion of “freedom of choice.” The real freedom we lost was the freedom to live in peace and solidarity.

You are either pressured to YOLO and party or to sit at home and save. Either way, by your 30s, if you are not financially, socially, morally, and professionally “settled,” you will be criticised.

So what can we do? Simple, we can start saying no to things that are not as cheap as they seem. We cannot track every expense in an economy where a pack of pads costs more than soap, but a razor blade is 20 rupees. But we can resist that midnight urge to order food, drinks, or cosmetics just because an influencer made it look good.

Instead of always asking, “How do I earn more?”, we can try asking, “Do I need this right now?” or “Don’t I already own something similar?” We can learn to appreciate “slow money” and budget some things instead of pouring it all out. Because we do not need to feel rich and bougie, we just want to walk down the road without worrying about the next step.

We are the children of ambition, recession, and reality, not delusion and easy skills. Being broke here is not just about money; it is about feeling empty in a world where over-gratification is faster and more powerful than thought itself.

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COCOA-TASTROPHE

HOW CHOCOLATE JOINS THE RANK OF THE RARES

I write this letter on the precipice of a future where chocolate may no longer be an everyday delight but a symbol of status, a luxury out of reach for the average person. The rich aromas that once filled every corner shop, the joy of biting into a smooth, rich bar after school – these memories may become stories of the past. As you read this, I wonder: Is chocolate still a part of your life, or has it already become a rare treasure that only the wealthy can afford? On a passing whim, I also wonder if chocolate banks already exist, or perhaps a chocolate black market, selling first and second copies of famous chocolate brands.

A Pantheon of Exclusivity

The oncoming chocolate crisis is no mere moment of rising prices; it is the quiet unravelling of something much deeper, much more tragic. This is the slow and painful disintegration of an industry that once brought joy to countless lives. Beneath the surface of price tags climbing ever higher, there’s a story few can see: a tale of climate devastation, of human hardship in fields far from our homes, and a fragile global system fraying at its seams.

Behind every comforting delight wrapped in expensive packaging is the toil of a despairing farmer; you won't find it among the list of ingredients. Cocoa farmers confront severe economic hardships, with up to 90% not earning a living income, surviving on less than half a dollar a day in Ghana. In Côte d'Ivoire, roughly 58% live below the extreme poverty line. Global supply chain disruptions and unsustainable farming practices worsen these challenges, pushing cocoa prices down and contributing to issues like child labour and deforestation.

In West Africa, where Ghana and the Ivory Coast supply 60% of the world’s cocoa, El Niño’s abnormal weather patterns led to heavier rainfalls, fueling the spread of black pod disease and cocoa swollen shoot virus, further decimating yield and heightening farmer vulnerability. Climate change, with its heat waves, droughts, and erratic rainfall, continues to threaten cocoa production, creating long-term challenges for farmers and chocolate producers worldwide.

A Modern Alchemy: The Dilemma of Chocolate and Wealth

Not to play the Devil’s Advocate, however, the world’s chocolate titans- Hershey’s, Nestlé, and Mars, also find themselves in a bitter dilemma. Desperate not to drive away loyal customers by raising prices, the chocolate companies arrived at the lesser evil of the two choices (or did they?).

A sneaky solution, known as "shrinkflation," has evolved into what many now call Chocflation. It’s the quiet shrinking of chocolate bars and seasonal treats, a tactic that lets brands offset rising production costs without shocking consumers with higher price tags. You may not have noticed it, but that favourite bar of chocolate in your hand? It’s likely a bit smaller than it was last year. During the 2024 Easter season, Chocflation was impossible to ignore. Beloved Easter eggs and chocolate bunnies appeared noticeably smaller, though their price tags stayed the same. Hershey’s eggs shrank by almost 10%, and Mars trimmed its chocolate bunnies by 12%. By Easter 2025, chocolate prices had risen by 13.6% over the previous year, while bar sizes continued to shrink silently under the weight of soaring cocoa costs. It’s a move that keeps their shelves stocked, but it leaves consumers feeling like they’re getting less sweetness for their money.

Even more concerning, these financial pressures could jeopardise their commitments to sustainability. Those promises to ethically source cocoa and support farmers could be the next thing to shrink, all in the name of survival.

Bittersweet Trade-Off

"We have seen some shifting away from chocolate to other products like salty snacks."

At the other end of the counter stands the consumer, whose once sweet escape of chocolate is fading into the background as the rising prices burn holes in their wallets, redirecting consumer choices and economic patterns.

Alongside luxury chocolate brands like Cadbury, Lindt and Ghirardelli that have surged their prices by 50% on celebrational and festive products like Easter eggs and premium chocolate bars, the chocolate sales of everyday brands like Mars and Hershey's have grown by 6.4% in 2023, whereas the volume sales have dipped by roughly 5%, which indicates that the consumers are spending more for a significantly less amount of chocolate. The overall increase in the price of chocolates by about 12.6% in the past year has led about 62% of the consumers to cut down on the sweet pleasure of eating chocolates or resort to more affordable brands, sparking a ripple effect throughout the economy. The landscape of chocolate is shifting, as cravings give way to calculations.

THE PAGE UNTURNED

The fate of chocolate hangs in the balance. Could chocolate indeed become a luxury item reserved for the elite, or would it remain on the global shelves as a staple?

Production volumes have remained under pressure and experts predict that nearly 90% of the current cocoa growing regions may no longer be suitable for cultivation by 2050, the possibility of innovations in chocolate production such as sustainable farming practices, circular economy approaches and production of lab-grown or synthetic chocolate increases the shelf-life of cocoa on global scene, and use of substitutes such as carob and fava beans provides a solution for the potential absence of cocoa in the coming decades.

Carob, often hailed as the poor man's chocolate, is a sustainable legume that requires fewer resources to produce and shares common culinary uses and nutritional benefits with cocoa, but its flavour differences and caffeine-free nature prevent it from fully replacing cocoa. And despite the challenges, cocoa and chocolate are deeply ingrained in global culture. However, what's likely is a hierarchical division of the market—premium, cocoa-rich chocolates becoming more exclusive while affordable alternatives like the humble carob cater to the mass market.

Consumers, on the other hand, have already begun adjusting their behaviour to the present cocoa crisis. Hikes in chocolate prices have led consumers to opt for cheaper and more sustainable alternatives. And thus, the fate of chocolate remains uncertain, poised between becoming a luxury and remaining a global staple, influenced by the forces of consumers and manufacturers at both ends.

Conclusion

Call me an Admonisher or your Well-Wisher, the message remains the same. As we witness the slow trajectory to a bitter end – a fraught reality you might be living already – I urge you to reflect on the choices made. This isn't just a plea, but a call to action. I cautioned you and hoped you'd listen.

However, if it is too late, I send my apologies along with chocolate – or whatever is left of it, at least/or, at this rate, perhaps a receipt for it.

Yours sincerely,
The Past

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Photo Essay: Time and Labour

Commercial Street is one of Bangalore's oldest and busiest arteries. A swirl of neon signs, designer storefronts, and QR codes hums with the pace of progress. But if you pause, you'll see that not everyone is moving with it.

At the corner, like clockwork, Venkata Anna arrives each day at noon on his old bicycle. In his basket are raw mangoes, a knife, and a bit of masala. He has stood at this spot for twenty years. Faces change. Stores change. But he does not.

To buyers, his mangoes taste of nostalgia. Of childhood summers. But for him, it's not a memory. It's a livelihood. His presence is steady, even comforting. Yet beneath that steadiness is something more unsettling: stillness.

This stillness isn't personal. It's structural.

The Structuralist Approach to Development, led by thinkers like W. Arthur Lewis and Paul Prebisch, challenged the notion that all economies progress in predictable, linear ways. Instead, they argued that deep-rooted inequalities and rigid labour systems prevent broad-based development in places like South Asia. While parts of the city modernise, others are left behind. Venkata Anna's life reflects what Gala et al. (2018) describe as persistent structural barriers that trap workers in low-income, low-mobility livelihoods.

Venkata Anna's work was not chosen. It was inherited. His father sold mangoes. So did his grandfather. To break that cycle, he sent his son to school. But the story repeated. His son dropped out in the ninth grade and now runs a small clock shop nearby.

In the second image, we see the clocks. Hanging behind glass, they are vintage, analogue—fragments of a time that no longer ticks for most. But for Venkata Anna's son, they are a livelihood. Like his father, he stays with what he knows. The clocks no longer tell time. They reveal it. They show who has moved on and who has remained in place.

This is the essence of *Social Reproduction Theory*, which argues that inequality is not just about access to resources. It's about how inequality is passed down through generations (Farid et al., 2021).

Development does not always offer an exit.

Myrdal warned against using Western models to explain South Asian economies. These models assume that institutions are formal and adaptable, that employment can be neatly categorised, and that growth is universal. But on Commercial Street, institutions are lived. They are passed through habit, role, and necessity (Berg, 2025). On paper, Venkata Anna is "employed," but he is trapped. His labour sustains him but does not move him forward (Stewart, 2019).

What we see, then, is not just two images but one story paused in two frames. A father who sells mangoes. A son who sells clocks. Both circling within time while the city races ahead.
So we are left to ask—

Who is catching up with time, and who is left behind?

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Photo Essay: Visible Disparities and the Trickle-Down Effect

Photo Credits: Ojal Jain (2330567), 5BAPEco

I have always found Model United Nation Conferences amusing - privileged students dressed in their best formals, lobbying in an air-conditioned room about policies to uplift society. More often than not, we have not seen the “real world”, it might be because we are too young or too shielded. But this facade only lasts so long, and stepping into Commercial Street is a huge blow to this utopian image most of us have.

Commercial Street questions the very narrative of “progress” we all love to talk about. There is a stark juxtaposition between who makes the markets and who the market is made for. Modern spaces have failed to uphold the historic foundations: being “of the people, by the people, for the people.” Instead, they cloak deprivation in glittering, luxurious clothes.

At the crux of this contradiction lies the debate of Trickle-Down Economics, a school of thought that justifies free market capitalism. The theory argues that policies that disproportionately benefit wealthy individuals and corporations in the short run, eventually “trickle down” and boost standards of living for all individuals in the long run. The reality captured in the photograph begs to differ. The boutique is a symbol of power and wealth - it bestows the freedom to consume and express status via materialistic means. The women sat outside, representing a system that has failed them. A system rooted in cyclical poverty and exclusion from basic freedoms and capabilities. The women, though physically close to wealth, remain in a different economic reality, untouched by its “trickle-down” effects.

Pierre Bourdieu's theory of capital delves deeper into the debate. It postulates that inequality is not maintained merely through **economic capital**, but also via **cultural capital** and **symbolic capital**. The boutique is carefully designed with aesthetics and luxury in mind; it is a space that requires cultural literacy. Even if the women sitting were given the financial assistance to purchase goods from the boutique, would they feel like they truly, unabashedly belong in these spaces? Are they deemed important by the market merely because of their access to capital, or is there a deeper assigned value we perceive?

Inequality is never accidental; instead, it is reinforced by societal structures that hinder and destroy individuals' attempts to claw their way out of this vicious cycle. Seemingly neutral markets, such as those on Commercial Street, quietly expose hierarchies that are deeply ingrained in society. Ultimately, this photo forces us to question the development provided by the same system that simultaneously allows for such blatant inequality to exist!

Progress does not lie in the opulent displays, but rather in our willingness to view, accept and challenge them.

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DEVELOPMENT DERAILS:
TRACKING THE ILLUSIONS OF PROGRESS

(Vande Bharat: Now boarding... your Instagram!)

Developmental aspirations, often driven by ostentatious political displays, don’t always derive favourable outcomes because of the huge gap between what’s expected of a project, its execution and the planned distribution of its benefits. India is one such developing country that faces significant problems in infrastructure development, where governments have largely overlooked long-term investments and rely on ‘infra-visibility’ to secure their political position.

Development in our understanding pertains to having inclusive, equitable, well-planned investment initiatives that are not just limited to flashy sights but are solutions for deeper and long-term problems. Here, inclusive means taking into consideration every individual's voice and demands, not just those of the majority. The word "equitable" refers to how benefits are distributed among different communities, people from various economic sections, or any other social groups. Well-planning is something that is often overlooked by governments in India while initiating any project. Proper planning of development initiatives plays a huge role in determining the long-term effect of any initiative. It is this side of development that we want to highlight. We could visibly see the problems of poor planning firsthand while we were travelling to the SMVT railway station in Bangalore.

While we reached the platform, we saw the newest addition to the Indian Railways, the Vande Bharat Express. Many people, including us, ran towards it, posing for pictures. Originally known as Train 18, it is designed to reach speeds up to 180 km/h. But as some of us who travelled in these trains could recall, the trains rarely, if ever, hit such speeds and usually hovered around/below the 100 km/h mark. Amongst the litter of plastic bottles and used paper tea cups were the train tracks, and there lay the answer to the question of why Vande Bharat trains operate much slower than they are capable of.

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EDITORIAL TEAM

The latest issue of Ephemeris themed ‘Economics of Change’ open doors to multiple perspectives. Through a multi-disciplinary framework each and every article published in this issue ensures that there is a unique story that is to be said. Ranging from the issues of Inequalities and Identity Formation, Behavioral Economics and human decisions, Climate change and Issues of Governance up until Policy Pulse sections along with a final sneak peak into ‘what’s happening in town’ shows not just the vibrant and diverse ability of our student writing community to engage in everyday lives but also it instils in us a sense of hope that social science domain today is under safe hands.

In order to aid that better, we also introduced 3 to 4 additions in this issue of Ephemeris which is,

1) An interview with Aditi Jha, an alumnus of ours who has cleared the Indian Economic Service Exam and is currently aiding the government.
2) A ‘Creative Corner and Photo Essays and
3) Upcoming Events in Bangalore.

These additions we believe enhance not just the academic deliberations within students but it also helps in enhancing the overall empirical rigor of economics as a science of study. We value our readers and look forward to your insights.

Happy Reading!
Dr. Sankar Varma

From left to right: Jahnavi Thotakuru, Sub-editor (*Amartya*); Savani Mane, Editor (*Amartya*); Anshu Binoy, Sub-editor (*Amartya*); and Prisha Chandgothia, Sub-editor (*Amartya*).

Because every moment in economics is ephemeral

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"There is nothing permanent except change."
— Heraclitus