

K.T.S.P Mandal's
Sahebraoji Buttepatil Mahavidyalaya

Notes
FYBCOM

Prose

Black money and the black economy

Answer in 30-40 words

Briefly explain what the black and white streams are in an economy

Ans:

'Black money and the Black economy' is a prose taken from author C. Rammanohar Reddy's "Demonetization and black money".

There is a constant flow of money in the economy between white and black flows. To give an example, a real estate developer, who is paid a certain amount of cash for his sale and does not report this income to the tax authorities, can use non-dissertation funds in various ways. He or she may use a part to sell cement in cash, which he or she wants to hide from the sales tax authorities. This part of black money then circulates in the black economy.

In above way 'black and white streams ' are in economy circulates.

What does the word 'benami' mean in tax related usage.

Ans:

The word 'benami' literally means 'without name'. In tax-related usage, it means that an asset may be purchased by one person but it is held in the name of another. It refers to Benami Property Transactions Act, 1988. The Act defines a 'Benami' transaction as any transaction in which property is transferred from one person to another for consideration. Such transactions were a feature of the Indian economy, usually related to the purchase of property (real estate), and were believed to contribute to the Indian black money problem. This done to hide the real ownership of the asset.

According to the author, what must be done in order to remove black money from the economy?

Ans:

According to author, The first step is to start building an integrated system of financial monitoring transactions and disbursements so that every rupee can be tracked. The ultimate goal will be to integrate all governance, corporate and transaction services into a single digital card, to bring more people into the formal financial system. The second step is to eliminate as many physical interfaces as possible in day-to-day administrative and corporate systems. Today, electronic and digital governance solutions are being implemented in such a way that parts of the work flow are digitized. The third step is to immediately remove unwanted and unnecessary policy frameworks, rules and regulations. Such changes are needed to change the mindset of the bureaucratic framework.

According to the white paper, what are the 'sectors' that are more vulnerable to the generation of black money?**Ans:**

According to the white paper, following are the 'sectors' that are more vulnerable to the generation of black money.

- i) Land and real estate transactions
- ii) Bullion and jewellery
- iii) Financial market transactions
- iv) Public procurement
- v) The non – profit sector
- vi) The information sector with its cash economy .

Answer in 150 words**Q. What is black money? And how it produced?**

Black money is income that illegally obtained or not declared for tax purposes. It can be earned both through legal and illegal ways. Also, the unaccounted money that is concealed from the tax administrator is called black money. It's legitimate source is that the earners do not reveal their while income to tax department. In other hand, it is illegally produced through illegal activities like bribe, smuggling, black marketing, extortion drugs and corruption etc.

It is a perceived as a parallel economy and underground economy or an unofficial economy that is the consequence of economic policies of the government and has damaging effects on countries economy and nations planning development

Sources that produce black money

1. Sellers or traders who do not pay bills or receipts generate black money.

2. Many people invest in bullion or jewelry to hide their real income from the authorities.
3. In the real estate sector, many people understate the value of their real property to avoid paying the correct taxes. They cheat the government of the correct amount of property tax.
4. Some Self Help Groups (SHG) and Trusts do not provide proper sources for their funds and donations received.
5. Tax havens: Tax havens are generally small countries where foreigners do not have to pay taxes. These countries generally have very liberal regulatory frameworks, which large companies take advantage of. They set up shell companies there and redirect all their profits to this entity, through which they can reduce their tax liability by a huge margin.
6. Hawala: Hawala is an informal method of exchanging money without using banks. It works by code, contact and trust, without any paperwork.
7. Investment through innovative derivative instruments like participating notes is also a means of hiding black money.

Q. What is black economy?

The informal economy is the part of any economy that is not taxed or monitored by any form of government. Although the informal sector forms an important part of the economy in developing countries, it is sometimes stigmatized as troubled and unmanaged.

Black Economy refers to all economic activities outside of the government laws and regulations related to commerce. A major part of the Black Economy involves illegal activities that generate black income. Interestingly, this economy also includes legal activities. The web of this exists everywhere, right from third-world countries to first-world nations.

It is also known as a parallel economy. Businesses operating in this economy don't follow the rules and regulations stipulated by the government. Even the income generated in this economy doesn't get reported to government tax authorities. In other words, the Black Economy comprises the concept of black money. Since the money involved in the Black Economy isn't recorded under official economic statistics, it is quite tough to estimate it.

Prose

The Nightingale And The Rose

Summary:

"The Nightingale and the Rose" is a short romantic story by Oscar Wilde. First published in 1888 in the collection- "The Happy Prince and Other Tales". The story follows a nightingale, and a young man determined to marry the girl he loves. It's a story primarily about morality, sacrifice, and love.

An important theme throughout "The Nightingale and the Rose" is that there's more to true love than physical attraction because external beauty fades. The problem is that people are too

easily distracted by new, shiny things and material gain. True love isn't simply romantic—it's selfless and painful, and it endures, unlike material things.

In the story, there is a student who is in love with a girl. When the story begins, the Student wanders around a rose garden, pining for a young girl. The girl promised to dance with him if he brought her a red rose, but he couldn't find any. He can't believe that, in such a large garden, the roses are all white. If he doesn't dance with the girl, he knows he'll be unhappy forever.

From a nearby tree, a nightingale listens to the Student's depressing story. She sings about love all the time, but she didn't think she'd ever understand it. Now, she has an epiphany. She can't believe how much the Student looks like the typical hero in romance stories. He has brown hair, pale skin, rich red lips, and a melancholy expression. She thinks that the Student is perfect.

The Student only has until the following night to find a red rose. It's the night of the royal ball, and this is his final chance to impress the girl. There's no point in attending the ball if he can't dance with her. Someone else will court the girl and marry her, and the Student will die from a broken heart. All the while, the nightingale listens to his sorry tale, and she decides that there must be some way to help him win the girl's heart.

The nightingale mulls over what to do while the Student lies down on the grass and cries. A lizard and a butterfly pass by, and they wonder what all the fuss is about. Soon, even garden flowers talk amongst themselves about this tragic, heartbroken boy. However, when the nightingale tells the garden animals about the red rose, they laugh. The lizard and the butterfly think that he's being ridiculous, and they go about their merry business.

Meanwhile, the nightingale flies around the garden, looking for a red rose. Various garden trees direct her to rosebushes, but she only finds yellow and white roses. It's not until she reaches a tree under the Student's bedroom window that she finds red roses. However, the tree doesn't give away roses for free. To earn a red rose, the nightingale must complete various deadly tasks.

The nightingale asks for more information about these tasks. The tree explains that she must impale herself on a rose thorn and die singing a love song. Bleeding beside the tree will turn a white rose into a red one. If she's prepared to sacrifice herself for love, then she deserves the red rose. Otherwise, she's wasting the tree's time and she should leave him alone.

At first, the nightingale refuses to kill herself. However, the more she thinks about the Student and his plight, the more she understands that love means selflessness. If she isn't prepared to sacrifice herself, then she doesn't care enough. Making the Student happy is more important than her own survival.

The nightingale returns to the Student. He's still lying on the grass, crying. He doesn't see any way out of his predicament. The nightingale tells him that she has a plan, and that everything will work out in the end. She promises to get him a red rose, but there's a condition attached to her generosity.

The nightingale will only sacrifice herself if she's sure that the Student truly loves the girl. He must love the girl unconditionally and purely. He must be willing to marry her, and he must be willing to die for her. However, there's a problem—the Student doesn't know what she's saying. It's not just because she's a bird and he's a human. It's because he doesn't understand the language of love.

The nightingale thinks that the Student understands her. She sheds her blood and dies by pressing herself against a thorn. The Student, ignorant to the nightingale's sacrifice, takes up the rose and rushes to find the girl. The girl dismisses the Student because he's poor, lowly, and unworthy of her. She chooses a lover who can buy her fancy jewelry instead.

The Student decides that he'll never understand love or women and he throws the rose away. He doesn't believe that love exists anymore. A cart runs over the rose petals, crushing them. The sacrifice was for nothing, and the Student has no idea what the nightingale sacrificed for him. If we love someone purely, we will act for them, whether they know it or not.

Answer in 150 words

Q. What are the different kinds of love the Nightingale sings about? How does that reflect in the story? Does the author wish to draw your attention by the nightingale what would those be?

Ans:

"The Nightingale and the Rose" is a story in which the first character to appear is a student.

This boy is sad because a girl who promised to dance with him brought her a red rose, but he couldn't find a red rose: There were white roses and yellow roses, but he couldn't find a red rose. Nightingale, who understood student and she began to fly until she saw a rose tree. She sang to him her sweetest song, but the red rose told her that grew around the old sun—Dial. Nightingale to his brother who grew up around the old sun dial. The nightingale went to see the new rose-tree, and after promising the same in exchange for a red rose, the rose-tree told her that his roses were yellow, but he sent the nightingale to his brother, who grew under the student's window, so the nightingale went there, and when she arrived, she asked to give red rose. The rose tree said it was red, but the winter had chilled its nerves and the forest had cut its buds, so the -tree and he could not give her a red rose. At night, the nightingale rose exposed her breast to the thorn. She sang all night long. She kept pressing her chest against the thorn until the thorn touched her heart and she felt a sharp pain. As the rose turned red, the nightingale's voice grew fainter, and she died after beating her wings. The rose was gone, but she couldn't see it. The next morning, the student saw a wonderful rose under his window. He took it and went to see the girl and offered her a red rose, but she said that the rose would not go with her dress and that the Chamberlain's nephew had sent her real jewels, and everyone knew that jewels were much more expensive than flowers. After arguing with her, the student throws the rose into a sewer, where a cart wheel goes into it, and says that love is a stupid thing and that he prefers logic and philosophy.

Q. How would you characterise the student and his response to both the nightingale and the girl he thinks he loves? What happens in the end? What do you think author wanted to achieve by the end?

Ans:

The story "The Nightingale and the Rose" is written by Oscar Wilde. It has deep meaning and indirect comments on life.

The Nightingale: The nightingale is the hero of the story. She is romantic by nature and inspired by the love of students. She sings about love all the time and waits to see it. When she sees a student crying for a red rose, she decides to give her life to help out him. She gives her heart's blood to a white flower to paint its petals and grant the student's wish, dying in the process. The entire story revolves around her sacrifice and selfless nature which is not appreciated throughout the story. At the end of the story, her sacrifice is ignored and wasted by all. When the red rose stained with her heart's blood is rejected and destroyed. Her selfless nature and unwavering belief in true love shows that truth exists but people make it selfish.

2) **Student :** He is a young boy with beautiful eyes and red lips who claims to be in love with a girl. At the very beginning of the story the student appears as a true lover who mourns in his garden for the love of his life. He inspires the bird to sacrifice her life to help him but as the story progresses we learn about his true nature. He is pre-occupied with practicality and lacks the capacity to experience true emotions. He calls her ungrateful when the girls reject the red rose and suddenly all his love is gone. He decides that love is impractical and unrealistic. This shows him as a materialistic person rather than someone who believes in love and selflessness. He does not appreciate Nightingale's sacrifice and does not fulfill her last wish which was true for his love.

3) **Rose Tree :** There are three rose trees in the story but only one plays a major role. It is the tree under the student's window that helps the nightingale produce the red rose. When Nightingale asks him the way to get the red rose, he refuses to tell her because she doesn't want to lose her life. But the nightingale commits suicide by pressing her heart on a thorn, giving her heart's blood to color the rose red. The rose tree is the only one in the story who recognizes her sacrifice and sympathizes with her.

4) **Girl:** In this story, the girl is briefly introduced. It expresses an important point. She is the girlfriend of a student and the daughter of a professor. She asks the student to bring her a red rose if he wants to dance with her at the party. When a student brings her a bright red rose, she rejects it because another rich suitor has given her the jewels. It shows she has strong materialistic mindset.

Moreover, in this story Oscar Wilde presents the most common issues of materialism and idealism in the traditional society in which he lives.

PROSE: MUHAMMAD YUNUS: AN ECONOMICS FOR PEACE

Summary

Muhammad Yunus is the first Economist to win a Nobel peace prize. He belongs to Bangladesh and is the pioneer of microcredit. He got the prize for the way his Grameen bank worked for women empowerment.

The Yunus-Grameen story is indeed unique. Muhammad Yunus did his doctorate in economics from Middle Tennessee State University in the United States. Then he returned to Bangladesh. Yunus had been guided by Nicholas Geogrescu-Roegen. He was a unique thinker who created 'evolutionary economics' and influenced Yunus in the ways that would help him develop the ideas behind Grameen. He made Yunus understand that without the human side, 'economics is just as hard and dry as stone.'

Yunus returned to Bangladesh in 1972 when it became a newly independent country. He began teaching at Chittagong University. Bangladesh faced a famine in 1974 and he saw people dying from hunger. He was very troubled by the difference between academic economics and the reality of people. He came across Sufia Khatun, a local woman, who took money from the local money lender to purchase raw material and made a profit of a penny on each stool. He lent money to Sufia and forty-one others for their business projects. She finally earned a profit of twenty-five dollars. Tears roll down her face. She has never seen so much money in her life.

This led to the establishment of an innovative group-lending system where short-term, interest-free loans were given to group members who were collectively responsible for repayment. The Grameen Bank was formally founded in 1976 and is owned by its borrowers. The bank was very successful and the unusual thing about it was its customers, who were ninety per cent woman.

Now, women formed a group to get loan from Grameen Bank. It empowered women and their children got education and they started acquiring property or money. This was objected by the males and village power-mongers. The aim of Grameen Bank was not limited just to financial empowerment. It wanted to bring social consciousness. It helped to build a relationship of trust among the rural women and the bankers.

The success of Grameen was replicated by rural Arkansas when Bill Clinton was governor. Today every developing country has microcredit as a measure to get rid of poverty.

The World Bank experimented this method of poverty alleviation and now it funds many schemes of microcredit all over the world. Professor Yunus has spread the idea of microcredit and advocated the concept that credit is a human right.

Grameen Bank has explored various fields and become successful. Muhammed Yunus's knack of finding and applying the right business idea for rural Bangladesh is what makes him a remarkable development economist. His work for alleviating poverty could have won him the 2006 Nobel Prize in economics. The microcredit, NGOs and the peacemakers will have to make sure that the violence of starvation and poverty should not be continued due to the strict banking credit system.