

COVID-19-TIME TO PRESS THE PANIC BUTTON AGAIN: SCARE & JITTER IS BACK ?



(Janabadi Bureau): After a short interlude of one year, the fright of Corona pandemic has once again returned, despite the government assuring that there is not too much to worry about as the vaccine is out. According to the report, in states like Maharashtra, areas like Amravati are being shut down as the corona has come back. Till date, there has been a sudden increase in the number of corona infections in the country. In the last 24 hours, 16,738 new corona cases have been identified. In addition, 138 people have lost their lives. However, in the last 24 hours in the country 11,799 patients have also recovered. The good news is that there have been no reports of corona deaths in some states. Earlier on Tuesday, 13,742 new cases of corona virus infections have been reported.

According to the latest data from Ministry of Health, the total number of corona cases in the country has so far reached to 1, 10,46,914. A total of 1,56,705 people have died. In addition, 1,0738,501 people have defeated the deadly virus. There are currently 1,51,708 active corona cases in the country, which means many people are still infected and battling with their lives. In Maharashtra, the corona pandemic does not seem to reduce. Most cases and deaths are being recorded here. In the last 24 hours, after a short gap of four months 8,807 new cases have been reported in Maharashtra. This makes the total number of infected people to 21,21,119. In addition, there are reports of the deaths of 80 more corona patients. As a result, the death toll in the state has risen to 51,937.

123,000 BANISHED & ROOFLESS PEOPLE MORE THAN 10,000 CHILDREN NEGLECTED !

'Janabadi' Bureau Review

There are 114 urban districts in Odisha. Only 16 percent of the state's population is living in these urban districts. The government claims that everyone must be provided with housing facility. Crores of money are being spent on housing schemes. But the number of homeless people does not seem to decline. The most empathetic issue is that the country's future known to be 'children' are deprived of their basic rights of education. Recently, the Odisha Child Protection Commission surveyed children living on the roadside in five cities, including Bhubaneswar, Puri, Cuttack, Berhampur and Rourkela. According to the survey, 57 percent of children between the ages of 6 and 14 are deprived of the right to education. Seventeen percent of children live alone. Fifty seven percent of children have been living in certain cities for more than five years. Ninety percent of children carry out begging and garbage picking work. The Integrated Child Protection Scheme has been in place in the state since 2009-10. Yet the big question is, why the government has not paid attention to

safeguard the poor, homeless children living in the city. With the implementation of child protection schemes in rural areas, the government seems to have neglected & overlooked the need to set up child welfare centres. In this regard, social activist Ghasiram Panda says the government



should immediately survey the neglected children on the roadsides in 114 urban areas of the state and give them their rights. According to non-government data, there are more than 10,000 neglected children in 114 urban areas of the state. In addition to this, there are numerous homeless, destitute people as well. This is being quoted by the government in the state's Vidhan Sabha. More than 123,000 homeless families live in the urban areas of the state. To provide housing for all of

these, the government has set as goals. BJD minister Soumya Ranjan Patnaik made this remarks in response to a question. Housing and Urban Development Minister Pratap Jena. The minister pointed out that 1,23,708 homeless families live in the urban areas of the state. Till date, 58,571 households have been provided under the PM Awas Yojna, 4760 under the Rajiv Awas Yojana, 12,742 under the Integrated Housing and Basti Vikas Yojana and 2,081 under the BSUP scheme. In the first phase, Rs 315 crores has been earmarked to provide housing to 505 and 435 lower middle class families in Cuttack and Bhubaneswar, respectively.

In the next phase, the government aims to include all homeless families in the above schemes, "said Minister Jena. Even after seven decades of independence, if the number of homeless people in urban areas exceeds one lakh, then how many more will these homeless people in rural areas have? It is a big question of concern as to when the government will fulfill its target of providing homes to all these poor homeless and destitute, this is a dream.

TORMENTED, ANGUISHED POOR TOILERS : WHY IS THE GOVERNMENT SO HEEDLESS, UNOBSERVANT ?

'Janabadi' Bureau Review

More than ten lakh migrant workers returned to the state during the Corona pandemic. The Labour Minister recently informed this in state assembly. There are more than 30 lakh Odiya migrant labourers working outside the state. More than twenty lakh are Daily-wage workers. Reviewing the Daily-wage labourers' problem is not sensitive for the government as it appears to be. This is because, there is no single month or a day when these Odiya migrant workers who have left their homeland for work, are not being persecuted, tormented, & exploited. In some instances their hands are

cut off, somewhere they are given shocks with the hot iron chains. The physical and verbal abuse has become a day-to-day thing for them. The government has failed to provide any security or protection for these workers who are trying to earn their bread. A similar situation has been observed. Workers within the state are also being harassed by contractors.



According to reports, the contractor is

making them working day and night without feeding the workers, and when innocent workers ask for their dues or wages, there are serious cases of contractors cutting off their hands. However, such incidents have been reported not only in the out-of-state but also near within the state at Tangi in Khordha district. In the area, some workers have been forced to leave their jobs and walk home on national highways in bare

foot without being paid by their contractors for food.

According to the information received, the contractor had given misinformation to some workers from Mayurbhanj district for government work. However, the workers did not know where and in what organizations they were working. The contractor has repeatedly harassed workers without food or drink, leaving workers with no choice but to flee towards their homes. It is unknown at this time what they must be undergoing through while walking in bare foot and after reaching their homes.

Editorial

Why is the government adopting privatization ?

In a democratic process, the elected government must be accountable to the people. But for the past few years, it has been seen that in a welfare state, the government is not held accountable for its actions. It is far away from accountability. Even services such as education and health are considered to be in the hands of private capitalists. As a result, ordinary citizens will not be able to live with dignity. The governments pushes every field into privatization and says that it will only use its administration but will not execute its duties towards people.

The agitation continues to oppose the entry of private capitalists in the agricultural sector, and the only information that has been received is that the government has tried to privatize 300 government companies without direct selling. Informing the stock market, the central government said all companies in the public sector or state-owned enterprises would be privatized. In addition, the remaining 3 to 4 companies in the energy, aerospace, energy, defence, telecom, transportation, oil, insurance, banking, and coal sectors will be privatized? Clearly, the government has launched an effort to sell an average of 300 public sector companies! It will give the government the freedom to invest an average of 35-40 lakh crores. But the government should be aware that citizens of the country will not easily accept privatization. In the last seven years, the Modi government at the centre has not been able to sell a single public sector or state-owned enterprise. This is because of the controversy over privatization. This process is controversial and personal. It is also true that bureaucrats do not have the ability to control market and attract complex mergers or acquisitions.

Because there is a court of law in the country, public opinion will also go against the government. Workers will take to the streets in protest due to fear of joblessness. The money of the citizens of the country is invested in this state-owned enterprise. Knowing that the privatization process will be hampered, the central government has made efforts to privatize state-owned enterprises. This is not good news for the country. Another information is that the India Brand for Equity Foundation, which operates under the Union Ministry of Commerce and Industry, monitors the business pace of the industry.

Ecommerce company Amazon has announced that it will invest \$ 515 million in the next five years in the food retail sector. This indirectly indicates that the corporation wants to buy the agricultural sector of India. Similarly, Parle agro Pvt. Ltd. has targeted to increase its annual revenue from Rs 3,800 crores to Rs 5,000 crores. Cargill Inc., a U.S. food company, has set a target of reaching Rs 4 lakh crores in its retail outlets. Nestle India has announced plans to set up a factory in Gujarat at a cost of Rs 700 crores. In November 2019, Haldiram signed an agreement with Amazon to indirectly intend to invest in India's agricultural sector. Coca-Cola has also launched fruit juice. In 2020, India's largest FMCG company Hindustan Unilever launched a product under 'Nature Products'. In September 2020, U.S. private equity firm Silver lake announced an investment of Rs 4,500 crores in Reliance Retail. Packaged flour, beans, pulses, milk, oil, biscuits, etc. are being sold in packages through online grocery mode. In 2019, the online grocery market was worth 1.98 billion dollar. Companies in the country, such as Flipkart, Amazon, Zomato are benefiting from online shopping. The reason for presenting this data is that, from the village to city, all the private companies are now taking over, from field of education, health, transportation, to agriculture. In the eyes of the government, these companies are cheating and exploiting people. Despite of knowing this, the government is not fulfilling its responsibilities of accountability & answerability to the people. They do not show sincerity in protecting people from fraud and exploitation. Through this, the government is trying to hand over one after another to private companies. If the government steps in on such a privatization process, there will be a revolt when ordinary citizens are persecuted and exploited instead of being given their rights. There will be protest from village to cities. By then the private company would be out of the control of the government. History proves that foreign companies, such as the East India Company, have ruled India for more than 100 years. A democratic government should not use its power in such a way as to convey the message of destruction rather than collective development. It is best for the government to uphold its constitutional responsibilities, protect the rights of its citizens, and refrain from privatization.

CENTRAL BANK DIGITAL CURRENCY (CBDC)

Sabyasachi Tripathy

Central Banks' ability to influence the price of credit for the whole economy was significantly challenged with the adoption of crypto currencies such as bitcoin. Cryptocurrency is the virtual or digital currency in which transactions are verified and records are maintained by a decentralized system using cryptography. Even though there were lot of attempts for digital currency, Bitcoin was the first established cryptocurrency used since 2009. With the trade using such currencies became more popular subsequently, there were loss of consumer confidence on fiat currencies. Virtual currencies made a paradigm shift defying Central Banks' control over the important functions of monetary and exchange rate policy. In order to reestablish public faith on new technology and to reduce cash many Central Banks are exploring the possibility of issuing CBDC complement to cash. CBDC is an electronic form of Central Bank money which can be used as a legal tender for households and businesses. The announcement from Facebook launching the Libra was a major catalyst in bringing this topic to the top of the agenda of many policy makers around the world. Many of the developed Countries like USA, France, UK, China, Sweden and South Korea are already assessing the issuance of CBDCs.

Types of CBDC:

CBDCs are of two kinds i.e retail and wholesale. Wholesale CBDCs are used by financial institutions having reserve deposits with the Central Bank. Retail CBDCs on the other hand are used by individuals and corporations. Wholesale CBDC can be the right choice for improving the wholesale settlement system and achieving efficiency in cross-border payments. Efficient clearing operations between the Central Bank and its members banks can be facilitated by wholesale CBDC. This will neither be available to the general public nor will accrue interest. The retail model is preferred by emerging economies because of its ability to enhance financial inclusion and a shift to a cashless society. Retail CBDC can be like a bank note in digital form and will available for use by the public. Central Banks of different countries may design a currency according to their own monetary policy and economic objectives.

Technology for CBDC:

Blockchain or Distributed-Ledger-Technology (DLT) is the key technology that CBDCs share with other crypto assets, such as Bitcoin. Popular cryptocurrencies such as Bitcoin and Ethereum are decentralized and are based purely on trust. In such a scenario, there is no central authority to approve the transactions and anyone can join as a validator. But CBDC will be used in a blockchain network approved by the Central Bank. The Central Bank will appoint specific authorities (which would function as nodes) to approve the transactions to be recorded on the blockchain network. That means Central Bank will exercise control over the money supply. CBDCs are also 'programmable money' i.e payment tokens having specific design features and attributes built in the token itself.

Though the use of CBDCs is associated with the distributed ledger technology ("DLT"), it may exist without DLT as well. CBDC is a non-physical digital token issued

by the Central Bank to substitute cash. So Central Bank could rely upon any existing technology to issue e-money, without relying on DLT. Many Central Banks prefer DLT infrastructure because of the advantages it can offer in terms of efficiency, cost and security.

Challenges of CBDC:

The hurdles in implementation of CBDCs are due to complex technological design, policy and economic issues associated with it. CBDCs are likely to impact country's banking sector which is called 'disintermediation'. There is a possibility of many consumers shifting their deposits from the bank to CBDCs putting commercial banks under severe stress. To remain competitive, the banks would have to charge a higher rate of interest on deposits or rely on wholesale and overseas funding. This could impact the cost of the credit provided by the banks. Policymakers need to relook the design issues around CBDC cautiously to mitigate the adverse effects on the banking system and financial stability. It is for this reason that many central banks are unlikely to implement retail CBDCs as a first step. Data privacy and compliance with applicable consumer data protection and data privacy laws is another potential area of focus.

CBDCs may not be able to provide privacy or anonymity to citizens like cash payments. It cannot be completely anonymous as it has to comply with AML regime. Further the digital nature of CBDC makes it an easy target for government surveillance affecting the right to privacy.

High standards of cyber security are essential for any country dealing with CBDC. However, the user experience will be affected while dealing with user security and the user-friendly nature of the payment mechanism.

A system where all data is stored in a central location creates concerns around potential data breaches. Governments have the ability to collect incredible amounts of information about consumers through CBDCs. Some consumers may be uncomfortable with the increased level of surveillance after the anonymity of cash will go.

With rapid changes to the regulatory landscape, there could also be inconsistency in regulation around DLTs and digital assets varying widely across different jurisdictions. Additionally, there is an inherent risk that the private keys which provide access to digital assets could be stolen by hackers. Security is paramount for the wallets which store the private keys that are necessary to transact (e.g., buy/sell/transfer) digital assets on the block chain.

States are in no hurry to launch digital currencies before they are convinced of the availability of advanced technologies with a reliable team of professionals able to provide secure and reliable infrastructure. Central banks should become technology companies as entire economy will be depending on it and hackers will be trying to penetrate the system. Management and digital asset teams will need to collectively build the appropriate competence and capabilities to perform business operations, as well as to understand and effectively manage the related risks.

Benefits of a CBDC:

Better Security: There is ...

AN OBSCURED DIRECTION OF SKYROCKETING OIL PRICES !



Petrol, diesel and cooking gas prices have been steadily rising in the country for the past few days. In some cities, petrol prices have crossed ninety per litre, while diesel prices have also touched ninety.

The general public is in dire straits due to the corona pandemic and the constant lockdown, while skyrocketing oil prices is like making a bad situation more worse. In the last two and a half months, the price of cooking gas has increased by Rs 175 per cylinder. However, the steady rise in the price of petroleum products, especially diesel, is expected to have a devastating effect on the country's freight, passenger, agriculture and even the automobile industry.

While the abnormal rise in petroleum prices has made the people of the country helpless, BJP leaders in the central government, however, have not refused from calling it fair. Petroleum Minister Dharmendra Pradhan has blamed Corona and the rise in crude oil prices, and fears that petrol also could go up to Rs 120 per litre in the future, while PM Narendra Modi has blamed the previous governments. When there was slightest rise in oil prices during the Congress government, in favour of the BJP ministers would protest on streets in the past, so this presently seems to be a mockery.

The international market is not the reason behind the rise in oil prices

The PM & the Petroleum Minister's reasons for the rise in oil prices are not the chief ones. This is because the rise in oil prices today has occurred at a time when the price of crude oil in the world market has not risen that much. Just before the Modi government came to power in 2014, the price of crude oil in the world market was \$ 120 per barrel, while today it is \$ 63. At that time, the prices of petrol and diesel were Rs 71 and Rs 57 per litre, respectively, while today the retail prices are Rs 92.40 and Rs. 88.69. This means that in the past, under the current government the price of crude oil in the world market was two times that of today, but we were getting cheaper petrol and diesel. Therefore, it is clear that the rise in the price of crude oil in the world market is not the reason for the skyrocketing prices of petrol and diesel in the country now. If that was the case, oil prices would skyrocket today not only in our country but all over the world. In contrast, oil prices are relatively cheaper in our neighbouring countries. Even in our neighbouring countries, which depend on oil imports like ours, they get cheaper petrol and diesel. At present, petrol prices in Pakistan, Bangladesh, Nepal, Sri Lanka, Afghanistan, Myanmar and Bhutan are Rs. 51.06, Rs. 75.65, Rs.71.82 and Rs.59.57, Rs. 43.16, Rs.48.06, Rs. 49.56 respectively.

Consequences of oil dominance

In the past, oil prices in our country were completely under government control, the government used to set oil market prices. Despite rising oil prices in the world market, oil prices in the country had remained stable. However, with the entry of private companies like Reliance and Essar in the oil retail market, Manmohan Singh's deputy government was first in favour of petrol in June 2010 and later Narendra Modi's NDA government in October 2014, releasing diesel from government control. In 2016, oil companies fixed the daily retail price of crude oil in the country according to the price of crude oil in the world market under the name "Dynamic Fuel Price System". The rise or fall in oil prices in the world market is also said to be the rise / fall in oil prices in the country. But instead of benefiting the people, this change of government has ultimately benefited only both the government and companies. During the last seven years of Modi's rule, the price of crude oil in the world market has been steadily declining, but with the exception of a two-fold reduction in the price of oil, there has been mostly increase rather than decrease of prices. Even

in May, crude oil prices hit the world record low of \$ 20 per barrel. At the time, oil prices in all parts of the world were declining, and in our country, the government remained silent. From January 2020 to January 2021, the price of petrol in the Indian market increased by about 13.6%, while the price of crude oil in the world market remained low by about 13%.

Plunder in the name of taxes

The main reason behind the high oil prices in our country is the excessive taxes levied by the government on tar. Both the central and state governments have used gasoline and diesel as a rainbow for their coffers. A comparative study of the central government's excise duty on oil and the state government's VAT rate makes it clear how oil is being looted in the name of taxes in the country. The current production price of a litre of petrol in the country is Rs 26.34. But a customer has to spend around a hundred bucks for that one litre of petrol. This means that customers have to pay about Rs 70 in petrol for taxes. Can it be said that both the central and state governments are somehow plundering the people in the name of taxes, VAT and cess on petrol, diesel ?

As of 2013, the total rate of excise duty on petrol and diesel by the central and state governments being 44% but currently the increase is from 100-110%. In November 2017, the first year of Modi's rule, the excise duty on petrol and diesel was Rs 9.20 and Rs 3.46, respectively. In the last seven years, the Modi government has increased taxes on diesel by ten times and petrol by three times.

At present, the people of India pay the highest taxes on petrol and diesel. In our country, about two-thirds of the oil price is levied by the government only in the form of taxes. In developed countries such as the United States, Canada, Japan, the United Kingdom and France, the rate of petrol per litre is 21%, 61%, 47%, 42% and 62%, respectively, while in our coun-



try it is 69%. "Excluding developed countries, our petrol and diesel prices are much cheaper than our neighbours Pakistan, Nepal, Sri Lanka, etc., which are largely dependent on imports from abroad, just like us." No country in the world sells oil at such a high price that no country is seen to pay so much tax on oil.

Tax rates on both petrol and diesel have been steadily rising for the past seven years. The price of petrol in Delhi in May 2014 was Rs.47.12 As of February 2021, it has dropped to 29.34. That's declined by 37%. On the other hand, the tax, cess and dealer commission on petrol rose by Rs 133 per cent from Rs 24.29 to Rs 56.59 per share in the same period. In the centre alone, taxes have risen by 216%. In 2014, the total retail price of petrol was 6% base price, while the commission on taxes, cess and dealers was 34%. However, in 2021, it has completely reversed the base price of petrol at 39%, while the tax, VAT, cess and dealer commission rates have risen to 6%. Since 2014, the central government has increased excise duty on petrol and diesel by a total of 12 trillion rupees, accounting for 33% of the country's excise duty. Even as the states have to pay their share of the excise duty collected by the centre, the government has been seen to impose continuous cess on oil, which is within the monopoly of the centre.

The Prime Minister's statement is ambiguous

The PM has blamed previous governments for the rise in oil prices in the country. He said previous governments had made no effort to reduce their dependence on oil imports from abroad. So the Prime Minister's above statement seems misleading. He spoke in support of the US Alliance, but said that maintaining some independence was not the answer. It is true that we are importing a lion's share of our oil demand from abroad. For the past seventy years, no government has tried to reduce this dependence on foreigners. But Modi cannot just blame the past governments. This is because during the last seven years of Modi's rule, oil dependence on oil has been seen to increase rather than decline. By 2014, about 84% of our total oil demand was imported from abroad, but today it has increased to 88%. Domestic oil and gas production has declined over the past seven years. ONGC, a state-owned oil exploration and production company, has cut its production by Rs 12,000 crores in 2017 to Rs 4,000 crores this year. Similarly, in the country, the government has not been able to make visible investments in the development of renewable and cheap energy sources, such as solar energy, wind power or tidal power, known as alternative to mineral fuels. If the government wants to reduce the dependence of the country on oil, it can not only increase the price of oil by making it more expensive, but also increase the excise duty on vehicles and make public transport systems such as buses and trains stronger and more affordable.

Increase taxes on corporations, not on people

Another argument from the government was to impose excessive taxes on oil, to raise funds for various public welfare programs and to reduce the budget deficit. The government wants to reimburse the public for their taxes, especially as the state's income has been reduced due to the Corona pandemic and the lockdown. The question here is, why is the government imposing additional taxes and burdens on the people in distress due to the epidemic of extra revenue collection? During the epidemic, the income of the country's top 100 richest people increased by 35%, while the government did not want to impose any new taxes on them. Yet in our country there has always been an ugly politics of increasing the burden of taxes on the general public over oil prices. All the political parties that have been in power at both the state and the centre have been involved in the looting, which is being waged against the general public in the name of oil. BJP leaders, who today say the rise in prices are right, all the rhetoric they had before coming to power exposes the politics of their deception. The fact is that the ruling party's political parties are not the only ones to loot people in the name of selling petroleum products. Surprisingly, there has been a backlash among the people of the country over the rise in oil prices in the past, and today it has become a hot topic. "People are not aware of the rising cost of living as a result of the government's deliberate price hikes every day." The skyrocketing price of petrol, diesel and cooking gas is an attack on the public. Because But it is also a product that is essential for every human being. "Whether directly or indirectly, oil prices affect everyone in the country." "Even with our freight and passenger transportation completely dependent on oil, even the slightest rise in oil prices affects the budgets of all people in society, especially the poor and middle class. The rise in oil prices may not be a problem for the wealthy, who use expensive cars, but for those who do not use cars at all or who use small vehicles for their livelihoods and businesses, the burden of rising oil prices is high. Even for farmers who use tractors or diesel pumps, rising oil prices make their production costs more expensive. Therefore, the government needs to increase the direct tax on the lower classes by reducing the indirect taxes levied on the common people in order to increase their income. In order to keep the tax on oil, it must be included in the GST.



Bhalachandra Sarangi

BOMBAY HC GRANTS BAIL TO POET BHARAVARA RAO

The Bombay High Court on February 22 granted bail to 81-year-old poet Varavara Rao, who was detained on August 28, 2018 in the Elgar Parishad-Bhima Koregaon case for health reasons. The High Court ruled that the bailiff was justified in view of the age of the applicant and the lack of facilities at Taloja Jail Hospital. In its judgment, the bench added that if Rao was denied bail, it would violate the human rights and health as per Article 21 of the Constitution. A division bench of Justices SS Shinde and Manish Pitale on Monday relaxed Rao's bail conditions, based on a petition filed by Rao's lawyer, Anand Grover, submitting that the process was time consuming. The octogenarian poet and ideologue has been granted bail for six months on medical grounds "in view of advanced age and inadequate facilities at Taloja Jail". He

has been incarcerated for over two years since his arrest, apart from stints at the JJ Hospital and Nanavati Hospital because of various health problems, including dementia and COVID-19. The order stipulates several conditions for Rao's bail, including: He has to remain in Mumbai and not leave the jurisdiction of the special NIA court, He will make himself available to the NIA court whenever summoned, He will not tamper with any evidence or attempt to influence any witnesses, He will deposit his passport with the court, He will not speak to the media about his case.

At the end of the six-month period, Rao can either surrender or request an extension of the medical bail. The court declined his

request to be allowed to travel to his home in Hyderabad, calling this a risk.

Rao was represented by senior advocates, Indira Jaising and Anand Grover. They had argued that he should be released



on bail on medical grounds given his neurological condition and health problems, for which there were inadequate facilities in the Taloja Jail hospital. They also contended that he had suffered 'cruel and inhuman treatment' over the last year because of the lack of facilities. The NIA opposed Rao's release despite his age, arguing that the case against him was serious and under the UAPA, which he and the other Bhima Koregaon accused have been charged with, bail is not to be granted. They had said that the facilities

at the government-run JJ Hospital were sufficient for his treatment, if it got any worse.

Among other things, he will provide the phone numbers of himself and his relatives who will be with him. He will appear in court whenever Docker arrives, of course he can apply for an extension of time. Rao will make his way through the WhatsApp video call with the police once in fifteen days. Following the order of the Mumbai High Court, the NIA has asked the court to suspend Rao's release from jail for three weeks. However, reports of Rao's bail have sparked outrage across the country. Many say it's too late. Welcoming the verdict of the Mumbai High Court, the Odisha Janavadi Writers' Union has demanded the unconditional release of all pending prisoners in the Bhimakoregaon-Elgar Parishad case.

WHY IS INDIA 164TH BEHIND BANGLADESH IN TERMS OF ECONOMY?



The way the Indian public has embraced inflation in the era of a collapsed economy is amazing. Every rising price is accepted by the public. The public has freed the government from psychological pressure on inflation. Is India ranked 164 in the world according to the fast growing economy? We are ranked 164 out of 193 countries in the world? The same information comes from Professor Kaushik Basu's tweet. Prof Basu is a former Chief Economist of the World Bank and a professor at Cornell University, USA.

Professor Basu has written that 5 years ago India was in the front row countries. Today is at number 164. Professor Basu has given a link to statisticstimes.com. The first thing written on this site is that the figures have been taken from the International Monetary Fund (IMF). How much GDP of which country will be in 2020 has been estimated. There are only three countries in the world whose GDP will be above 3 percent, one of them is India's neighbour Bangladesh. Guyana and South Sudan are above Bangladesh. According to this, 167 out of 193 economies of the world will remain in minus. Negative Think 79 percent of the world's economy is in the negative. Only 26 economies will achieve positive growth in 2020. 12 of which are in Asia and Africa. All European and American economies will stop expanding. The way the Indian public has

embraced inflation in the era of a collapsed economy is amazing. Every rising price is accepted by the public. The public has freed the government from psychological pressure on inflation. People are gladly buying 98-100 litres of petrol, business is sloppy. Salary is low. Earnings are low. After this, the way the public is jousting and paying 98-100 rupees for a litre of petrol is amazing. If oil companies want, then they can take advantage of the opportunity and make up to 200. The public will give that happiness as well. She does not want to lose any chance of a strong slap in the face of the opposition. The Opposition is very keen that the public is not protesting, so where does he go to sit with the poster banner and go, no one will show, no one will print. The dock media has also announced the death of the issue named inflation. India has become free from these two issues of

inflation and employment. Jobless people seeking jobs can be controlled in a minute. Immediately by sending a memo related to the danger of religion or by giving a statement related to protecting it. These things do not provide as much psychological protection to the youth of India. We are going through a historic phase. The public is not troubled by inflation and unemployment. Those who are selling government companies who are opposing this decision are less. This is the condition of the economy only by thinking thoughtfully. That we are drowned now. The lock is not locked on it. There should be praise for this. The views expressed in this article are the personal views of the author.



Ravish Kumar

CENTRAL BANK DIGITAL...

greater security since CBDCs leverage on block chain technology. CBDC is unlikely to be counterfeited or modified as everything happens on a ledger and regulated by Central Banks.

o Enhanced Financial Inclusion with safe money for poor: Cash can be difficult to obtain for under populated and rural communities that lack bank branches or the ability to safely distribute cash. A CBDC has the potential to provide access to a range of financial tools to under banked citizens. Public can get access to government backed payment systems through CBDC even in the absence of bank accounts, simply with a mobile phone and an internet connection.

o More Efficient Payments thereby encouraging e commerce: CBDCs have the potential for more agile and efficient payments globally limiting transfer times. Transactions will be more efficient with instant settlement at potentially lower cost.

o Seigniorage: This can be described as the profit made by a government from issuing currency. It is expected that through digital currency, central banks could save up to 90% of the costs involved with transporting, storing and replacing damaged physical currency.

Monetary Control:

The Central Bank would retain complete monetary control with CBDC. They can also monitor, freeze or even blacklist accounts or wallets as needed. CBDCs will help in lowering real interest rates, reduce monetary transaction costs, grow the economy and improve financial sector stability. Digital currency could provide a real-time picture of economic activity in a country or region as well as provide more accurate and timely economic data for GDP estimates.

Fighting Corruption: Authorities would be able to trace transactions more effectively through CBDC to fight against corruption and money laundering.

Faster cheaper transfers with a boost to global remittances: Presently Cross-border payments are costly and subject to long delays. CBDCs will ease cross-border payments. It will not only enable the digitization of money but also the digitization of identity.

CBDC in India:

India needs to start exploring digital currencies with a speed to establish its supremacy in World market. Currently, China has already started testing its digital currency. China aims to develop an alternative to US Dollar as a reserve currency, retain monetary sovereignty and counter

the possible growth of Libra developed by Facebook. India too should start experimenting with a digital Rupee so as not to be left far behind. Policymakers must also examine disintermediation and privacy issues in detail before initiating digital currency.

RBI had imposed a ban on virtual currencies in 2018, but it seems to be comfortable with the idea of digital Rupee. RBI will achieve financial inclusion with digital Rupee by shifting to a cashless society. Digital Currencies also help in reducing the cost of printing and handling cash. The state digital currency will be cheaper since no special paper with watermarks and other security measures will be needed. National digital currencies can also accelerate payments, increase transaction volumes and thereby increase the level of GDP. Presently there is wide disconnection between the number of bank accounts and the number of mobile phone connections. There are 1.2 billion mobile phone connections compared to only 582 million bank accounts. CBDC could help in reducing the disconnection as users would only require internet connection and a mobile phone and not a bank account.

Distinction between CBDCs, Cryptocurrencies and Electronic Cash CBDCs

are issued and regulated by Central Bank. But cryptocurrency is based on a decentralized, peer-to-peer network without having any regulatory restrictions. On the other hand electronic cash is a store of value held at banks, prepaid cards or digital wallets. CBDCs are gradual replacement of notes and coins, while electronic cash represents physical money.

Conclusion:

We are only seeing the beginning of a much bigger wave with CBDC. Digital currency is going to be the new norm which will change how we choose to save, spend or invest. The desire of faster, more secure transactions will be possible only with government transparency and individual privacy. With more countries planning to have digital currencies, we may see both opportunities and challenges arise along with this technology. While there are pros and cons to any system, CBDCs will undoubtedly have wide-reaching implications for the economy, financial system and society at large. There is also discussion on the idea of a Global Digital Currency which has been supported by many central bankers. Concept with such wider ramification needs to be discussed and debated before actual implementation.