ECO HORIZON

A QUARTERLY MAGAZINE PUBLISHED BY P.G. DEPT. OF ECONOMICS, ST.ALOYSIUS COLLEGE, EDATHUA

VOLUME 2 | ISSUE 3

OCTOBER- DECEMBER 2025

PRINCIPAL'S MESSAGE

It is a privilege to address you in Volume II, Issue III of the Eco Horizon newsletter by the postgraduate department of Economics. The standard of work in this edition clearly reflects the intellectual culture we foster at St. Aloysius College. Seeing the effort our students put into gathering and presenting these articles is especially heartening to me. Having recently moved past a three-year period where my own pen was rather still despite my ongoing public speaking engagements, I have gained a renewed appreciation for the steady exchange of written ideas.

The topics explored in these pages—from India's rise as the world's fourth-largest economy to the proposed reforms of GST 2.0—are not merely current events; they are the realities shaping our future. Our nation's expanding role on the global stage, as seen in the discussions at the G20 Johannesburg Summit, requires exactly this kind of thoughtful analysis from our youth. Additionally, highlighting Joan Robinson as the Economist of the Quarter is a fine reminder of the need to challenge conventions and pursue scholarly excellence across all social barriers.

Publications like Eco Horizon do the vital work of translating classroom theory into active engagement. They stand as clear evidence of our daily focus on quality education, aligning directly with the benchmarks that define our institution's 'A' Grade NAAC standing.

I extend my sincere congratulations to the Post Graduate Department of Economics, Sri Lane Joy, the Head of the Department, the Editorial Board, and the students of M.A. Development Economics, whose contributions shape this issue. I encourage you to keep building on this strong spirit of inquiry in the coming days.

PROF.(DR.) INDULAL G.
PRINCIPAL

EDITORS' COLUMN

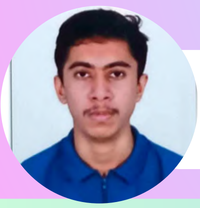
It gives me great pleasure to present Volume II, Issue III of Eco Horizon, the quarterly e-journal of the Department of Economics. This issue features articles on some of the most significant economic developments of recent times, including India's emergence as the world's fourth-largest economy, the proposed GST 2.0 reforms, and the outcomes of the G20 Johannesburg Summit. We also feature an article on Joan Robinson, one of the most influential economists of the twentieth century, under our Economist of the Quarter section.

I take this opportunity to congratulate the students of IM.A. Development Economics for their enthusiastic participation and valuable contributions to this edition of the journal.

I hope that the articles presented in this edition will stimulate intellectual curiosity, promote informed discussion, and deepen our understanding of contemporary economic issues. I wish Eco Horizon continued success as a platform for academic engagement and learning.

LANE JOY (HoD)
EDITOR-IN-CHIEF

Welcome to Volume II, Issue III of Eco Horizon. This edition brings together articles that examine important developments in the Indian and global economy, offering readers an opportunity to engage with contemporary economic issues and policy discussions.
The topics covered in this issue range from India's growing position in the global economy and recent tax reforms to international economic cooperation through the G20. We also revisit the contributions of Joan Robinson. I sincerely thank all those who contributed to the preparation of this issue.



VIVEK G.
MANAGING EDITOR

INDIA AS THE WORLD'S FOURTH LARGEST ECONOMY: OPPORTUNITIES AND CHALLENGES

In 2025, India reached a historic milestone by emerging as the world's fourth largest economy in terms of nominal Gross Domestic Product (GDP), surpassing Japan. This development reflects India's steady economic growth over the past decade, supported by structural reforms, demographic advantages, and expanding domestic markets. While the achievement marks a significant step in India's economic journey, it also brings new opportunities and challenges that will shape the country's future development path.

Drivers of India's Economic Growth

Several factors have contributed to India's rapid economic expansion. One of the most important is the country's large and youthful population, which provides a strong labour force and consumer base. Rising urbanisation and improvements in digital infrastructure have also boosted economic activity.
Government initiatives such as "Make in India," "Digital India," and infrastructure investments have strengthened manufacturing and service sectors. Additionally, the rapid expansion of the digital economy—particularly through digital payments and financial inclusion—has enhanced economic efficiency and formalisation.

India's services sector, especially information technology, finance, and telecommunications, continues to play a dominant role in economic growth. At the same time, manufacturing is gradually expanding through supply chain diversification and global investment.

Opportunities for the Indian Economy

Becoming the fourth largest economy offers several opportunities. First, India's growing economic size increases its influence in global economic institutions and international trade negotiations. A stronger economic position enables India to play a more significant role in shaping global economic policies.

Second, economic expansion can generate employment opportunities and improve living standards. Increased investment in infrastructure, manufacturing, and digital technologies has the potential to create jobs across sectors.

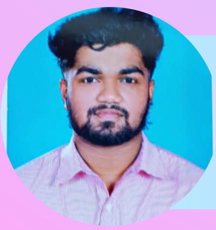
Third, India's growing market attracts foreign direct investment (FDI). Multinational corporations increasingly view India as a major destination for production and consumption due to its large population and expanding middle class.

Challenges Ahead

Despite this progress, India still faces several structural challenges. Income inequality remains a major concern, with significant disparities between urban and rural areas. While economic growth has lifted millions out of poverty, the benefits of growth are not evenly distributed. Unemployment and underemployment, particularly among youth, also remain pressing issues. Rapid economic growth must be accompanied by sufficient job creation to fully utilise India's demographic potential.

Infrastructure gaps, environmental sustainability, and the need for improvements in education and healthcare also require continued policy attention. Without addressing these challenges, sustaining long-term economic growth may become difficult.

India's emergence as the world's fourth largest economy represents a remarkable achievement and reflects the country's growing economic strength. However, the real challenge lies not only in maintaining high growth rates but also in ensuring inclusive and sustainable development. With effective policies and strategic investments, India can transform this milestone into a foundation for long-term prosperity and global economic leadership.



SAJESH KUMAR S.
I MA DEVELOPMENT ECONOMICS

GST 2.0: A NEW PHASE IN INDIA'S INDIRECT TAX REFORM

The Goods and Services Tax (GST), introduced in India in 2017, represented one of the most significant tax reforms in the country's history. By replacing multiple indirect taxes with a unified system, GST aimed to simplify taxation and create a common national market. In 2025, discussions around "GST 2.0" gained prominence as policymakers proposed further reforms to improve efficiency, simplify tax structures, and enhance revenue stability.

Evolution of GST in India

Before the introduction of GST, India's indirect tax system was fragmented, consisting of numerous central and state taxes such as excise duty, service tax, and value-added tax (VAT). These taxes often resulted in cascading effects and complicated compliance procedures.

GST was designed to address these issues by introducing a destination-based tax system applied uniformly across goods and services. Over time, the system has undergone several adjustments to address operational challenges, improve compliance, and simplify procedures.

Key Features of GST 2.0

GST 2.0 aims to further streamline the tax structure. One major proposal involves reducing the number of tax slabs and simplifying the existing rate structure. A more uniform tax system can improve transparency and reduce administrative complexity.
Another focus area is improving compliance through better digital integration and data analytics. Technological advancements allow tax authorities to monitor transactions more efficiently, reducing tax evasion and improving revenue collection.

Additionally, reforms aim to strengthen the GST framework for small businesses by simplifying filing procedures and reducing compliance costs. This is particularly important for micro, small, and medium enterprises (MSMEs), which form the backbone of India's economy.

Economic Implications

The implementation of GST 2.0 can have several positive economic impacts. A simplified tax system can enhance ease of doing business and encourage investment. It can also reduce logistical barriers, improving supply chain efficiency and promoting interstate trade.

Furthermore, improved tax compliance may lead to higher government revenues, enabling greater public investment in infrastructure, health, and education. These developments can contribute to long-term economic growth. However, policymakers must carefully manage the transition to avoid disruptions for businesses and consumers.
In addition, a more streamlined GST framework can contribute to greater transparency and formalisation of the economy.

When tax procedures become simpler and digital compliance systems improve, more businesses may enter the formal sector. This not only broadens the tax base but also improves access to credit and financial services for enterprises, particularly small and medium-sized firms. Over time, such formalisation can strengthen fiscal stability and promote a more organised and competitive business environment.

GST 2.0 represents the next stage in India's ongoing journey of tax reform. By simplifying tax structures, strengthening digital systems, and improving compliance mechanisms, the reform has the potential to enhance economic efficiency and support sustainable growth. As India continues to modernise its tax framework, GST 2.0 may play a crucial role in strengthening the country's fiscal system and promoting a more integrated national market.

JAYAKRISHNAN U.
I MA DEVELOPMENT ECONOMICS

THE G20 JOHANNESBURG SUMMIT: SHAPING GLOBAL ECONOMIC GOVERNANCE

The Group of Twenty (G20) is one of the most influential international forums for economic cooperation, bringing together major developed and emerging economies. The 2025 G20 Summit held in Johannesburg, South Africa, addressed several pressing global challenges, including economic recovery, climate change, financial stability, and sustainable development. The summit highlighted the importance of multilateral cooperation in addressing complex global economic issues.

Role of the G20 in the Global Economy

Since its establishment in 1999, the G20 has served as a platform for dialogue and coordination among the world’s largest economies. Together, G20 members account for a substantial share of global GDP, international trade, and population.

The forum gained prominence during the global financial crisis of 2008, when coordinated policy actions helped stabilise the international financial system. Since then, the G20 has continued to address issues such as global economic growth, development financing, and climate policy.

Key Themes of the Johannesburg Summit

The 2025 summit focused on several key areas. One major theme was strengthening global economic resilience in the face of geopolitical tensions and economic uncertainties. Leaders emphasised the importance of maintaining open trade and avoiding protectionist policies.

Another important topic was climate finance and sustainable development. Discussions highlighted the need for increased investment in renewable energy and climate adaptation, particularly in developing countries.

The summit also addressed issues related to digital transformation and financial inclusion. Rapid technological advancements have created new opportunities for economic growth, but they also require appropriate regulatory frameworks to ensure fairness and stability.

Implications for Emerging Economies

For emerging economies such as India, the G20 provides an important platform to voice concerns and influence global economic decision-making. Issues such as debt sustainability, development financing, and equitable climate policies are particularly relevant for developing countries. Many emerging economies continue to face challenges related to high public debt, limited access to affordable finance, and vulnerability to global economic shocks. Through the G20 framework, these countries can collectively advocate for policies that support sustainable development and financial stability.

The Johannesburg Summit reinforced the need for inclusive global governance structures that reflect the changing dynamics of the world economy. As emerging economies contribute an increasing share of global GDP and trade, their representation and participation in international institutions become more important. Strengthening cooperation among G20 members can help address global challenges such as climate change, food security, and technological transformation.

Moreover, the summit highlighted the importance of supporting developing nations through increased investment in infrastructure, digital connectivity, and green energy transitions. Access to climate finance and technology transfer remains essential for emerging economies striving to achieve sustainable growth while addressing environmental challenges. By promoting collaboration and policy coordination, the G20 can play a crucial role in ensuring that the benefits of global economic growth are shared more equitably among nations.

The G20 Johannesburg Summit demonstrated the continuing importance of international cooperation in addressing global economic challenges. In an increasingly interconnected world, effective global governance requires collaboration among major economies. By promoting dialogue, policy coordination, and collective action, the G20 remains a crucial institution for shaping the future of the global economy.

SREELEKSHMI S.
I MA DEVELOPMENT ECONOMICS

ECO HORIZON

ECONOMIST OF THE QUARTER

JOAN ROBINSON

Born : 31 October 1903
Died: 5 August 1983

Contributions:
- Economic Growth Model
- Amoroso–Robinson relation
- Monopsony Theory

Joan Robinson (1903–1983) was one of the most influential economists of the twentieth century and a leading figure of the Cambridge School of Economics. Known for her sharp analytical insights and critical approach to orthodox economic theories, Robinson made significant contributions to microeconomic theory, development economics, and post-Keynesian economics. Her work expanded the boundaries of economic thought and challenged several established ideas within the discipline. As one of the few prominent female economists of her time, she also played a pioneering role in shaping modern economic analysis.

Early Life and Academic Career

Joan Robinson was born on October 31, 1903, in Surrey, England. She studied economics at the University of Cambridge, where she later became closely associated with the influential group of economists surrounding John Maynard Keynes. Robinson's intellectual environment at Cambridge allowed her to engage deeply with new economic ideas and participate in debates that would shape the future of economic theory.

She spent most of her academic career at Cambridge University and became one of the most prominent members of the Cambridge School. Through her teaching, research, and writings, Robinson influenced generations of economists and students around the world.

Contributions to Economic Theory

One of Robinson's most important contributions came through her book The Economics of Imperfect Competition (1933). In this work, she challenged the traditional assumption of perfect competition that dominated classical and neoclassical economic theory. Robinson introduced the concept of imperfect competition, showing how firms could possess market power and influence prices rather than simply accepting market prices. Her analysis helped economists better understand real-world markets, where monopolies, oligopolies, and differentiated products are common. The concept of imperfect competition later became an important part of modern microeconomic theory.

Role in Post-Keynesian Economics

Joan Robinson was also a strong supporter and interpreter of Keynesian economics. After the publication of Keynes's The General Theory of Employment, Interest and Money, she played a crucial role in explaining and extending Keynesian ideas. Robinson contributed to the development of what later became known as post-Keynesian economics, a school of thought that emphasises uncertainty, income distribution, and the role of government policy in stabilising economies.

She was particularly interested in the problems of unemployment and economic instability, arguing that market economies often require active policy interventions to maintain growth and stability.

Contributions to Development Economics

Robinson's work also extended to development economics, where she examined the challenges faced by developing countries in achieving sustainable economic growth. She studied issues such as capital accumulation, technological progress, and the structural transformation of economies. Her analysis emphasised that economic development is not merely a matter of increasing output but involves fundamental structural changes in production, employment patterns, and institutional arrangements. Robinson argued that developing economies must focus on expanding productive capacity and improving technological capabilities in order to sustain long-term growth.

Her insights were particularly valuable for countries in Asia and Africa that were undergoing economic transition during the mid-twentieth century.

During this period, many newly independent nations were searching for appropriate strategies for development. Robinson engaged with debates on planning, industrialisation, and income distribution, highlighting the importance of balanced growth and efficient resource allocation. She also recognised the role of government policy in guiding economic development and correcting market failures. Robinson's engagement with economic development debates broadened the scope of economic theory beyond advanced industrial economies and encouraged economists to pay greater attention to the realities of developing countries.

Legacy and Influence

Joan Robinson remains an important figure in the history of economic thought. Her work helped economists move beyond simplified models of perfect competition and encouraged deeper analysis of real-world market structures. By introducing the concept of imperfect competition, she demonstrated that firms often possess market power and can influence prices, wages, and output levels. This insight significantly enriched microeconomic analysis and provided a more realistic understanding of how markets operate.

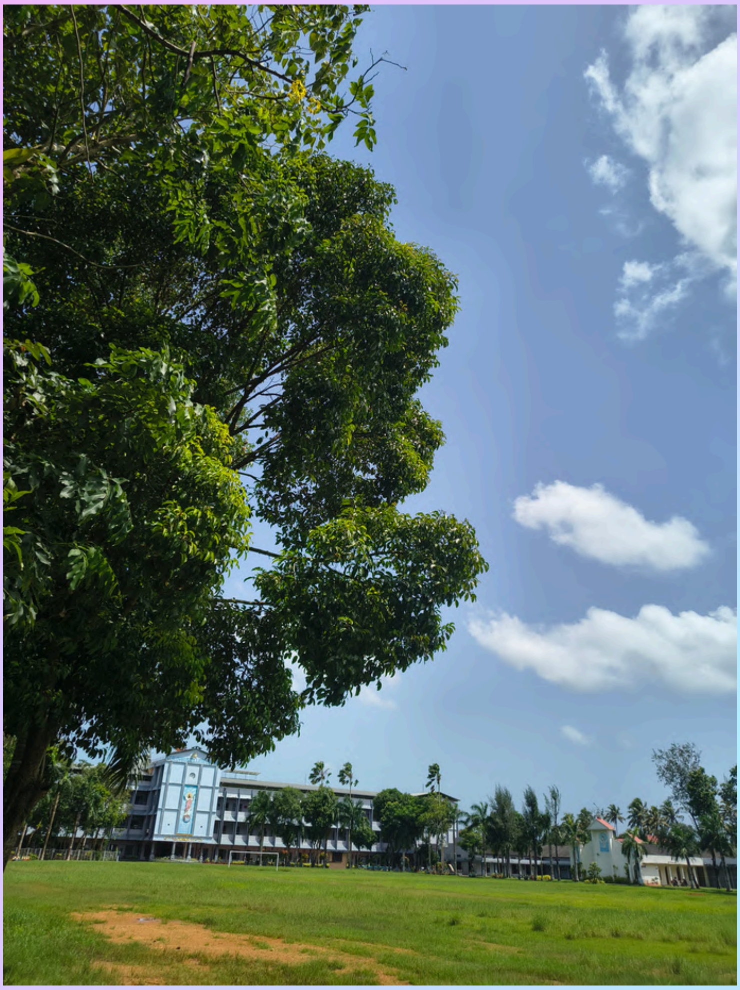
Robinson also played a key role in shaping debates on capital theory, growth, and economic development. She was actively involved in the famous Cambridge capital controversies, which challenged conventional assumptions about the measurement and role of capital in economic models. Through her critical approach and rigorous analysis, she encouraged economists to reconsider fundamental concepts within economic theory.

Beyond her intellectual contributions, Robinson's career stands as an example of determination and academic excellence at a time when women were significantly underrepresented in the field of economics. Her achievements opened doors for future generations of women economists and demonstrated that scholarly excellence transcends social barriers. Today, her influence continues to be recognised in contemporary discussions on market power, inequality, and economic policy. In an era of rapidly changing economic conditions, the analytical insights provided by Joan Robinson remain relevant for understanding market dynamics, development challenges, and the evolving role of economic policy.

SWATHY SREEKUMAR
I MA DEVELOPMENT ECONOMICS

ECO HORIZON

THROUGH THE LENS: STUDENT PHOTOGRAPHY SHOWCASE



Published By:

POST GRADUATE DEPARTMENT OF ECONOMICS
ST. ALOYSIUS COLLEGE, EDATHUA
(NAAC Reaccredited with 'A' Grade [4th Cycle])