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# **‘New Pathways to World Development: Opportunities and Challenges’**

**26<sup>th</sup> February, 2019**



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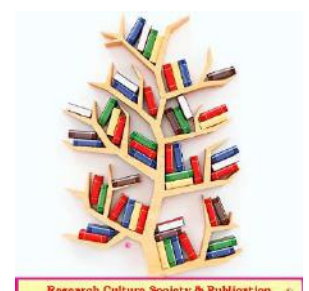
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*One day International Interdisciplinary Conference  
On*

# **‘New Pathways to World Development: Opportunities and Challenges’**

**26<sup>th</sup> February, 2019**

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**About the Conference:**

The world recently remembered a decade old Financial Crisis triggered by fall of Lehman Brothers, while staring at a new crisis-like situation. However, the global geo-political crisis we are witnessing today is not the only crisis we have come across in the 21st century. Surprisingly, the year 2000 began with the technology bubble and its contagion effects on the financial markets. First decade of the 21st century was featured by terrorist attacks, war on terror and Ponzi schemes and financial meltdowns.

The crisis that we are facing today does not have resemblance with crisis of 2008 though the outcome will be of equal proportions or will have even greater and more dangerous long term impact. The world is facing lot of economic and political disruptions causing creation of multiple shockwaves leading to severe movements in the financial markets, international trade and world development.

Present turmoil in the world is caused by the trade war between USA and China, rising Oil Prices and escalating tensions between Russia and USA. The world is also experiencing extreme weather conditions causing natural calamities of unprecedented scale resulting into damages of serious nature. The decade also witnessed a large scale migration as fallout of war-like situations in terror-struck nations like Syria, Afghanistan etc. Large scale migration from poor to rich nations created newer demographic and socio-cultural problems for the nations that are at the receiving ends. Thus, the world is shacking as a result of the developments of the last decade and the absurd events of the present day. The markets and the economies are rattling due to increasing uncertainties, changing stance of the leader nations and unwillingness of the nations to deal with the problems collectively. On this slippery and shaky background a silver-lining is that India being the largest market economy is expected to play a

key role in bringing back the world to the basics. Presently we find ourselves in unknown territories and it is becoming increasingly difficult to predict what we will come across at the end of the tunnel.

To deliberate upon developments post last economic crisis and possible impact of these developments on the world and India in particular, we have organized a One Day Inter-Disciplinary International Conference on the theme 'New Pathways to World Development – Opportunities and Challenges'. We invite researchers and academicians to get enlightened by the eminent speakers and also to participate in the process of evolving solutions to problems faced by contemporary world through research paper presentations.

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- Impact of natural calamities
- Indian Foreign Policy and the world
- Impact of global developments on India
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- Role of Information Technology in World Development
- Changing world culture
- Need for world financial structure and role of global financial institutions
- Any sub-theme related to above main themes

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# QUÉBEC'S SUSTAINABLE DEVELOPMENT APPROACH: THE CASE OF CLIMATE CHANGE

**DOMINIC MARCOTTE**

CONSUL & DIRECTOR

BUREAU DU QUÉBEC IN MUMBAI

( Key Note Address )

Distinguished Guests, Dear Students, Ladies and Gentlemen, Bonjour, Namaste.

It's a pleasure to be here with you today to present Québec's approach to addressing climate change and sustainable development. It is now very clear that governments don't need to choose between protecting the environment and encouraging economic growth. We all know that these two goals need to be merged together, and that all nations of the world must likewise come together and take the path of sustainable development.

Today I want to explain you how Québec approaches one of the most crucial component of this challenge: fighting climate change. This is fundamental because the excessive release of greenhouse gasses in the atmosphere aggravates problems regarding water management, air quality and biodiversity, and managing residual materials and contaminated soil. Crucially, we must acknowledge that fighting climate change sows the seeds of a truly sustainable economy, but also that cooperation is essential in the face of this challenge. This is why the fight against climate change lies at the core of Québec's International Policy, and hence I am so pleased to have the opportunity to share our experience with you today.

## ***Québec's integrated approach to addressing climate change***

Québec has identified climate change as a top priority for nearly twenty years now. It has been inclined to do so because it possesses crucial levers of climate action, being part of a federal state, and because it has the innovative spirit needed to tackle climate change while generating prosperity.

Québec's integrated approach to addressing climate change rests on the following pillars: reducing greenhouse gases through carbon pricing, electrification of transport, and other mitigation measures; as well as a set of actions to adapt to the impacts of climate change.

## ***Greenhouse gas reduction and carbon market***

Québec has set ambitious short, medium and long term targets for greenhouse gas (GHG) emission reduction: a 20% reduction below 1990 levels by 2020 and a 37.5% reduction by 2030. We also have the long-term objective of lowering our emissions to 80-95% below 1990 levels by 2050.

Carbon pricing is the cornerstone of Québec's fight against climate change. We believe that putting a price on carbon in the economy is the most effective way to combine economic development and GHG emission reduction – which are two complementary and non-conflicting objectives – as it provides the impulse needed to reduce our carbon footprint while sustaining economic development.

With that in mind, we undertook to implement a carbon market in January 2013 (the *cap-and-trade system for greenhouse gas emission allowances*) and which now covers 85% of Québec's GHGs. In 2014, Québec linked its carbon market to California's, thereby creating the largest carbon market in North America and the first to be designed and operated by sub-national governments in different countries.

To further reduce GHG emissions and help Québec society adapt to the effects of climate change, the Québec government committed to reinvesting all revenue generated by the carbon market into a Green Fund that is used to finance our climate change Action plan (the 2013-2020 Climate Change Action Plan (PACC 2013-2020)). More specifically, these measures are intended to stimulate research and innovation to develop GHG reduction technology in several sectors, including sustainable mobility, energy efficiency, conversion to renewable energy, transportation electrification, green buildings, and adaptation to the impacts of climate change. Over two thirds of the market's revenue has been allocated to reducing the transportation sector's carbon footprint, which accounts for 43% of Québec's GHG emissions.

### **Electrification of transport**

The transport sector represents one of our main challenges. The government has implemented several strategies and action plans to increase the number of electric vehicle (EV) and bolster the EV industry. (i.e. The 2015-2020 Plan for Electrification of transport is targeting the registration of 100,000 electric and rechargeable hybrid vehicles in 2020 and one million in 2030).

Quebec has already implemented key initiatives, within its e-mobility plan, so that consumers, institutions and businesses turn towards electric vehicles, such as incentives to acquire electric or hybrid vehicles and to install charging stations at home and in the work place as well as investments to develop a large charging infrastructure.

With one of the best clean energy records in the world (over 99 %), which produces large surpluses, and a world-class expertise in this sector, the transition toward e-mobility was a natural choice for our society. By putting E-mobility at the center of Quebec's Climate strategy since 2011, Québec now has the largest fleet of electric vehicles in Canada (43% of Canadian EVs on Quebec's road in 2017) and the most extensive charging station network (with more than 3200 public charging stations in service). EV deployment is increasing by 4 to 5 % per month and the number of EV has almost doubled in the last year (90% increase) to reach more than 36 000 EVs on our road in October 2018

### **Climate change adaptation**

Allow me now to present Québec's action on climate change adaptation, especially with respect to public health. The repercussions of climate change are already being felt in Québec and will translate into heat waves and more frequent extreme precipitation, as well as more intense storms. Coastal erosion and permafrost thawing has become more pronounced in the past few years and will continue to worsen. Also, several regions of Québec were recently affected by major flooding and heavy snow.

Whether it's due to factors such as heat, the increased presence of pollen allergens, or poor air quality, the physical and psychological health of individuals and communities are at risk under these circumstances. In addition, the economic, social and environmental costs of the current and future impacts of climate change are enormous. However, several studies show that the cost of inaction is greater than the investment needed for adapting to the impacts of climate change.

To be in a better position to prevent these situations, the Québec government launched a broad adaptation strategy in 2012 (the 2013-2020 Government Strategy for Climate Change Adaptation). This strategy aims to put forward the commitments and actions needed to strengthen Québec society's resilience to climate change in order to reduce its negative impacts and capitalize on the opportunities associated with it.

The strategy is based on four issues affecting the sectors that are the most vulnerable to the consequences of climate change: (1) the well-being of the population and communities; (2) the continuation of economic activities; (3) the permanence and safety of buildings and infrastructure; (4) the maintenance of essential ecological services.

One of the concrete measures implemented was the creation of a system for monitoring and preventing the impacts of extreme weather events on health (developed by the Institut national de santé publique du Québec (national public health institute of Québec)). The system provides reliable information for

taking preventive action during heat waves and protect against other extreme weather events, such as floods and forest fires. It also issues health alerts coupled with response actions by the health network.

Another example of concrete action is the implementation of projects to combat the heat-island effect in urban areas through greening pedestrian streets, public parking lots, public squares, school yards, and playgrounds.

## **Ouranos**

In 2001, the Québec government invested in the creation of Ouranos and has supported its development ever since. This non-profit organization is a consortium on regional climatology and adaptation to climate change which brings together over 450 researchers from more than 100 organizations.

Ouranos has the expertise to assess the socio-economic and environmental impacts of climate change, as well as to identify, evaluate, and implement adaptation strategies. The work that Ouranos carries out meets the concrete needs of the government's various departments and their partners so that they are better able to take climate change into account in their decision-making. The organization has produced a study aimed at estimating certain costs associated with the impacts of climate change. According to estimates in that study, climate change in Québec will lead to significant government expenditures on public health in the range of several hundreds of millions of dollars by 2064. Added to this are the social and economic consequences over the next 50 years, which include deaths caused by temperature increases and which, according to estimates, will exceed 20,000.

The wide-ranging positive results stemming from the creation of the Ouranos consortium, as well as the excellent partnership with the government of Québec that lies behind it, have made it an international best practice that is now being replicated elsewhere.

Synergies with research communities and local partners, including municipalities and companies, have made it possible over the past few years to move adaptation forward in Québec, especially with regard to public health, coastal erosion, and permafrost melting. The sooner federated states and regions invest in adaptation measures that are appropriate to their situation, the better they will be able to limit the costs resulting from climate change.

## **Québec's presence on the world stage**

On the world stage, Québec has been actively promoting the recognition of the crucial role of sub-national entities, including federated states, notably during the negotiations of the Conferences of the Parties to the United Nations Framework Convention on Climate Change.

Thanks to a global collaboration of like-minded actors, the Paris Agreement gave concrete expression to this recognition. It was made possible through the mobilization of non-state actors and the actions of international networks of federated states (such as The Climate Group and The Network of Regional Governments for Sustainable Development (nrg4SD)). Québec is a member of these groups and plays a leadership role in them. Quebec is also closely working with The Energy & Resources Institute of India (TERI) in this domain. In fact, since the past few years Quebec ministerial delegations, Quebec companies and Quebec scientists have attended the World Sustainable Development Summit (WSDS) and have had enriching interactions with TERI. We also have Quebec interns coming to India to work at TERI office in New Delhi.

To further enhance its international outreach, the Québec government appointed, in 2017, Mr. Jean Lemire, an internationally renowned scientist and communicator, as Québec's Envoy for Climate Change, Northern and Arctic Affairs. Mr. Lemire has been tasked with deepening new international partnerships aimed at reducing greenhouse gases and adopting carbon pricing mechanisms. (Mr. Lemire is a biologist and science communicator who is recognized worldwide for his travels across the planet's oceans in conjunction with his work on climate change and biodiversity.) He visited India last year along with Quebec's then minister of International Relations and La Francophonie on the occasion of World Sustainable Development Summit organised by TERI.

Québec is also present on the world stage because it recognizes that climate change threatens to increase poverty and to undermine the basic security of people around the world. The Government of Québec has thus answered the Paris Agreement call for climate solidarity and decided to provide financial support to developing countries that are vulnerable to the impacts of climate change. Consequently, in the wake of the Paris Conference of 2015, Québec announced financial support totaling \$25.5M over five years to help the most vulnerable Francophone countries fight climate change more effectively. The projects funded by the program reflect the wide variety of climate challenges faced by developing countries and complement existing local initiatives to meet the needs of local communities and build capacity.

## **Conclusion**

The entire world is mobilizing itself to address this pressing and complex issue, and we should be glad about that. As a federated state, Québec intends to assume its full role in the spirit of international cooperation and urgency that is currently spearheading climate action.

In conclusion, it goes without saying that greater collaboration, both at the Canadian level and internationally, will inevitably broaden the scope of our actions and the benefits resulting from them.

Dhanyavad!

# Development and Engagement with Diaspora: A Comparison between China and India

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Similar to the similarities and comparability between China and India, the diaspora of China and India also have great, even the greatest comparability and similarities. However, the international influence of overseas Chinese and overseas Indians is meaningful or worth exploring when they are linked to the respective developments and the rises of China and India. The so-called competition between overseas Chinese and overseas Indians is also valid only under this premise. The comparison between overseas Chinese and overseas Indians is actually carried out in the context of the development of China and India, or introduced by this topic. Without the comparison of economic and social development between China and India, the comparative importance of Chinese Diaspora and Indian Diaspora is not that significant, and the scope of comparison between the two will be much smaller. Because there is no direct competition between the two Diaspora groups with very few links, much less mutual influence. Therefore, the overseas migrants of China and India are not an isolated phenomenon. We should discuss overseas immigrants of the two countries in a broader historical background. This article conducts comparison between overseas Chinese and overseas Indians under the premise of China-India comparison. Meanwhile, the comparison of policies towards and relationship with their Diaspora between these two countries will also be explored.

## 1. National development and the engagement with diaspora

For a long time, China and India are often mentioned together by many Western scholars. These two countries are regarded as rivals who stay highly sensitive and alert to each other's moves with continuous competition. The international community often compares the two as well. Some Western scholars use the term "twins" to express this close correlation or comparability between the two countries.<sup>1</sup> Some people in India hold similar views<sup>2</sup> and China is considered as the counterpart of India by some Western scholars.<sup>3</sup> According to Stephen Cohen, a famous American expert on Indian issues, India and China have been placed in the same category for more than a century according to western imagination.<sup>4</sup> This is of course a rough comparison or an oversimplified summary, which is inappropriate, but not unreasonable. Now, with the economic development, the improvement of international status and the increasing international influence of China and India, more and more international scholars, entrepreneurs and politicians prefer to compare China and India in the same breath. Western scholars and the media even believe that there is "historical grievance and modern jealousy" between China and India.<sup>5</sup> This view is certainly untrue. However, it is indeed an indisputable fact that India likes to compare with China.

Practically speaking, China and India may theoretically constitute a certain degree of competitive relationship with huge similarity and comparability. In reality, there is also a visible habit of unilateral comparison in India. Influenced by the international society and the academic community, Chinese scholars are paying more and more attention to India and constantly conducting comprehensive research on various aspects of the two countries. However, Chinese people hold no resentment or jealousy towards India, but actively seek opportunities to improve Sino-Indian relations to strengthen mutual

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<sup>1</sup> Stephen P. Cohen, *India: Emerging Power* (New Delhi: Oxford University Press, 2001), p.6.

<sup>2</sup> Raghav Bahl, *Super Power? The Amazing Race between China's Hare and India's Tortoise* (New Delhi: Penguin Books India, 2010), p.12.

<sup>3</sup> When attending an international conference on education in New Delhi in March 2011, I heard a university president from Australia stated this in his presentation.

<sup>4</sup> Stephen P. Cohen, *India: Emerging Power* (New Delhi: Oxford University Press, 2001), p.256.

<sup>5</sup> "Rivals and Partners: Are India and China Coming Together?", *Economist*, March 5, 2005.

trust and cooperation. Of course, there are quite a few Indians who keep a positive and optimistic attitude towards Sino-Indian relations.

In recent years, Indians are accustomed to comparing overseas Indians with overseas Chinese when comparing India and China. The contribution made by overseas Chinese to China's economic development and the relationship between China and overseas Chinese have become the discussion focus of Indian government, academia and the media. Influenced by Indians, comparing overseas Chinese with overseas Indians has gradually become a new hot topic in the international community (first of all, international academic circles). The discussion centered on the utilization of the capital and talents of the Diaspora by China and India in recent years. However, relatively speaking, there is limited comparison in a comprehensive and systematic manner between overseas Chinese and overseas Indians and their overall contribution to their respective mother countries (mainly the impact of economic development). Nevertheless, there has been a tendency of increasing attention, discussion and systematic research on this topic.

The comparison of overseas immigrants between China and India is a topic that Indians prefer. However, the starting point of this comparison is the comparison between China and India. The purpose is of course to learn from China's experience to promote India's development. In the international community and international academic circles, although people do not directly compare overseas Chinese and overseas Indians as two similar communities when conducting comparative studies between China and India, they often tend to compare the economic contributions overseas Chinese and overseas Indians have made to their home countries to some extent.

Overseas Chinese and overseas Indians represent two largest immigrant groups in the international community. Meanwhile, China and India are the two largest developing economies with potential mutual competition. Furthermore, overseas Chinese and overseas Indians are closely linked to their motherland. The international influences of these two immigrant groups have far-reaching implications for the future development of both countries, and will also have a great impact on the relationship between China and India and certain countries with these immigrants. To a certain degree, the overseas immigrants of the two countries will directly affect the growth and decline of the national strength of the two countries, the international influences and competitiveness of the two countries, and the speed of economic development and the future rise of the two countries.

A basic question needs to be clarified about the comparison between overseas Chinese and overseas Indians' international competitiveness if it is there. That is, these two immigrant groups have not yet formed a relatively direct or obvious competitive relationship, not to mention confrontation. They remain separate yet friendly to each other. There exists no serious interest conflict between the two groups. Powerless and often persecuted most of the time, Chinese Diaspora and Indian Diaspora lived on the fringe of societies, isolated and marginalized politically and culturally in most of their host countries. However, due to their huge population (globally speaking or in their host country alone), the two immigrant groups may constitute a certain competitive relationship in terms of economy, labor market and the quota of future immigrants. Of course, this does not lead to conflicts of interest or hostility. Moreover, if the strength or international influence of overseas Chinese or overseas Indians is related to China or India, they will form a certain logical competition due to competitive relations between China and India. Because there is a competitive relationship or a comparison between China and India, and because China and India attach great importance to their overseas immigrants, Chinese Diaspora and Indian Diaspora also constitute a certain competitive relationship. In other words, due to some less obvious competitive relationship between China and India, overseas Indians and overseas Chinese also constitute a theoretical competitive relationship. People (including Chinese and foreign scholars and government officials) like to compare the two invisibly, and the two will therefore compete or compare with each other.

To a certain extent, the development mode and level of China and India and their respective diplomatic environment determine the relationship or cooperation between the two countries and their overseas immigrants. This is a very important frame of reference for comparing the development and potential of the two countries as well as the comparison of Chinese Diaspora and Indian Diaspora.

## 2. International influence: the Commonality and similarity between Chinese Diaspora and Indian Diaspora

Diaspora sometimes are unique, particularly Chinese and Indians. The great similarity between the two groups makes them mostly comparable. This is first manifested in their huge population. India's overseas immigrants are currently only second to overseas Chinese in terms of population distribution and size. Similar to the population of overseas Chinese, the statistics on the population of overseas Indians is imprecise. Different sources lead to different numbers. In the late 1990s, Indian officials and some Indian experts studying overseas Indians believed that there were approximately 15 million overseas Indians in 110 countries.<sup>6</sup> From 2002 to 2003, some Indian scholars claimed that there were 20 million overseas Indians living abroad, scattered and eventually settled in every country around the globe.<sup>7</sup> Entering the new century, the latest figure of the Indian Diaspora announced by the Indian government is 25 million.<sup>8</sup> As early as the opening ceremony of the 3rd Overseas Indians Festival on January 7, 2005, India's then Prime Minister Singh quoted 25 million as the total population of overseas Indians.<sup>9</sup> It should be noted that the speed and magnitude of Indian Diaspora are gaining momentum in recent years. However, the official number of 25 million remains unchanged.

Regarding the total population of overseas Chinese, figures vary. Chinese scholars generally believe that the total number of overseas Chinese (with Chinese nationality and foreign nationality) is 35 million. This is also the number released by the Chinese government. Foreign scholars, overseas Chinese scholars along with Hong Kong and Taiwan scholars generally believe that the actual figure is larger. Some people think that the population of overseas Chinese is close to 60 million<sup>10</sup>. Western scholar Richard Davone believes that there are 50 million overseas Chinese.<sup>11</sup> In general, the statistics or estimates of overseas Chinese population conducted by domestic scholars, media or related institutions are more cautious and conservative when compared to overseas scholars, media or related institutions, with a few exceptions. For example, Zhou Xiang, a reporter from Global Times stated that overseas Chinese spread across 168 countries and regions in the world, with a total population of about 87 million.<sup>12</sup> This is almost the biggest figure announced by the Chinese (including scholars). He may simply draw on figures published or gathered by Western scholars or media due to lack of deep understanding or research on this issue. Coincidentally, on October 10, 2005, Wei Hua, an overseas Chinese journalist also set the number of overseas Chinese at 87 million in an article published by a British media. He claimed that the actual number has exceeded 87 million and this figure is "the latest official statistics of China"<sup>13</sup>. While in fact, Chinese government never published this "latest figure". The second similarity between overseas Chinese and Indians is that the total wealth or overall economic power of the two is quite large and will play an increasingly important role in the global economic system.

Although the population size of overseas Indians is smaller than that of overseas Chinese, their total income is almost equal to that of overseas Chinese. Moreover, the population size and power of Indian Diaspora are currently rising sharply. Cohen believes that the Internet 'enabled the diaspora to keep current with, and participate in, developments in India'<sup>14</sup>. He observes that. In the United States, 'a new community Americans of Indian origin came to maturity, forming a new domestic political force'<sup>15</sup>. He also says that India 'has a diaspora that constitute a potential asset for the Indian state, as well as a new link with the United States'<sup>16</sup>. He stresses that: 'The Indian diaspora will play a greater role in key

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<sup>6</sup> K. Laxmi Narayan, "Indian Diaspora: A Demographic Perspective", <<http://www.uohyd.ernet.in/scc/oinddiaspora/center/html>>, accessed in August, 2001.

<sup>7</sup> S.K. Mandal: "Home Coming", *Chronicle*, Mar.2003.

<sup>8</sup> <<http://www.overseasindian.com>>, accessed in October 2007.

<sup>9</sup> *The Hindu*, January 8, 2005.

<sup>10</sup> Pal King: "How Strong Overseas Chinese Are", [Thai] *Asia Times*, December 10, 2002.

<sup>11</sup> <<http://www.trabajo.gov.ar/seminarios/files/recharddavone.doc>>, accessed in August 2003.

<sup>12</sup> Zhou Xiang: "Overseas remittance helps Poverty Reduction in Developing Countries", *Global Times*, November 21, 2005.

<sup>13</sup> Wei Cheng: "Another 'Chinatown' broke ground," *Financial Times*, October 10, 2005.

<sup>14</sup> Stephen P. Cohen, *India: Emerging Power* (New Delhi: Oxford University Press, 2001), pp.123-124.

<sup>15</sup> Stephen P. Cohen, *India: Emerging Power* (New Delhi: Oxford University Press, 2001), 2.

<sup>16</sup> Stephen P. Cohen, *India: Emerging Power* (New Delhi: Oxford University Press, 2001), p.2.

countries, especially the United States; it will develop closer links to India itself, and the Indian government will view it as a political and economic asset.<sup>17</sup>

The third similarity between overseas Indians and Chinese lies in that overseas Chinese and overseas Indians have close relationship with their respective home countries or hometowns (where ancestral homes are located), exemplified by economic connections (including investment) and huge remittances. Of course, the relationship is not only manifested in remittances superficially, but goes deeper in the strong national consciousness and strong emphasis on cultural traditions honored by the two Diaspora groups. In short, both overseas Chinese and overseas Indians have retained very strong cultural identity.

The fourth similarity between overseas Chinese and overseas Indians is that their respective immigration history, experiences and methods are quite similar. India and China are the main exporters of indentured labor. In the colonial era, the status and living conditions of overseas Chinese and overseas Indians were extremely tragic. They were treated brutally, no better than the previous black immigrants (black slaves) in the history of world immigration. This is the biggest similarity between the early overseas Chinese and overseas Indians who immigrated overseas. Another similarity between overseas Indians and overseas Chinese in the immigration process or in the history of immigration is that since 1980s, a large number of intellectual elites from these two countries have migrated to Europe and the United States through overseas study and employment for skilled talents, which constitutes the main force of new immigrants.

The fifth similarity between overseas Chinese and overseas Indians: Historically, their social status and living patterns in the country of settlement are very similar. Overseas Chinese, like overseas Indians, have not been well integrated into the local society and have been marginalized politically and culturally. Although its economic status, living standard and income has been greatly improved, a certain degree of marginalization still exists in the local society (this situation is more obvious in Europe and America). In a word, both Chinese immigrants and Indian immigrants have serious tendency of self-seclusion and passive isolation.

The last similarity between overseas Chinese and overseas Indians is that both of their motherland (the country where the ancestral home is located) are ancient civilizations, modern economies, and rising political and economic powers. On the one hand, the rich cultural traditions of the two ancient civilizations of China and India have deeply affected the beliefs, lifestyles, personality and identity of overseas immigrants from both countries; on the other hand, both Diaspora groups interact with their home countries economically and culturally to a great extent. This kind of interaction not only has implication for China and India, but also has a major impact on global politics, economy and culture.

By comparison, it can be concluded that overseas Chinese and overseas Indians tended to settle in similar areas such as Southeast Asia, North America, Australia, and Europe. Only in the Indian Ocean island countries and Africa live fewer Chinese with limited presence and influence due to the fact that these countries are relatively poor and underdeveloped and they are not very important in the international political and economic structure. However, more and more Chinese are pouring into these areas and filling the gap. Overseas Chinese and Indians have more or less competition in terms of immigration quota, employment opportunities, and development opportunities, political and economic influence. Of course, these competitions are benign rather than life-or-death struggle. Moreover, overseas Chinese and Indians have always live in peace and hopefully will in the future. To a certain extent, the development of overseas Chinese depends mainly on their own efforts and the political and economic conditions as well as the immigration policies of the host countries. It is undeniable that there is a correlation between competition and interest. The population of Chinese and Indians and the population of overseas Chinese and overseas Indians is quite large, and the population growth rate and immigration speed of the two countries are increasing. This will inevitably affect the international community and then the international Relationship of and relationship between the two countries. The rise of overseas Indians has indeed brought challenges to overseas Chinese. If all overseas Chinese and even Chinese around the world are regarded as a community of economy, culture and even politics, then the competitive relationship between the global Chinese and the global Indians will become more

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<sup>17</sup> Stephen P. Cohen, *India: Emerging Power* (New Delhi: Oxford University Press, 2001), p.126.

apparent. In the era of globalization, politics, economy, and culture are all integrated into the global system, so is the capabilities and competitiveness of overseas Indians and overseas Chinese. Ultimately, there is cooperation between any political and economic entity, so is competitive relationship.

### **3. Policy parameter: mutual emulations and full engagement**

Many people believe that the statement of the so-called global Chinese community or the overseas Chinese community does not hold water. From the author's perspective, it is recommended to view the issue from both sides. Global Chinese or cross-border Chinese associations are certainly not too powerful, and there are no authoritative organizations or entities to unify or lead overseas Chinese. However the identity among Chinese, especially the cultural identity of the motherland, is extremely strong. The economic connection also exists in reality. In an era of globalization, this kind of connection may be more convenient. The author will not further explore the issue here since this is not the subject of this article. Impressively, the global Indians are emerging as an independent and unified force. Their organization capacity and global networks are more visible.

From the perspective of international influence or overall strength, whether overseas Chinese or overseas Indians is a stronger presence becomes a very complicated issue. Historically speaking, overseas Chinese have always had obvious advantages: possess larger population and more wealth than overseas Indians. The situation is changing in recent years though. On the one hand, the population growth of overseas Indians stays in top gear; on the other hand, their wealth and annual net income are also rising rapidly. From the perspective of annual net income, overseas Indians have almost caught up with that of overseas Chinese. Of course, the international influence of overseas Indians and overseas Chinese is not an isolated phenomenon, but is linked to the international environment, the development and influence of China and India, along with the political and economic environment of their host countries.

At present, the number and influence of overseas immigrants in India is growing, and has the potential to exceed overseas Chinese in terms of quantity, economic strength and international influence. This not only represent a challenge for overseas Chinese, but also a great impact on China's economic development and its foreign relations. The influence and contribution of Indian Diaspora may be directly translated into India's challenge for China. To a certain extent, the rise of overseas Indians will have a profound impact on India and China, as well as on the whole world. Overseas Indians and their international influence will not only affect India and certain countries with Indian immigrants, but also the entire economic and political structure of the international community in the future. The understanding of the rise of overseas Indians and the topic of their international influence should not be limited in the field of Indian studies and Sino-Indian relations, but expanded into areas such as China's national strategy, foreign policy, overseas Chinese issues etc for further study. We should combine the research on this topic with the study of overseas Chinese and their competitiveness to conduct comparative research.

Being a country with a large population, rich resource and sufficient talents, India has maintained rapid and stable economic growth for more than 20 years. It has great potential and is likely to replace China as the fastest growing and most attractive country for foreign investment. In the next 10 years, the international influence and wealth of overseas Indians will be comparable to those of overseas Chinese, and India's economic strength and overall national strength may also equal with or even surpass China. To a certain extent, overseas Indians will play a key role in the future development of the Indian economy. There is no exaggeration that the key to whether the Indian economy can take off is the optimized utilization of wealth, technology and talents of its overseas immigrants. In recent years, the Indian economy has relied heavily on its overseas immigrants in terms of capital, technology and talent. The key to India's future economic development lies in the increasing utilization of these resources. At present, the Indian government has taken a series of measures to make major policy and legal breakthroughs in leveraging overseas Indians. For example, the once tried 'dual citizenship scheme' and the current 'overseas citizenship of India scheme'. Previously, India was far behind China in its policy of managing of leveraging overseas Indians. Now, with these policies in place, the situation has changed a lot. The positive impact of this change on India's economic development may soon be realized.

The contribution of overseas Chinese to China's economic development is noticeable to the whole world and is also envied by the Indian government. However, with China's reform and opening up and increasing economic strength, the population size and strength and contribution to China's economic development of overseas Chinese will further increase. However, China should do a better job in terms of immigration policy, overseas Chinese policy, and strengthening ties with overseas Chinese. In fact, there is still a lot of room for utilizing and managing of wealth, knowledge and human resources overseas Chinese. The Indian government has once patterned itself after China (but the specific approach is very different), and China can in turn learn from India (of course not blindly copying their practices).

Another trend worth mentioning is that the status of overseas Chinese is declining relative to the rising population and strength of overseas Indian. India has benefited a lot from overseas Indians in areas of further national development and optimizing foreign relations. They also pay great attention to the protection of the interests of overseas Indians, which provides a valuable lesson from China to learn from.

### **Conclusion**

For China and India, leveraging overseas immigrants will be included into long-term national development strategy. There is a certain competitive relationship between China and India and their respective overseas immigrants. Either China or India can develop faster and better when better utilizing the strength of its overseas immigrants. Of course, China and India also have indisputable responsibilities for the development and growth of their overseas immigrants, because the strength and international influence of the two overseas groups can be seen as part of the national strengths and international influence of their respective motherland. To some extent, the future economic growth of China and India may depend on the utilizing of their overseas immigrants. India used to lag far behind China in this respect. However, the situation has improved a lot in India now. At present, India witnesses a dramatic increase in the number and influence of overseas immigrants with the possibility of exceeding the number of overseas Chinese in the future. In some industries and certain regions, such as the IT industry in Europe and the United States, the Gulf region and Africa as a whole, the population and economic strength of overseas Indians have surpassed those of overseas Chinese. This not only presents a challenge for overseas Chinese, but also for the development of economy and international relations for China. The economic and political contributions of overseas Indians to India may be directly translated into India's challenge for China. Under the new situation, China should update its thinking and develop new, more comprehensive and systematic policies. We should consider all aspects of overseas immigration (including study abroad, labor export, etc.) policies, expand the international influence of overseas immigrants, enhance the cohesiveness and identity of overseas immigrants, and effectively use their power to develop a systematic strategy. We should pay attention to overseas immigrants strategically. The role of overseas immigrants should be recognized and upgraded to national level, and policy adjustments should be made. This is conducive to the flow and return of overseas immigration. This will also play a positive role in China's economic development and foreign strategy.

## **Languages and literatures are the highways development: some challenges many Opportunities**

**Prof. VIDYA VENCATESAN**

Director Centre for European Studies,  
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Dear Colleagues,

Thank you for inviting to share my views at this international interdisciplinary seminar on New Pathways to World Development: Opportunities and Challenges. I am here to hold the brief for a subject close to my heart, languages and literatures. My hypothesis is that study of languages and literatures will facilitate the building of a better tomorrow. I'm not just talking merely about cultural dialogue but better international relations, trade commerce, booming economies, lowered carbon footprint, less poverty, better health, spread of literacy all of which go to make a better tomorrow.

As a citizen of India, I have received in inheritance 22 languages according to the VIII schedule of the Indian constitution. I am not counting the innumerable dialects that enrich the tapestry of the country that the vande mataram describes of subhashinim, sumadhura bhashinim. It is roughly estimated that there are more or less seven thousand languages in the world today. These languages in turn are members of the International family of languages like the Indo European group, the Afroasiatic group, the Dravidian group and so many others.

Languages are not islands. They don't stand alone. They are embedded in cultures, cultures are fashioned by geography and impacted by history. They have created revolutions, they have changed mind sets, they have impacted our lives in ways that we are not even aware. Today I will present before you some concrete examples of this soft power.

Languages are not monolithic structures, they are products of time, they are constantly changing and evolving. They day they stop to grow and change like human beings they are dead. We will look at a few Indian and foreign languages, how they have grown and changed adapting to times, to peoples, to situations.

Man is blessed with the ability to communicate using words; with his superior intelligence he has embedded these words in sentences, created grammatical rules about how different parts of language may work together to create meaning. Acquiring linguistic skills is an important developmental indicator in a child's development. It is believed that the child learns his mother tongue in his mother's arms, the terms of endearment, the lullabies, the stories are all in his mother's language which we call mother tongue. This mother tongue is the first language a child hears and associates with the love and care of a of the person who nurtured him with her blood.

Language is more than mere communication; it is a window into another culture that created this language. When a Frenchman says the weather is terrible, he means it is raining and literally the kind of weather when you can't take your dog for a walk (*un temps à ne pas mettre un chien dehors*); But in a country like India we look forward to our monsoons, we speak of the sweet smell that emanates from the earth when the first drops of rain fall on the parched earth; We eat differently, we dress differently; We have special ragas associated with the rains – *megh malhar*....special musical genres we associate with the rainy season.

We have very few words for ice, snow in Marathi but the Inuits, one of the tribes who live in the Nunawik region of north Canada has 53 words for snow; softly falling snow is different from the one to drive your sledge over, then there is wet snow, and there is fine powder like snow to give you a few examples. Snow is no exotic occurrence for these people it is a matter of life and death.

Bread is at the very heart of French way of life. A very long day is described like a day without bread. To have a lot of pending work to complete is to have bread still to be sliced on the cutting board, a god send is blessed bread.

One of India's greatest strengths is the large number of living and thriving languages we have. Besides this we have our colonial inheritance of English. It is true that today we have developed our own English, quite different from the one the Queen of England speaks and we have gone on to produce world class authors who have gone on to win literary prizes all over the world. Salman Rushdie, Amitav Ghosh, Jerry Pinto, Anita Desai, Arundhati Roy to name a few

In the Indian struggle for independence, our ability to speak the language of our colonizers played a big role. They taught us their language to create a new generation of administrators who will speak their tongue and do their bidding. We did better than that. We studied at Universities they allowed us to build using our resources on our soil and we thundered Quit India. Ours was the first Brexit truly speaking!!!

1. Study of languages helps us gain a better understanding of the other; we see his/her point of view. We begin to re-examine our own certitudes/convictions, life is not black or white anymore but multiple shades of grey. The enemy is not so easy to hate if we speak his language and he ours. We will suddenly feel differently, explore non aggressive options, after all we can agree to disagree.
2. Historically wars ended when peace was brokered in the language of the enemy; Le serment de Strasbourg was when the Holy Roman empire was divided between two warring factions led by Charles le chauve and Louis le Germanique. The two warring chieftains spoke to the enemy troops in their own language, the troops were moved to hear the enemy king speak their tongue and the war ended. A monument in Strasbourg still bears testimony to this power of language. Today France and Germany hold Europe together. In spite of terrorist attacks, the immigrant crisis, the yellow vest agitation if Angela Merkel, Chancellor of Germany and Emmanuel Macron, the President of France still talk in one voice, please remember that Macron speaks flawless German and his wife is a German language teacher.
3. Languages are soft power. All over the world the enrollments in language learning courses is declining but in China they have an entire university of foreign languages called BEIWAI. Here new languages are being introduced every day and the latest are Tigrinya, Ndebele, and Comorian, languages from Africa with not too many speakers. In 2013, it announced a major economic development initiative, called the "One Belt One Road Initiative," later shortened to the "Belt and Road Initiative," a global trade network to connect Asia with Europe and Africa along five trade routes. Along these routes live 63 percent of the global population, according to the Chinese, and many of them will not speak Western colonial languages. Besides to speak to them in these languages is not to engage with them directly in their languages. The Western language hegemony will come with a negative charge, speaking to these people in their tongue will win their trust they will collaborate more easily. The global reach of China is built on their vision to see languages as powerful tools for business, solid investment that will bear rich dividends in the future.
4. Until 2003, whale sharks, among the world's largest fish, which reportedly swim nearly 22,400 km from Australia to arrive at coastal Gujarat every winter, were hunted by local fishermen for their export-quality meat as well as liver oil, which is used to waterproof fishing boats. The coast line of Gujrat would be red with blood but the pockets of the fisherman from the area were growing rich. Not Greenpeace, not the Wildlife Trust of India could anything to stop it. But when Murari Bapu, the celebrated story teller spoke to the fisherman in the local dialect of the Gujrati language and asked them why they were killing their beloved daughters who came to these shores to give birth, The fisherman suddenly saw this fish as his own married daughter who came her father's house to give birth to her child. It was his duty to protect her, to ensure she delivered a healthy child and returned home happy and healthy. 80000 fisherman of the Kharwa Samaj of Junagarh call this fish whali or the beloved one in Gujrati and call themselves wali na mitro or wali na veera. Predators become protectors. The whale shark conservation project now enjoys more than 5 crore funding from companies like Tata Chemicals under their Corporate Social Responsibility scheme. Such is the power of the language that today a protected species thrives on our shores. Monetary incentives, laws and punitive action were powerless. Language won hearts and converted minds. Boom in tourism
5. The SAARC was created in 1985. 8 countries including India decided to work together. If India and her neighbors could put aside their differences and form a Union with a common currency

and facilitating free flow of goods and trade, we can rule the world. In spite of our differences common languages and literatures unite us. We share Bengali with Bangladesh, Tamil with Sri Lanka, Punjabi and Urdu with Pakistan. We have common tastes in music, dance, literature sculpture painting food, clothing cinema.. Geographical proximity is not what unites us, our common languages and cultures spun by these languages do.

6. Literature is the finest expression of a language, it a vehicle of its values, the blueprint of its society, an archive of its past, a projection into its future. When I speak of development I speak of sustainable development and sabka vikaas. Literature gives voice to the voiceless, presents their case with eloquence. Feminism in France was given a voice through literature by Simone de Beauvoir. Mme de Staël spoke German and so her translations of German literature brought Romanticism to France. André Gide translated the Gitanjali into French from English the entire francophone world discovered Tagore. The Mumbai University through the Centre for European Studies brings literature from the North Pole down to Maharashtra through translations into Marathi. The problems of the Inuit people are not different from those of our Adivasis. I believe that tribals, the citizens of the first nation must speak to each other. Their orality is their strength, their communion with nature is their common thread, and their courage of conviction will make the world look at them with awe and respect. But you need break the language barrier and translation does just that. Tribals of the world unite you have nothing to gain but your rights.

As Mumbaikars we speak our mother tongue at home, Marathi at work, use Hindi for communication, study in English, engage with neighbours in Gujarati Marwadi and Sindhi. A Mumbaikar is at ease in any part of India because of his linguistic ability. Show me one other state in India which can boast of as many languages as we Mumbaikars can when we walk on the streets. When a Mumbaikar learns French it is his third foreign language after Hindi, English. If you remember I already told you that mother tongue is what a child first hears from his mother or care giver. After that every language is a foreign language. So by the time he comes to learn French he already knows how to learn a language. It is all about asking “how” not “why”. How do I say I’m hungry, how do I say I want to speak to see a doctor. He has taken for granted the fact that different languages have different rules. So if French gives genders to objects, “la table”, “le livre”, Marathi also does even if English treats all objects as neuter gender.

Let us learn to harness the power of language and literature and use it effectively. Here is how we will develop into a true Maha-Rashtra and find creative solutions to problems that I prefer to call challenges that come our way.

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**Role of Information Technology in Development:**  
**With Special Reference to India**

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**Abstract:** One of the main causes of market failure is lack of information which is required in order to make public or private decisions. Correct information leads to correct decisions. Hence information is considered a major development resource in modern times along with human, natural and financial resources. Obtaining information involves cost in terms of time and money. Technology helps information moving faster, deeper and wider in a cost effective manner. Therefore it is very important to understand the role of information and information technologies to deal with rapidly evolving, increasingly complex and uncertain global environment. Information technology helps in collecting, storing, processing, transmitting and presenting information in such a way as has not only transformed the information technology sector itself, but also has provided other sectors with plethora of opportunities of creating new markets and generating new investment, income, and jobs. Of late, India has become a service sector led economy with maximum contribution of information technology services. The industry is likely to generate total employment of 30 million by 2020. The main reason behind this phenomenal growth is India's cost competitiveness in providing IT services. India is approximately 3-4 times cheaper than the US in the global sourcing market. The planners' efforts undertaken to develop the information technology sector in India have yielded good results in terms of export earnings and have established the country's credibility in international markets. India is also gaining importance for its intellectual capital as several global IT firms have set up their innovation centers in India. India has the highest proportion of digital talent in the country at 76 per cent whereas; the global average is 56 per cent.

**Key Words:** Globalization, Information Technology, Export, Service sector.

**1. INTRODUCTION:**

One of the main causes of market failure is lack of information which is required in order to make public or private decisions. Correct information leads to correct decisions. Hence information is considered a major development resource in modern times along with human, natural and financial resources. Obtaining information involves cost in terms of time and money. Technology helps information moving faster, deeper and wider in a cost effective manner. Therefore, it is very important to understand the role of information and information technologies to deal with rapidly evolving, increasingly complex and uncertain global environment.

Information technology may be defined as a flow of information unleashed through a wave of technological innovation combining electronics, computing and telecommunication. This helps in collecting, storing, processing, transmitting and presenting information in such a way as has not only transformed the information technology sector itself, but also has provided other sectors with plethora of opportunities of creating new markets and generating new investment, income, and jobs. "The pervasive influence of information technology is so strong that there is no sphere of human life in which it is not able to make a niche for itself". (Datt and Sundharam, 2009)

As per the Media Reports, Press Information Bureau (PIB), Department of Industrial Policy and Promotion (DIPP) statistics, Department of Information and Technology, Union Budget 2017-18, "the global IT & ITeS market (excluding hardware) has reached US\$ 1.2 trillion in 2016-17. The global sourcing market increased by 1.7 times to reach US\$ 1.73-1.78 trillion in the same year. Growing at 7.5 per cent of gross domestic product (GDP) (7.7% in

2016) this industry in India is likely to reach US\$ 2.50 trillion by 2020. India remained the world's top sourcing destination in 2016-17 with a share of 55 per cent".

The Indian planners had undertaken efforts to develop the information technology sector. These efforts have brought out good results in terms of not only export earnings but also have established the country's credibility in international markets. India is gaining importance for its intellectual capital. It is proved by several global IT firms who have set up their innovation centres in India. "India has the highest proportion of digital talent in the country at 76 per cent whereas; the global average is 56 per cent" (Department of Industrial Policy and Promotion).

Indian IT's core competencies and strengths have attracted significant investments from major countries. The computer software and hardware sector in India has attracted cumulative Foreign Direct Investment (FDI) inflows US\$ 29.825 billion from April 2000 to December 2017, according to data released by the Department of Industrial Policy and Promotion (DIPP).

## 2. OBJECTIVES:

Main objectives of the study are as follows:

- i. To discuss the favourable environment supporting the growth of IT industry in India.
- ii. To find the growth of revenue, export, employment and inclusiveness in IT industry in India.

## 3. FAVOURABLE ENVIRONMENT SUPPORTING THE GROWTH OF IT INDUSTRY IN INDIA

Factors which played very supporting role and created favourable environment for development of Information Technology in India are mainly large technically trained workforce which is available at low cost, government initiatives in terms of export promotion & FDI policies and creation of suitable infrastructure like Technology Parks and Special Economic Zones.

In India there is an inclination towards technical education among the educated people. Though the people who are working in IT industry are a fraction of total workforce of India but for last three decades they are catering well to the increasing global needs of the IT sector. The industry is also giving good opportunities to educated English speaking urban women of the country. Of late, India has become a service sector led economy with maximum contribution of information technology services. The industry is likely to generate total employment of 30 million by 2020. In 2016-17 the industry has generated direct and indirect employment of 15.86 million. Indian IT & ITeS companies have set up over 1,000 global delivery centres in over 200 cities around the world. The main reason behind this phenomenal growth is India's cost competitiveness in providing IT services. India is approximately 3-4 times cheaper than the US in the global sourcing market. "For an hour's worth of project work, American IT professionals typically charge between \$80-\$120, whereas Indian software engineers can be paid \$40 for the same work due to currency exchange rates and the customary absence of employee benefits to Indian workers" (Nowlin, S. and T. Poling, 2003).

The industry received boost in 1991 when the economic reforms were initiated. The reforms not only relaxed the export and FDI rules but also opened up the capital and money markets. As a result of these changes, Indian IT exports grew at very rapid pace. Small and medium size units took maximum advantage of tax reliefs, cheaper land and other resources, constant power supply, high internet speed of SEZs and grew fast. This technology also changed the structure of the production process; rather than a few large vertically-integrated corporations in which hardware and software are produced together, a "more fragmented industrial structure" now allows for production processes to be performed in different locations (Saxenian, 2002). All this has given an edge to Indian professionals in the world market.

## 4. GROWTH OF INFORMATION TECHNOLOGY INDUSTRY IN INDIA

"The Indian IT-BPO sector has built a strong reputation for its high standards of service quality and information security - which has been acknowledged globally and has helped enhance buyer confidence". (Annual Report, 2007-08, Information Technology). Revenue in Indian Electronics and IT/ITeS industry since 2013-14 is given in Table-1. As given in Table -1, by the year 2017-2018, the industry's aggregate revenue (Export and domestic together) is expected to reach US \$ 151 billion. A CAGR (Compound Annual Growth Rate) of about 10 per cent from the year 2013-14 to 2017-18 is likely to be achieved and this may contribute about 7.5 per cent to India's GDP. It can also be observed from the table that CAGR for revenue from exports is almost double the CAGR for revenue from domestic sales.

Table – 1  
**Revenue of Indian IT/ITeS industry since 2013-14 (\$ billion)**

Year	Export	Domestic	Total
2013-14	87.3	19.0	106.3
2014-15	97.8	21.0	118.8

<b>2015-16</b>	107.8	21.7	129.5
<b>2016-17</b>	117.0	24.0	141.0
<b>2017-18 (E)</b>	126.0	25.0	151.0
<b>CAGR</b>	<b>10.49</b>	<b>5.42</b>	<b>9.55</b>

Source: NASSCOM SR-2018, E: Estimated

As shown in table 2, IT-ITeS exports are estimated as US\$ 126.0 billion in 2017-18, which has grown by 7.7% over the previous year 2016-17. From 2013-14 this is the lowest growth rate. Out of the three segments of ITeS, IT Services is the fastest growing segment. This segment is estimated to generate exports revenues of US\$ 69.3 billion in year 2017-18 as compared to US\$ 66.0 billion in year 2016-17. ITeS/BPO segment has been growing slowly in the past few years and is expected to generate export revenue of US\$ 28.4 billion in year 2017-18 as compared to US\$ 26 billion in year 2016-17. Engineering R&D and Product Development has registered a growth of about 12% in the exports, which is estimated to reach US\$ 28.3 billion in year 2017-18 from the level of US\$ 25.0 billion in year 2016-17. A combination of solutions around technologies such as SMAC (Social media, mobility, analytics and cloud), artificial intelligence, embedded systems etc. have become the life-force of the industry. If we look at CAGR during 2013-14 to 2017-18, Engineering R&D and Product Development has grown at the fastest rate.

**Table – 2**

**IT-ITeS Exports Revenue Growth Trends**

Year/ Segment	2013- 14	2014-15	2015-16	2016 - 17	2017- 18 (E)	CAGR % (2013-18)
<b>IT Service</b>	49.2	55.3	61.0	66.0	69.3	10.07
<b>ITeS-BPO</b>	20.4	22.5	24.4	26.0	28.4	9.19
<b>Software Products, Engineering Services, R&amp;D</b>	17.7	20.0	22.4	25.0	28.3	13.09
<b>Total IT-ITeS</b>	87.3	97.8	107.8	117.0	126.0	10.32

Source: NASSCOM SR-2018, E: Estimated

The Size of the domestic market is becoming significant in the recent past in the IT/ITeS Sector, though it still largely remains export driven. As shown in table-3, Domestic IT-ITeS revenue (excluding hardware) is estimated to reach Rs.1738 billion in 2017-18, as compared to Rs. 1608 billion in 2016-17. This growth over the previous year is recorded as 8.7%. In 2018, India's domestic IT-BPO market is likely to reach US\$ 41 billion excluding e-Commerce as compared to US\$ 38 billion in 2016-17. Rapid digitization is expected to further improve the growth rate. Domestic IT-BPO industry is also seeing continuous growth as various government initiatives encourage use of digital technology. Indian enterprises also across industries are rapidly implementing digital technologies to adapt to a changing competitive environment and to satisfy the ever-demanding customers. Domestic IT Services sector is the largest segment with close to 40.5% share, expected to reach Rs. 113600 crores in year 2017-18 as compared to Rs. 100500 crores in year 2016-17 with an estimated growth of about 13.1% as shown in table-3.

**Table- 3**

**IT-ITeS industry Domestic Revenue Growth Trend**

Year/ Segment	2013- 14	2014- 15	2015- 16	2016- 17	2017- 18 (E)	CAGR % (2013-18)
<b>IT Service</b>	72721.6	81662	89562	100500	113600	11.37
<b>ITeS-BPO</b>	19593.8	21490	23364	26800	26800	8.90
<b>Software Products Engineering Services</b>	22468.8	25788	27907	33500	33500	10.32
<b>Total IT-ITeS</b>	114784.2	128940	140833	160800	173800	10.75

Source: NASSCOM SR-2018, E: Estimated

This kind of business model, where the larger amount of revenue is from exports, exposes business to various risks involved with foreign trade. It is observed that after 2008-09 due to global slowdown revenue from exports has

declined though total revenue of the industry has been increasing. Both percentage share and absolute increase in IT revenue from domestic market indicates that increasing domestic demand has saved the industry from the pressures of slowdown during the slowdown phase.

Information technology industry contributes to employment generation both directly and indirectly. The computer hardware and software industries directly generate new job opportunities and indirectly it generates employment when other industries adopt the use of information technology for expanding the range of services they provide. The growth of the Indian IT Software & Services and ITES-BPO sector has had a phenomenal perceptible multiplier effect on the Indian economy as a whole. In addition to the direct positive impact on National Income, the sector has grown to become the biggest employment generator not only in the industry but also in the several ancillary activities which are mushrooming as a result of backward and forward linkages.

**Table-4**  
**Total Direct and Indirect Employment in IT Sector (No. in millions)**

Year	No of Employees (Direct)	Growth %	No of Employees (Indirect)	Growth %
2012-13	3.00	6.67	9.50	6.74
2013-14	3.29	9.67	10.00	5.26
2014-15	3.49	6.59	10.00	0.00
2015-16	3.69	5.82	10.00	0.00
2016-17	3.86	4.75	12.00	20.00
2017-18	3.97	2.71	NA	NA

Source: Lok Sabha Unstarred Question no. 656 on 19.07.17 and 2489 on 21.03.18 and Statista 2018.

## 5. SIGNIFICANT OUTCOMES

On the basis of the above analysis it seems that the main role of IT sector is to generate foreign exchange for the country. Some people may say that besides concentrating on exports, it has hardly focused on providing linkages for overall economic development to the whole economy. It may be true also to some extent because if access to computers is considered empowering, then 80 per cent of the Indian people who do not have access to computers and who do not have good enough English education for computer use will not be considered as empowered. However, in the recent past, use of digitisation has tremendously increased in every field of life. Smart phones have played revolutionary role in that. Now digitisation and use of information technology has become so pervasive that we can hardly find any activity where use of digitisation is not there. The information technology industry is also becoming highly inclusive at very fast pace. Whatever is the number of educated, English speaking working people in urban India, it is largely due to the growth of the IT-BPO industry, which is one of the largest recruiters of a qualified workforce in recent times.

The need of providing equal opportunities to women in IT sector was felt first of all in North America in nineties. As most of India's leading IT-BPO companies were closely working with large global companies, they also became part of implementation of their gender inclusivity policies. This is why IT-BPO companies have been among the first to realize the impact of gender inclusivity on business success. Though the gender gap not only in employment but in wages too plagues the world of business all over the world but NASSCOM says that IT sector is not only recruiting more women but is giving them leadership roles also. As per its estimates nearly 60 % of Indian IT firms have 20% women at the C suite level. This is mainly due to gender-inclusive HR policies like flexi work hours, work from home, social security benefits, anti harassment policy and much more. Sangeeta Gupta, Senior Vice President, Nasscom, said in a statement, "It has become conventional wisdom that firms that priorities gender parity outperform others. It is our collective responsibility to develop women's career to executive roles for the better of the industry at large."

IT industry in India seems to be closing the gender gap by taking good care of women which is a welcome trend and gives a ray of hope for brighter future. We have seen in tables-1 and 2 above that women's participation in labour force in urban areas is around 15%. Separately this data for IT sector is not available but most of the IT companies claim in their Annual Reports that they are employing more that 30% women employees. For example, TCS has more than 139,000 permanent women employees which represent 35.3% of its total permanent work. Infosys, as per its official website, had close to 74,000 women associates, as per their annual report 2017-18 which form close to 36% of their 204,000 strong workforce. Tech Mahindra's employee strength in India stood in excess of 113,550 with women forming close to 33% of workforce.

It is a general understanding that women, who throughout the history of technological development in Agriculture as well as in the industrial sector, have been displaced from their traditional work, are now gaining advantage from the growth of the Information Technology Industry. One welcome change is witnessed in the Indian IT sector that it provides favourable work conditions to the women.

Overall it can be said that IT industry has given justice to urban educated women and has been far more gender inclusive than any other sector of the economy. It has certainly given quality employment to women in large numbers. Of late, there have been less complaints of gender discrimination and women seem to have been breaking the glass ceiling also. Women who are still facing problems in this sector are mainly due to patriarchal mindset of people at home and in the society rather than at workplace.

Cost cutting and convenience of doing business due to e-commerce also is one of the most significant outcomes of the digital technology. It has already spread to communication, finance and retail trade and is about to grab education and health services in its fold. It has affected peoples life by reducing the gap of time and distance.

## 6. CONCLUSION:

With the development of various types of information delivery mechanisms, it is very desirable to improve the reach of the IT services to the common man. For providing IT infrastructure and services to the common man the working group set up by the Ministry of Information Technology in May 2000 was of the view that three conditions are necessary:

1. Availability and affordability of access devices,
2. Establishment of communications and networking infrastructure, including tele-communication network, internet enabled cable TV network, and
3. Development of IT services.

There is no doubt that since the year 2000 all the above mentioned three conditions have been improved. Prices of access devices have come down to a great extent. Infrastructure and services also have improved. But to reach the desirable levels, use of IT for education and literacy should be increased manifolds.

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## Globalization and Trade Wars – Some Reflections

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*Abstract: Globalization and trade wars actually are mutually exclusive terms at least they should be. Because if globalization is about free trade and free market access across the country's borders, trade wars are all about erecting barriers around the market access of different countries. Historically speaking the world has always been globalizing, though intermittently. Globalization can retreat and the relevant question to ask in present context is: are we on the verge of such a retreat with the rapidly escalating trade wars between the two largest economies of the world. Many experts however believe that with the kind of integration of Global Value Chains in different sectors that have emerged it will not be so easy to disintegrate or De-globalize. The protectionist measures will have only a modest impact on global growth and new growth opportunities may emerge with better regional integration. The present paper analyses the currently ongoing trade war between U.S.A and China and possibility of some new opportunities for India.*

**Key Words:** Globalization, OECD Countries, Trade war.

### 1. INTRODUCTION:

Globalization, a buzz word of the second half of the previous century suddenly has become a ‘hush hush’ word of sorts! Some consider it to be a panacea of every problem while some consider it to be a cause of every problem a country faces. Globalization is a process of interaction and integration among the people, companies, and governments of different nations. It is a multi- dimensional process or rather an experience. Globalization has three main aspects which are economic, political and socio-cultural (University of Leicester 2009).

Economic globalization is how countries are coming together as one big global economy –a global village, one big market, making international trade easier. Economic aspect focuses on the integration of global economies as well as free flow of trade and capital across nation borders. The increasing integration and interdependence of domestic and overseas markets, has three sides: the good side, the bad side, and the ugly side. The good side of globalization is all about the efficiencies and opportunities open markets create. The bad side of globalization is all about the new risks and uncertainties brought about by the high degree of integration of domestic and local markets, intensification of competition, high degree of imitation, price and profit swings, and business and product destruction. The ugly side of globalization is when nations and local communities try to escape the vicious cycle of income and employment declines through simultaneous currency devaluations; and by raising trade barriers that in essence put an end to globalization and a beginning to trade wars, as was the case in the 1930s.

Globalization and trade wars actually are mutually exclusive terms at least they should be. Because if globalization is about free trade and free market access across the country's borders, trade wars are all about erecting barriers around the market access of different countries.

Socio-cultural aspect emphasizes on the exchanging of social traits and culture. Globalization, according to sociologists, is an on-going process that involves interconnected changes in the economic, cultural, social, and political spheres of society. As a process, it involves the ever-increasing integration of these aspects between nations, regions, communities, and even seemingly isolated places.

In the last quarter of the previous century and for the most part of the first decade of this century, the world has seen the good side of globalization. Since the end of the first decade of this century particularly since financial, the world has seen the bad side of globalization. There is increasing uneasiness as to whether the world would see the ugly side of it now.

## **2. DISCUSSION:**

### **Historical experiences:**

Historically speaking the world has always been globalizing, though intermittently. There have been so far three waves of Globalization; the first wave from 1870 to 1914, the second wave from 1950 to 1985 and the current third wave from 1985 till date. As you must have noticed between the first and the second wave there is a retreat of globalization when the countries started looking increasingly inward, started becoming more protectionist and preferred closed rather than open economies. This was the period of two world wars and the Great Global Depression. Of course whether it was the cause or consequence could be the subject matter of another paper but the point is globalization can retreat and the relevant question to ask in present context is are we on the verge of such a retreat with the rapidly escalating trade wars between the two largest economies of the world.

### **Process and consequences:**

Each wave of globalization mentioned above was preceded by a major breakthrough in the means of transport and communication. The first wave was preceded by the invention of Steam engine leading to a major breakthrough in the sea route transportation of both men and cargo, the second by civil aviation revolutionizing transportation of men and cargo via air ways. The most fascinating breakthrough for the third wave is transportation of data, electronic information through World Wide Web which distinguishes the on-going wave. This is so very revolutionary that it sets aside the current globalization from the past experiences in that with this communication breakthrough the new parameters of globalization emerged. Earlier the focus was on trade particularly in merchandise and movement of labour but now it is the movement of finance, capital, services and not the migration of labour but of functions and tasks giving rise to a whole new concept of organizing production processes. It gave rise to a new production structure, a new business model through business process outsourcing and off-shoring and vertical domain integration. If one looks at a business from the perspective developed by a well-known business economist Michel Porter, namely business as a value chain then the present day globalization has split that entire value chain throughout the globe creating Global Value Chain (GVC) through outsourcing, through transnational companies thus leading to a much deeper integration of the economies unparalleled as compared to any time earlier. The present day growth models rely on the benefits and efficiencies of globalization particularly through GVC. The GVC in auto industry for instance, has a complex supply chain spread across the world. A car assembled in U.S might have its engine manufactured in Germany, transmission system from Mexico, GPS from South Korea and its design developed in India. Such sophisticated supply chains formed through decades of well calibrated globalization are difficult to unwind. As the result of this Intermediate products dominate trade, with a growing share between international affiliates of the same company. It also has greatly increased B to B businesses in the production process.

### **Main Features of Present Globalization:**

Thus the main features of the present day globalization are:

- Increasing trade in invisibles i.e. services, facilitated by electronic and internet technology breakthrough.
- Increasing cross-border financial flows of unprecedented sizes
- Emergence of Global Supply/Value chains as typical business model for production
- Increasing trade in intermediate goods
- Disruptive technologies with gigantic production capabilities.

### **Emerging Trends in Globalizing World:**

The present process of globalization is thus both qualitatively and quantitatively different from the past. The features mentioned above have resulted in concentration of power in the hands of a handful of global giants and while increasing the premium on competitiveness actually eliminated competition and led to oligopolization of global production.

The rules-based multilateral trading system is the bedrock of economic globalization and free trade, and provides important safeguards for win-win outcomes. As Roderick Dani a Harvard professor and author of “Straight Talk on Trade” observes, the 1990s were “a watershed period where we moved into a different kind of globalization, very different from the previous version in the immediate post-war period. He has called this ‘the push into hyper-globalization.’ In finance, this phenomenon was marked by financial globalization — or the normalization of free capital mobility. In trade, it was the creation of the WTO. Essentially, globalization went from being a means for national economic prosperity to becoming the end — with national domestic priorities having to adjust to globalization’s needs instead of vice versa.”

Countries that benefit the most under such model are therefore the countries where the national domestic priorities have been aligned well with the interests of the globalizing firms. This partly explains the huge success story of China that has emerged as the second largest economy in the world today. China is also the world’s largest single exporter and the largest investor investing in U.S. government securities/treasury bills outside of the U.S.

### **Regionalization/Integration:**

Another important trend that has emerged is increasing regionalization of trade flows. This is for many reasons but most important being the formation of trade blocks on the lines of customs union in order to reap the benefits of free trade. For instance the EU is more than a customs union of course but still indicates regionalization of trade. EU's exports to Asia in the last decade have been growing almost twice as fast as its exports to the U.S. While Asia's exports to the EU in 2017 was still slightly lower than that to the U.S., but it is also faster growing, making the EU increasingly more important to Asia, according to the IMF's Direction of Trade data.

Asia's market size for imports reflects its vibrant and growing consumer markets that are increasingly prosperous. Measured by estimates of private consumer expenditure, Asia today is just about as big as the U.S. The big difference is, however, that private consumer expenditure in Asia is growing at twice the speed compared with the U.S. If Japan is excluded, Asia's growth is three times faster.

Against the backdrop of these powerful trends, America's trade war is creating new impetus for the EU and Asia to speed up the opening of their markets to forge closer economic ties. This will lead to even faster growth than in the last decade in trade between the EU and Asia, accompanied by rising investment. Virtually everywhere outside of the U.S., a new sense of urgency is now afoot as policy makers seek to fast track regional free trade agreements. The advantage of trading with regional blocks can be hardly overemphasized given the economies of scale, on the backdrop of gigantic production capabilities made possible with technology.

As Europe and Asia forge closer economic ties, their tariffs against each other's exports will come down. Businesses operating in these increasingly open markets will have to adapt to intensifying competition, thereby becoming more efficient, innovative and dynamic. The network of global supply chains that has revolutionized the nature of trade and investment since the 1980s will expand and become more productive and more densely intertwined across Europe and Asia (while withering in the U.S.)

### **Trade in Intermediate Goods and Services:**

A study of OECD countries observed that intermediate inputs represent 56% of goods trade and 73% of services trade. Trade flows are thus dominated by products that are not consumed but further used in the production of other goods and services. With the fragmentation of production and the increasing importance of outsourcing, trade in intermediate inputs has been steadily growing between 1995 and 2006 at an average annual growth rate of 6.2% for goods and 7% for services (in volume terms). Activities of Multinational Enterprises (MNEs), through foreign investment or sales of foreign affiliates in services sectors, are associated with higher trade flows of intermediate inputs and a higher ratio in the use of foreign inputs over domestic inputs. Not only inward FDI and sales of foreign affiliates encourage imports of intermediates (from the parent company or its network of suppliers) but also outward stocks and sales of foreign affiliates promote imports of intermediates, highlighting the importance of vertical specialization networks.

Hence, when the production of inputs is outsourced and intermediates are imported rather than being domestically produced, countries will specialize more in the production of certain inputs and export these then to a greater extent. Trade in intermediates has globally improved the productivity of the world economy without increasing as a percentage of total trade.

### **Causes and Consequences of U.S. Trade War with China:**

U.S. politicians have long threatened a trade war with America's largest trading partner in goods. In 2017, the United States exported \$130 billion to China but imported \$506 billion. China is the world's No.1 exporter. Its comparative advantage is that it can produce consumer goods for lower costs than other countries can. China has a lower standard of living which allows its companies to pay lower wages. American companies can't compete with China's low costs, so it loses U.S. manufacturing jobs. Americans, of course, want these goods for the lowest prices. Most are not willing to pay more for "Made in America."

Further with companies relocating themselves in China and the U.S. former manufacturing giant losing its manufacturing clout, the challenge became more threatening as China started emerging or at least hopes to emerge in near future, a technology giant as indicated from the strides China is taking in developing Artificial Intelligence, Robotics etc. It is already the leader far ahead in solar energy and solar panel technology and its application. China is said to be using its manufacturing competitiveness to compel the foreign firms relocating in China share their technology with the government. These are some of the main factors leading to the U.S. waging tariff wars on China.

### **Consequences:**

The US decision to impose tariffs on \$200bn of Chinese imports marked a serious escalation in its hostilities with Beijing over trade. Yet economists believe protectionist measures will have only a modest impact on global growth — provided the bilateral conflict does not turn into an all-out multilateral war. This is because:

- International trade in goods has already fallen as a proportion of global output in recent years, despite the upswing in the world economy. This is partly because of currency effects and changes in commodity prices, but manufacturers are also becoming less reliant on imported inputs and popular hostility to globalization may

also be playing a part, with trade disputes and the use of anti-dumping measures on the rise even before the latest rounds of tariffs.

- So far, tariffs affect only a small proportion of global trade. Although the US-China conflict now looks likely to affect the vast majority of the goods traded between the two countries, it makes up a modest proportion of global trade. Even if the US acts on all the threats it has made so far, only around 5 per cent of global imports would be affected.
- For most countries, trade ties with near neighbours are the most important. World trade is largely concentrated in three regions: North America, Europe and East Asia, with a large share of trade being intra-regional.
- The report, titled "The Trade Wars: The Pain and the Gain", said that "bilateral tariffs alter global competitiveness to the advantage of firms operating in countries not directly affected by them." Countries that are expected to benefit the most from US-China tensions are those which are more competitive and have the economic capacity to replace US and Chinese firms," the UNCTAD said. The beneficiaries of this trade war are therefore likely to be the EU, Mexico, Brazil, Australia and India

### 3. DEVELOPING COUNTRY PERSPECTIVE:

For developing countries and emerging economies, trade in intermediates is often a first step onto world markets. Emerging economies are more specialized in the production of intermediate inputs than OECD countries and for them trade in intermediates can be seen as a means of integrating into the world economy. Barriers to imports of intermediates in the context of observed pressure for new protectionist policies would be particularly detrimental not only for developing countries but for the industrialized world as a whole due to the important linkages between industries in different countries resulting from the complex sourcing strategies of firms.

International trade is largely composed of trade flows between rich countries and the East Asian region but developing countries' trade with China is increasingly important. A big question now is whether other countries in south-east Asia are able to benefit from greater integration with China as existing trade flows are diverted to new markets, and if Chinese manufacturers seek to shift production to countries not affected by tariffs.

### 4. LESSONS FOR INDIA:

There is a lot of uncertainty with respect to how the on-going retaliatory tariff impositions between the US and China pans out. According to some experts this could offer an opportunity for India. India can become more competitive in segments such as textile, garments and gems and jewellery since India already has an edge. In this case India has a chance to eye and grab a major share of the U.S. market. The global manufacturing, which for years has been drawn to China, is now looking at options. It is an opportune time for India to present itself as a viable option to multinationals looking to shift base or diversify outside China.

The US is targeting China's high-technology exports, including flat-screen televisions, industrial robots and cars to nuclear reactor parts with increased tariffs. As one of the world's largest and fastest growing markets for telecom services, India is ahead of the curve in technology adoption. The government is already looking at spectrum auctions for 5G services, which will need an entirely different set of products, including the backbone infrastructure. There is also a chance for India to close its mounting trade deficit with China by moving into areas such as pharmaceuticals and agricultural products, in which a tariff hike by the US has rendered imports from that country unviable.

China is a major player in the commodity market. If crude oil prices fall as a result of China's slow down, then other things staying the same, it will benefit India. "However, if lower oil prices are caused due to a full-blown trade war, its positive impact on the economy can get negated/limited due to other negative developments such as weaker confidence and/or disruption in global trade,"

However one must remember that China's exports to the US are much more diverse and it's a tall order for India to fill the gap. Besides it cannot be accomplished in the short term. But certainly there is a clear and visible opportunity for India. But for that to happen, the domestic environment has to be stable with a clear road map of policy and market movements. The kind of policy paralysis India suffered from between 2009 to 2014 is now being replaced with a definite policy vision like Make in India which is backed by a strong commitment to follow it through certainly augurs well.

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**The trinity of Equity, Equality and Poverty:  
The Indian Experience in the context of Millennium Development Goals**

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**Abstract:** *This paper has two objectives : It offers a critique of the way poverty and inequality have become central challenges of development since the turn of the century and the trends and lessons on India's attempt to reduce the incidence of poverty and inequality. The Millennium Development Goals (MDG) proposed by the United Nations in 2000 realized that the market driven economic growth had unreconciled with development paradigm. MDG targets, which are nation centric, embraced measures to tackle problems posed by abject poverty and glaring inequality. Following the cue, in India too, the growth plans, which till '90s concentrated mainly on accelerated economic growth, started realizing that trickle down policies did not work and so growth and equity objectives should be pursued simultaneously.*

*The paper recognizes that inter related elements of inclusive growth viz...Poverty, inequality and inequity are not only complementary in nature, also the measures to tackle the trinity complement economic growth; there is a need for public interventions in making growth more inclusive. A brief look into the growth experience of Indian economy is followed by a review on the relative significance of direct intervention by Government of India through various policy initiatives in blunting the sharp edge of deprivation and to spur growth, equality and wellbeing of masses. After highlighting the main lessons learnt from the Government efforts, the paper identifies that no specific form of institutions or measures can be recognized as a panacea for reducing poverty and wide inequalities and for multidimensional problems, multipronged strategies are necessary. India has initiated ambitious development agenda and has a long way to go in tackling the challenges of poverty and inequality. The paper concludes with exhibiting hope on generating more fruitful discussion of trends and policy implications on the identified challenges.*

**Key Words:** *poverty reduction; inequality; United Nations; Millennium Development Goals.*

“Massive poverty and obscene inequality are such terrible scourges of our times – times in which the world boasts breath-taking advances in science, technology, industry, and wealth accumulation – that they have to rank alongside slavery and apartheid as social evils.” - Nelson Mandela, London, 2005

## 1. INTRODUCTION:

The Millennium Development Goals proposed by the United Nations in its Millennium Summit in 2000 are the most comprehensive and widely accepted Development Goals in the world. The Development ideas and campaigns mooted in the 1980's and 90's got a concerted official road map with the announcement of the United Nations' Millennium Declaration. The challenges towards trinity of Equity, Equality and Poverty have been widely accepted as the primary principles of accomplishing Millennium Development Goals. The Goals, addressing the fundamental factors contributing to poor's deprivation relates to overarching principle of any development discourse. Increasingly, economists recognize that absolute poverty and wide inequality is damaging society by holding back economic growth. The eight MDGs with 18 targets formed a blue print vowed by all the 189 member nations of the United Nations voluntarily to achieve them by 2015. Since then, the MDGs have become the most widely accepted yardsticks to measure development efforts by Governments. The importance of MDG lies in the linkages between them; It forms a framework wherein efforts to realize one mutually reinforces attainment of the other. While the Goals are common to make international community to work together, the targets to achieve these goals have been both global and local, adapted to each country to meet specific needs. The choice of the Goals triggered essentially as a

political solution for a range of political problems ; The onus rest on the State to be the change maker in arranging economic provisioning against absolute poverty and widening socio economic inequality.

Table 1. The eight Millennium Development Goals (MDGs)

MDG1: Eradicating extreme poverty and hunger
MDG2: Achieving universal primary education
MDG3: Promoting gender equality and empowering women
MDG4: Reducing child mortality rates
MDG5: Improving maternal health
MDG6: Combating HIV/AIDS, malaria and other diseases
MDG7: Ensuring environmental sustainability
MDG8: Developing a global partnership for development

## 2. DISCUSSION:

At the outset, the relationship between economic growth and the trinity of poverty, equity and equality needs to be explained. Economic growth is a necessary condition to increase per capita income. Economic growth has two dimensions: On the one hand it creates more purchasing power and on the other generates additional revenue to Government needed for strategic interventions. The rate of economic growth does matter decisively in poverty reduction and for a more equitable society but it is nonetheless insufficient to guarantee a steady trend in increasing the pace of poverty reduction significantly. When economic imbalances arises, policy intervention by the Government is needed for just and fair provision of resources to all the individuals, (which represents equity or impartiality) The process of state intervention through principle of equity leads to the outcome of reduction in socio economic inequality: the state of being the same when it comes to not only assets and status but to rights and opportunities. This in turn necessitates narrowing down inequality in access to resources, in decision-making opportunities, in securing human rights and safety, and in their freedom from discrimination - creating a 'level playing field'. To grow out of poverty, assets have to be built for poor through investments in the direction of economic empowerment. Asset restructuring in India can be cited through reforms in progressive taxation, land reforms, land redistribution, access to basic services, and reforms to political participation etc.

The evidence from theoretical and empirical studies implied that the nature and scope of inequality cannot be captured by income disparities alone; asset inequalities i.e. inequality of opportunity, like inequality in educational attainment, health standards, access to clean water and sanitation, access to government services etc. are indispensable social and economic indicators in order to gauge inequality (Sen,1973). In the distribution policies, asset equality (pro-poor investment in health and education) is deemed to be more practical and less politically-biased than equity principle at work in case of taxation, property rights and land reforms. In the trinity of equity, equality and poverty, being complicated by increasing incidence of economic globalization, a variety of tradeoffs, dilemmas, traps, thresholds and vicious circles are involved (Bourguignon et al. 2007) to which there are no easy answers. Financial inclusion in India through Self Help Groups can be cited as an example towards conceptual clarity in this regard. The crucial signal successful Self Help Groups in India release is not only that it is worthwhile to offer credit to poor people in any form towards poverty alleviation, but rather the peculiar institutional arrangements, with sensible incentive and enforcement structures, succeed in bringing in more financial prudence and responsibility and thus remedying market failures affecting the poor. The Government, thus, through effective management of development process is to assure that higher GDP growth in the country contributes, individually and collectively, in sustained improvements in the living standard of the common man across the country.

Great strides have been made in the United Nation's Development drive. During the target period of MDGs, predominant metric progress has been achieved in the reduction of abject poverty. More specifically, many developing countries appear to be recovering better from recent global financial and economic turmoil. Foreign investment in Africa has surpassed foreign aid to the continent. People in the Middle East and elsewhere are demanding political reforms to boost the economy and availability of jobs.

On the positive side, over the past five decades, there has been noticeable progress on global health and poverty reduction than ever before. The number of people living in extreme poverty (meaning, on less than \$1.25 per day) fell from 1.8 billion in 1990 to 1.4 billion in 2005, according to the World Bank. Child mortality has decreased and access to clean water increased; the number of new HIV infections has fallen 21 percent since its peak in 1997. At the same time, looking at the other side of the coin, the goal of achieving universal primary education remains elusive, and so do other Millennium Development Goals. And while the majority of people in the developing world are living more prosperous lives now than they did before, many are worse off – people who Oxford University Economics Professor Paul Collier refers to as the “bottom billion.

According to World Bank (2018) report, poverty encompasses a shortfall in income and consumption, but also low educational achievement, poor health and nutritional outcomes, lack of access to basic services, and a hazardous

living environment. the share of the global population living in extreme poverty as measured by the inter-national poverty line (IPL, currently valued at US\$1.90 in 2011 purchasing power parity dollars) fell from 35.9 percent in 1990 to 11.2 percent in 2013.

India's Growth experience and pro poor initiatives: Growth experience of India in the 1980s had a turning point after three decades of modest growth with an average growth rate of 3.5 % per annum. The growth rate improved to an average of 5.6 percent, but it was accomplished by severe macroeconomic imbalances: high fiscal deficits, large foreign debt, high inflation, and acute shortage of forex reserves. Serious economic reforms since 1991 brought in growth rate to improve around 6 percent with macroeconomic indicators more stable. Part of the reason for success is the economic liberalization that started in 1991, but the greatest disappointment of economic development was the failure to reduce more substantially its widespread poverty. Since the late 1990s, despite the country experiencing the fastest economic growth, the speed at which poverty is being reduced has decelerated. It signaled a policy shift from "trickle down" economics that emphasized growth, pure and simple, towards the notion of inclusive growth. India had been quick in recovering better from the recent global financial and economic turmoil and managed to record impressive GDP growth rates during world-wide recession in 2008 and 2009, especially when most of the world recorded negative growth in at least one of those years.

Poverty statistics are extremely controversial. Poverty ratio varies significantly, depending on what the cut-off is for classifying the poor from non-poor. They also come with a significant time lag. The Government of India statistics for identifying the number of people eligible to receive support from social protection policies can be taken as the base for analysis. The latest estimates of Poverty Head Count Ratio issued by NITI Aayog (erstwhile Planning Commission) stated that at all India level, the PHCR, had achieved the target before 2015, as the estimate in 2011-12 was at 21.9 vis-à-vis the target of 23.9 for 2015.

Improved experience in growth trajectory enabled the economy in the wake of MDG to concentrate on inclusive growth - a growth process of equity which yields fairness to poor through broad-based benefits and ensures equality of opportunity for all. The Government initiated direct intervention by implementing specific poverty reduction and mitigation programmes aimed at more equitable society through overall economic provisioning. A plethora of Schemes have been introduced ever since 1960s with egalitarian goal to accompany the higher growth rate by wealth redistribution, employment opportunities, investments in human capital and the provision of social protection for the most vulnerable groups in society. Public Distribution System in India with all its loopholes has been long acclaimed as a successful pro poor mechanism in the social safety net. National Food Security Act (2013) ascertained the right to people to access adequate quantity of quality food at affordable prices to live a life with dignity. The Act is implemented by State Governments by providing direct cash transfer of food subsidy to the beneficiaries. Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGS) aims at enhancing the livelihood security of people in rural areas by guaranteeing hundred days of wage employment for unskilled manual work in a financial year to rural household. The works permitted under the Act address causes of chronic poverty like drought, deforestation and soil erosion, so that the employment generation is sustainable. The response of rural poor in this scheme enabled Government to achieve women empowerment too. More recently Government has initiated schemes with specific agenda on skill development, affordable housing, livelihood missions, improvement in living standards through better availability of material goods such as cooking fuel, sanitation facilities, safe drinking water etc, cleanliness drive and imparting primary education and child development. Some of the Schemes may be enlisted as follows: Pradhan Mantri Jan-Dhan Yojana (PMJDY), National Rural Livelihoods Mission (NRLM) & National Urban Livelihoods Mission (NULM), Jawaharlal Nehru National Urban Renewal Mission (JNNURM), Rajiv Awas Yojana (RAY), Indira Awas Yojana (IAY), National Health Mission (NHM), Sarva Shiksha Abhiyan (SSA), Rashtriya Madhyamic Shiksha Abhiyan (RMSA), Mid-Day Meal Scheme (MDMS), Integrated Child Development Services (ICDS), Rajiv Gandhi National Drinking Water Mission (RGNDWM), National Social Assistance Programme (NSAP), Swachh Bharat Mission etc. Further, the digital revolution of India is unique. In order to facilitate a participative and transparent process to generate reliable poverty alleviation measures, Government of India has given a policy push to ensure that no Indian remains without unique identity. Aadhar has covered almost 99 % of population. Interlinking the identity system with bank accounts and mobile numbers resulting in JAM trinity (Jan Dhan, Aadhar & Mobile phones) forming the fundamental digital architecture ushering in holistic financial inclusion.

### 3. CONCLUSION:

The claims that India is on the verge of winning the battle against extreme poverty sit uneasily with the current concerns about job creation or rural distress," said an editorial in July 2018 in Mint, a financial newspaper in India. The fruits of the multipronged strategy are yet to gather momentum and India is in a watershed moment. One and a half decades has been a long enough period to accomplish MDGs which are a mutually reinforcing framework to encourage human development. The post 2015 agenda of the U.N. comprises of more ambitious Goals for Sustainable Development by 2030, with 17 goals and 129 targets, still having winning poverty stated as 'no poverty and zero hunger' as its foremost agenda. In India, till now, carefully tailored interventions in the form of Central Government Schemes led to achieving at least partially several targets; abject poverty and hunger reduction is on

track, health sector has notable improvements with maternal and child mortality as well as communicable diseases on the diminishing slope, special attention given in employment scenario through proven guarantee of rural employment, special Missions for urban development strives to improve living conditions of deprived people in slums etc. More significantly, improved nutrition, has also contributed to the reduction in poverty. A greater commitment is visible on the part of State Governments to invest in welfare schemes. While economic poverty has been forcibly addressed, political and socio cultural aspects of poverty are yet to be tackled. Concerted efforts are needed in achieving universal primary education and promoting gender equality and empowering women. In essence, India has a massive agenda to be accomplished in building protective capacities and human capabilities due to different challenges.

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# International Interdisciplinary Conference on 'New Pathways to World Development: Opportunities and Challenges' 26 - Feb, 2019

Adarsh College of Arts and Commerce, Kulgaon – Badlapur, Thane, MH, India

## New Pathways to World Trade: Are There Any?

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**Abstract:** *The US along with multilateral bodies like the International Monetary Fund and the World Bank has been championing the cause of free trade. The miraculous growth of the East Asian countries, the success of the regional trade blocs such as ASEAN, EU and NAFTA, EU provided confirmation to the view that free trade is the mantra to secure high economic growth levels for developing countries, that hitherto had adopted protectionist policies. The formation of the WTO further iterated that any form of trade barrier can lead to distortions in price and hence lower the trade flows and therefore the growth. In recent years the advanced economies like the US and UK are imposing neo-protectionist measures and are backing out from the globalization agenda and free trade. The US withdrew from the TPP and UK is exiting the EU. There is a full blown trade war between the US and China that is harming not just the two countries involved but has much greater ramifications. Given this worrisome world trade scenario, the question that arises is: what is the way forward?*

**Key Words:** *Trans Pacific Partnership, US-China Trade war, World trade.*

### 1. INTRODUCTION:

The US-IMF-WB combine for years pushed the agenda of free trade and advocated the same for the rest of the world citing examples of miraculous growth of the East Asian countries<sup>1</sup>. The success of the regional groupings like EU, ASEAN, NAFTA and a host of FTA s and PTAs provided more credibility to the free trade concept. These regional groupings/agreements enabled the constituent countries to benefit from the lowering/dismantling of trade barriers among themselves. The volume of trade increased among these countries and so did the GDP. With the signing of the WTO agreement, there was a shift towards multilateralism and free trade rather than regionalism and free trade. However, this resulted in various forms of neo-protectionism. The next stage has seen an inter-regional trade agreement in the form of the Trans Pacific Partnership (TPP). In short, regionalism gave way to multilateralism which in turn is paving the way for inter-regional agreements.

What is the current state of world trade? Trade wars, Brexit, pull out of US from the TPP, renegotiation in NAFTA etc. The US and UK have been backing out from the globalization agenda and free trade, something they have been championing the cause of for so long. There is a lot of confusion the world over with regards to trade, should it be preferably regional or multilateral? Confusion prevails with regard to the commercial policy to be adopted, should it be one of free trade or protectionism? The question therefore is what is the way forward?

### 2. LITERATURE REVIEW:

The governments across the world have an opportunity today to correct the lacunae in the WTO. Economies have a chance to create new pathways at the WTO to modernize global trade rules for the 21st Century and remind the world of the central rule-making role that the organization can play. It is time to reinvigorate the WTO<sup>2</sup>. The major economies have shifted trade negotiating emphasis toward mega-regional agreements. In particular, the emergence of three sets of negotiations—the Trans-Pacific Partnership (TPP) agreement among Australia, Canada, Japan, Mexico, the United States, and seven other countries; the Transatlantic Trade and Investment Partnership (TTIP) negotiations between the United States and the European Union (EU); and China's pursuit of the Regional Comprehensive Economic Partnership (RCEP) negotiations—raises a host of short- and long-term questions for the multilateral trading system and the World Trade Organization<sup>3</sup>. The view that the failure to maintain and improve the multilateral trading system can result in its deterioration or worse in these times of serious stress. However, there is a path forward

to strengthen the system and assure its future<sup>4</sup>. At a time when protectionism and isolationism are raising their ugly heads, the TPP11 conveyed a potent signal. In fact, the agreement was signed on the very day that U.S. President Donald Trump announced the imposition of U.S. tariffs on imports of steel and aluminum<sup>5</sup>.

### 3. STUDY OBJECTIVES:

- Analyse the challenges with respect to world trade: TPP and US-China trade war
- Suggest a way forward.

### 4. METHOD:

The present paper is theoretical in nature. The data has been collected from secondary sources such as books, research journals, government publications and newspapers. The data has been analyzed and presented in the discussion.

### 5. ISSUES WITH RESPECT TO TRANS PACIFIC PARTNERSHIP:

The Comprehensive and Progressive Agreement for Trans Pacific Partnership was signed on March 8, 2018, in Santiago, Chile. The TPP comprises of eleven countries from three continents (Asia, Australasia and Latin America), both developed (Australia, Canada, Japan, New Zealand and Singapore) and developing (Brunei, Chile, Malaysia, Mexico and Peru), capitalist and socialist (Vietnam), comprising 13 percent of the world's GDP (US\$ 10 trillion), 15 per cent of global trade and a population of 500 million, banded together in the cause of liberalized commerce, globalization and a rules-based international trading order. The TPP was being negotiated since 2010.

Originally as the US was to be a part of the TPP, the grouping would have consisted of 40 percent of world trade. The US abandoning the TPP was a big blow to its very formation. The Japanese prime minister had to undergo a huge embarrassment when the US withdrew from the TPP as his fellow countrymen were initially opposed to Japan joining the TPP. However, ultimately, Japan and Chile played a major role in the signing of the TPP. The TPP can be said to be a culmination of efforts starting with the formation of APEC and subsequently the signing of the Trans-Pacific Strategic Economic Partnership (TSEP) more popularly termed as the P4. The Obama administration elicited interest in joining the P4 in 2009, which triggered an interest in the same from other APEC members as also Mexico, Canada, Malaysia and Japan. The negotiations under the new format of TPP included goods and services, telecommunications, investment, financial services, sanitary and phyto-sanitary barriers (SPS), technical barriers to trade (TBT), government procurement and IP provisions.

The US President Donald Trump in April 2018 ordered his officials to study the possibility of having the U.S. rejoin the Trans Pacific Partnership (TPP)— the inter-regional trade agreement he campaigned against in 2016 and ditched unceremoniously in January of 2017 (Heine Jorge and Nicolás Albertoni, 2018). Also, there is talk of the UK eliciting interest in joining the TPP. These are clear indications that the large economies like US and UK realize that their not being part of trade partnership may hurt their own economies, as also the fact that the geo-political power points and positions are shifting from the US which enjoyed a hegemony to a multi-polar scenario. The US withdrawal from the TPP initially led to a belief that the TPP is dead. Contrary to this, the Latin American countries led by Chile and the Asian countries led by Japan, went ahead and formulated the deal, causing the US to do a re-think on its stance to withdraw. The Latin American countries and Asian countries have created an institutional framework suitable to the trading and development in the current scenario rather than fall back on those created in the aftermath of the two world wars.

### 6. US-CHINA TRADE WAR

Just as the TPP was signed in March 2018, the US in April 2018 filed for consultation with the WTO that China was violating intellectual property rights. The US has alleged that Chinese companies have entered into joint ventures with various companies across the globe and these agreements have enabled Chinese companies to use and copy technologies thereby violating intellectual property rights. In other words, according to the US, China is wringing trade secrets out of foreign companies in return for access to the Chinese market. Moreover as the Chinese government offers various subsidies to its own tech companies, the Chinese produced goods are far cheaper, hurting the American economy. The other concern that US has raised is that China's patents and copyrights law are not stringent enough and that China has imposed several nontariff barriers thereby protecting certain sectors of the Chinese economy from international competition. A violation of this nature permits a country to impose tariffs on goods coming in from the exporting country. Hence the US is justifying the imposition of tariffs on goods it is importing from China.

As of 2017, the total US imports from China stood at \$506 billion and of that US has already imposed tariffs on goods worth around \$250 billion. The tariffs range from 10% to 25% on a gambit of goods -handbags to railway equipment. In a counter move, of the total \$130 billion Chinese imports from the US, China has imposed tariffs on goods worth \$110 billion (See Table 1 and Table 2). China has levied tariffs on chemicals, coal, medical equipment

and soya beans. Currently, both countries have agreed to stop further tariff imposition for a period of 90 days to allow for talks.

Table 1  
US Imports from China

Tariffs already applied in 2018	Tariffs that took effect in September 2018	Additional Tariffs (threatened)
\$ 53 billion	\$200 billion	\$ 267 billion

Source: US Census Bureau, BBC Research

Table 2  
China's Imports from US

Tariffs already applied in 2018	Tariffs that took effect in September 2018
\$ 50 billion	\$ 60 billion

Source: US Census Bureau, BBC Research

The trade war has resulted in an increase in prices in some sectors as also has had an effect on investment worldwide. Pointing to the U.S.-China conflict, economists at the International Monetary Fund, the World Bank and the Organization for Economic Cooperation and Development have downgraded their forecasts for global growth.

## 7. CONCLUSION:

What is the way forward? The current system of trade is based on that adopted after the two wars in 1947 during the Bretton Woods Conference and hence is way too outdated. Janan Ganesh put it this way: "Social order is to some extent self-cancelling, the longer people have it the more they take it for granted, historic events that warn them against such complacency pass from living memory to folklore to something more like rumor"<sup>6</sup>. In his book *The Jungle Grows Back*, Robert Kagan concludes "that the last 70 years were an aberration, that it was an exceptional time unmarked by wars among major powers and characterized by ever-increasing freedom for international trade"<sup>7</sup>.

The World Trade Organization faces two formidable challenges- firstly, it must confront determined and growing attacks from groups who proclaim that it lacks democratic accountability and is merely a front for multinational corporations and dehumanizing capitalist values; second, the WTO is jeopardized by internal constitutional flaws and has a highly efficient dispute settlement system<sup>8</sup>. It seems that the problems and challenges faced by the WTO and predicted by economists barely six years from its inception are still true. The failure of the Doha Round in 2001 formed the basis of such predictions, but the current stand-off between the US and China over the tariffs being imposed by one country on the other is testimony to the fact that not much has changed since. It seems imminent that the WTO has not been able to resolve world trade issues.

The rebirth of the TPP in recent times, the even more recent RCEP and a rising trend towards free trade agreements, preferential trade agreements and regional trade agreements clearly show that the way forward for world trade is not through any multilateral body like the WTO and that worldwide trade negotiations are not an option any more. The more plausible route to a stable global trading system is through one to one FTA s and PTAs or through inter-regional overlapping groupings. Hence a bottom up approach looks more like a solution rather than a top up one. The American or the Chinese unilateralism/hegemony in world trade affairs is not something that is here to stay from the shape of events in recent times. While the world trade as well as growth forecasts are being reworked and downgraded on account of the US-China trade war, the fact that Chili managed to make TPP happen is a clear indication that there is a transition to a multi-polar world. Small and medium-sized powers are coming into their own, setting their own paths and priorities. On account of the u-turn by the United States in terms of advocacy for free trade and United Kingdom's Brexit, nations in Latin America and Asia are emerging with new solutions for world trade and development. For years the US remained the largest trading partner to the Latin American countries. The recent, the protectionist measures adopted by the United States has lead to regional integration and new pathways to trade with other trading partners, including China. In Asia, RCEP has been signed in November 2018. This holds a lot of promise as after all, five billion people, two-thirds of the world's mega-cities, one-third of the global economy, two-thirds of global economic growth, thirty of the Fortune 100, six of the ten largest banks, eight of the ten largest armies, five nuclear powers, massive technological innovation, the newest crop of top-ranked universities<sup>9</sup>. In short, the growing trade and investment flows among the Asia and Latin America is an indication not only of the direction of trade and in the coming years but also that a multilateral system is out-dated and that the geo political powers directing trade flows are going to be multi-polar.

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# International Interdisciplinary Conference on 'New Pathways to World Development: Opportunities and Challenges' 26 - Feb, 2019

Adarsh College of Arts and Commerce, Kulgaon – Badlapur, Thane, MH, India

## Nanotechnology: a pathway to world development

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**Abstract:** Nanotechnology is the act of purposefully engineering matter at the atomic scale or nano-scale. Nanos means dwarf in Greek. It is 10-9th or one billionth part of unit scale.

Long before the term nanotechnology came into use; it was known that properties of smaller particles are different and better than larger ones. When at least one of the dimensions of any type of material is reduced below about 100 nm, it's mechanical, thermal, optical, magnetic and other properties change at some characteristic size for that material.

These nanoparticles give rise to micro-miniaturization of nearly all the materials. Applications of nanomaterial are found in medicine, electronics, paint technology, automobile, space study and many more fields.

Since the material requirement will drastically reduce, there will be a significant reduction in cost, at each level of manufacturing, in most of the industries. In this paper, authors will bring out how nanotechnology will lead to development in many fields and hence be a contributing factor towards world development.

**Key Words:** Nano Technology, Energy, Nano Scale.

### 1. INTRODUCTION:

Development is the process of improving a thing to become better and stronger. Scientific progress has always been a tool for world development.

Mankind is always working to make a large number of materials, and shape them according to the desired functions or operations. We have been constantly trying to overcome our physical limitations by inventing appropriate materials. We cannot fly, but we can make aero planes fly. Our communication and navigation systems can take us to distant planets.

Starting from stone implements, we learnt to make alloys, wonderful organic and inorganic materials. We use wood, metals, alloys, polymers and such materials for our comfort. Natural/man made materials serve to fulfil a variety of functions. Skill and intellect of many generations have led to wonderful electronic systems, communication tools, transport vehicles, textiles, utensils, architectural materials, medicines and so on.

Invention of semiconductors has been a milestone which made the electronic devices to become much smaller compared to their larger counterparts of the initial stages; they occupy a lot lesser space now. The solid state devices also use much lesser power, and thus the devices in use today have become much more economical compared to the previous ones. Small sized, lightweight and highly efficient novel electronic devices have now become a part of our lives.

In 1959, Nobel laureate Richard Feynman dreamt of highly efficient, smaller and smaller materials without uttering the word nano. Now 60 years later, we have smaller and efficient personal computers, laptops, palmtops, compact disc players, pocket transistors, mobiles with digital cameras and so on.

Nanotechnology is taking all the materials to further microminiaturization to the size regime of below 100 nanometers. What is nano? One billionth part of a meter i.e.  $10^{-9}$  meter is a nanometer. If we keep 10 hydrogen atoms one after the other, their length will be 1 nanometer. A nano material is one, whose at least one dimension, length or breadth or thickness is between 1-100 nm. A material can have completely different properties at the nano level which are structure dependent and size dependent also. Dealing with such small sized atoms or molecules and fabricating newer materials or machines is what nanotechnology is all about. It involves control of matter on an atomic or a molecular scale.

Nanomaterials are not really new. Michael Faraday, in 1857, synthesized stable gold particles of nano size. His gold samples have a beautiful magenta red color and can be seen in British museums.

Nano technology will revolutionize 21st century by enabling the fabrication of next generation devices with reduced dimensions, which will be technology driven.

The smaller a material or a machine is, its performance improves, and its energy consumption reduces. A small sized machine becomes cheaper and very easily portable. But handling atoms and molecules is not easy, and all over the world, scientists are struggling to develop nano materials and nano machines.

Nanotechnology is increasingly attracting worldwide attention because it is offering huge potential in a wide range of end uses. Technique and new properties of nano materials have attracted not only scientists and researchers but also businesses, because of their huge economic potential.

## **2. DISCUSSION:**

### **Applications of Nanotechnology**

#### **Nanotechnology in energy sector:**

Currently, the solar cells used in the solar panels are made up of Ge, Si, ZnS/CdS and have a band gap of 0.7 eV, 1.2 eV, 1.5 eV 2.52 eV etc. When one goes to nanostructures of the same materials, the band gaps increase up to 3.5 eV or even up to 4.59 eV. The advantage of these solar cells will be that they will be much more efficient in converting solar energy to electrical energy.<sup>1</sup>

Advantages of these tiny solar cells will be their lesser cost, lesser weight and higher efficiency. Hence they can be used more effectively in space crafts for production of energy and thus, fuel requirement will be less.

Using nanomaterials, TV and computers will become thinner, paper like, can be folded and can be used anywhere.

Another important aspect is thermal energy storage. The energy demand in buildings may be significantly reduced by using phase change materials such as latent heat stores. Adsorption stores based on nano porous materials like zeolites, which could be applied as heat stores in district heating grids or in industry. The adsorption of water in zeolite allows the reversible storage and release of heat.

Carbon, well known as a bad conductor of electricity shows very good conductivity, as fullerene (ball shaped structure) or graphene structure (planar carbon). Iijima discovered carbon nano tubes of few nm diameter and few mm length. These tubes are strong enough to sustain a stress of 150 GPa. (1 atm = 105 Pascal)<sup>2</sup>. These show very good conductivity also. Carbon nano-tubes are being studied worldwide as they prove to be good for hydrogen storage. Our own college laboratory is working in this area.

Successful hydrogen storage and slow release of hydrogen will mean that hydrogen can be used as a fuel. Combustion product of hydrogen is only water, H<sub>2</sub>O and it can be used to generate hydrogen again. Thus, it is a clean source of energy and is recyclable.

The extraordinary electric conductivity of nanomaterials like carbon nanotubes can be utilized for application in electric cables and power lines; this will be useful for the optimization of superconductive materials leading to current transmission without appreciable loss.

Nano spheres of inorganic materials, acting as nano sized 'ball bearings' could be used as lubricants. The controlled shape makes them more durable than conventional solid lubricants. Whether the increased cost of producing them is offset by the longer service life is yet to be investigated. These nanoparticles are expected to reduce friction between metal surfaces, particularly at high normal loads. If so, they will find their applications in high-performance engines. This will benefit the energy sector as well as transport. This type of lubricant will be effective even if the metal surfaces are not highly smooth.

#### **Nanotechnology in textile industry:**

Carbon nanotubes can also be used in the fabric industry. The clothes prepared using nanotubes will absorb sweat but will not give odor. One will be able to change the color, as and when required by simple ironing. The smooth surface of the clothes will avoid adsorption of dust and hence there will be no need to wash. Such clothes will be giving safety from fire, weapons, heat etc. So these will prove ideal for military purpose.

Using Geico tape, a kind of very sticky tape, clothes can be used even without stitching. Summer suits can be used in winter by filling the air in the suit. Smart clothes can be used to reduce the tension in our minds. Smart clothes can note down the temperature, blood pressure, heart beats etc. This information can be sent to web based databases. A person can be calmed down via nano speakers by songs or psychological lectures.

#### **Nanotechnology in automobile industry:**

The elastic properties of the materials are also enhanced when one goes to nanostructures. Such materials can be used in making parts in automobiles, space- craft etc. Being lightweight, the energy consumption will be reduced along with the reduction in the cost of manufacturing it. Vehicle weight reduction is a key part of car or space craft manufacturer's strategies to improve fuel economy. Ten times stronger but very lighter steel will be used in aero

planes and satellites. Nano-engineered thermoplastic materials allow a weight reduction of up to 40% compared to traditional steel chassis parts. Aerogel is the lightest material. It has 95% air. It is transparent, unbreakable, does not get heated and does not conduct heat. Dr. Sulabha Kulkarni from Pune has successfully prepared anaerogel which can sustain a load 5 lakh times its mass. It can be used in vehicles. It can be used to store fuel gases.

The car in future will be having structural colors. From one side it may look yellow and from other side it may look red. Color may change depending upon the speed of the car. With regard to paints and surface coatings, nanostructured surfaces result in improved paint adhesion and color durability. Efforts are being made to prepare paramagnetic paints. The paramagnetic paint will change the field around the car and the color can be changed using a button inside. Incorporating nanoparticles in paints could improve their performance, by making them lighter and giving them different properties.

Self-cleaning will become possible on windscreens and car body shells. Scratch-resistant, dirt-repellent, UV-resistant and self-healing car paints are applications that already exist or are in process of development.

Some 30% of the tire cover consists of a re-inforcing filler making it possible to incorporate desired properties such as grip, abrasion resistance, resistance to initial wear and tear, and tear propagation. There are three products that significantly improve the properties of natural rubber: soot, silica and organosilane. These are being produced in Nano scale form, and their cross-linking with natural rubber molecules plays a key role for tire properties. Carbon nanotube sensors will monitor tire wear in real time.

Engine of the car will not get heated. Fuel will be hydrogen which will not create smoke. Car body will be of nano composites, so it will be very light weight and sturdy. Sensors made up of nano materials will be highly sensitive and will be used in the car. If a car approaches any other body within certain limits, breaks will be automatically applied.

Hydrogen sensors will be a critical component for safety. They will detect leaks long before the gas becomes an explosive hazard. Researchers have already developed thin, flexible hydrogen sensors using nanostructured materials, i.e., single-walled carbon nanotubes decorated with palladium nanoparticles. In today's automobiles, 10-15 per cent of the fuel consumption is due to friction losses at the moving mechanical parts (piston, crank drive, valve drive). Nano coatings applied to mechanical parts, and nanostructured lubricants, help reduce friction and abrasion and thereby improve fuel efficiency.

The quickly emerging hybrid car sector not only uses batteries to store energy for the electric drive mode, it also pushes recuperation technologies, i.e. the re-use of braking energy. Here, the moving energy is converted into electrical current via generator during braking and stored in accumulators or super or ultra-capacitors. Scientists are already producing these ultra-lightweight, bendable batteries and super capacitors.

### **Nanotechnology in space missions:**

Nanotechnology will play an important role in future space missions. Nano sensors dramatically improve high-performance materials, or highly efficient propulsion systems. Radiation shielding is an area where nanotechnology can make a major contribution to space flight involving a human load.

The risk of exposure to space radiation is the most significant factor which limits a human beings ability to participate in long-duration space missions. A lot of research focuses on developing countermeasures to protect astronauts from these risks. To meet the needs for radiation protection as well as other requirements such as low weight and structural stability, spacecraft designers are looking for materials that help them develop multifunctional spacecraft hulls. Advanced nanomaterials such as isotopically enriched boron nanotubes could pave the path for future spacecraft with nano sensor-integrated hulls that provide effective radiation shielding as well as energy storage.

### **Nanomaterials in Medicine:**

Quantum dots of gold are used for fastest and localized drug delivery. A carbon nanotube chip that captures and analyses circulating tumour cells in blood can be used to diagnose Alzheimer's disease. A nano silicon platform can be used to capture and release circulating tumour cells. These Nano crystals will enable researchers to study cell processes at the level of a single molecule. This may significantly improve cancer diagnostics and treatment. Fluorescent semiconductor quantum dots are proving to be extremely beneficial for medical applications, such as high-resolution cellular imaging.

In therapy, nanotechnology can be used to kill cancer cells by targeted drug delivery and intrinsic therapies. For instance, nanoparticles can be used as tumour-destroying hyperthermia agents that are injected into the tumour and then be activated to produce heat and destroy cancer cells locally either by magnetic fields, X-Rays or light.

Chemotherapy drugs or genes can be released into tumour cells via nanomaterials, allowing much more localized delivery, significantly reducing the quantity of drugs absorbed by the patient for equal impact and the side effects on healthy tissues in the body.

Cellulose Nano crystal composites can be used as drug carrier. Nano capsules can be used for delivering vaccines.

### **Nanotechnology in sports:**

Within the niche of sport equipment, nanotechnology offers a number of advantages and has immense potential to improve them, making athletes safer, comfortable and more agile. Baseball bats, tennis and badminton racquets, hockey sticks, racing bicycles, golf balls/clubs, skis, fly-fishing rods, archery arrows, etc. are some examples, whose performance and durability can be improved with the help of nanotechnology.

Nanomaterials such as carbon nanotubes (CNTs), silica nanoparticles (SNPs), nano clays fullerenes, etc. are being incorporated into various sports equipment to improve the equipment as well as the performance of athletes, with added advantage such as high strength and stiffness, durability, reduced weight, abrasion resistance.

### **Nanotechnology in agriculture:**

Nano capsules can be used for delivering pesticides, fertilizers and growth hormones in a controlled fashion to crops. Nano sensors can monitor soil conditions and crop growth, and detect animal and plant pathogens.

Other applications

As one goes down to nanostructures, depending upon size and internal structure of the nanoparticle, color of the nanostructure of same material can be tailored. E.g. Gold nanoparticles show different colors depending upon their shape and size and hence matching golden ornaments will be possible in future.

Nanoparticles of gold and silver are used in making better and more durable contacts between semiconductor and terminal.

When one goes to nanostructures, the surface to volume ratio increases. This makes the products in nano form, more effective. Such are being used in sunscreen lotions or other ointments, even today. Coatings with thickness controlled at the nano or atomic scale have been in routine production for some time, in molecular beam epitaxy or metal oxide chemical vapour deposition for optoelectronic devices, or in catalytically active and chemically functionalized surfaces. Recently developed applications include the self-cleaning window, which is coated with highly activated titanium dioxide, engineered to be highly hydrophobic (water repellent) and antibacterial, and coatings based on nano particulate oxides that catalytically destroy chemical agents.

Apart from above mentioned fields, there are many more walks of life, where nanotechnology will be beneficial.

### **3. CONCLUSION:**

- Nanotechnology has high potential to develop newer and better materials.
- Since material requirement and power requirement is less; Nanotechnology will prove to be economical for world development.

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**International Interdisciplinary Conference on**  
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Adarsh College of Arts and Commerce, Kulgaon – Badlapur, Thane, MH, India

**Translation as an Agent of Changing World Culture: A Case Study  
of Translating Select Indian women Dalit Writers into French**

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**Abstract:** Translation as a carrier of literatures from one culture to another can serve as an agent for changing world culture, for making it more inclusive, pluralistic and tolerant. When the text translated happens to be from the margins of the source culture, it brings to the world stage a non-monolithic view of that culture as it includes voices that are often omitted, eclipsed or marginalized in the mainstream narrative.

In the Indian context, translation of women's writing, especially Dalit women's writing, into major international languages can bring attention to voices that are on the margins of not only a national literary culture but also often omitted from international literary scene. Given that these are voices of resistance and reclamation, their translation into major international languages can serve as a way to make world culture more pluralistic and more empathic to local socio-economic realities.

In this paper, a study of the politics of translation of selected Indian women writers, especially Dalit writers, into French will be undertaken, with focus on the reception of these translations on the international stage, with a view to show how translation has helped focus international attention on specific Indian local socio-economic realities and how it has bolstered the position of these writers within the Indian literary context as well.

**Key Words:** Politics of Translation, Postcolonial Translation and translation of Indian Women's writing in to French, Translation and culture.

## 1. INTRODUCTION:

In the past twenty years, we have seen an increasing number of postcolonial women writers from India, writing in English as well as in Indian languages, being translated in to foreign languages. This paper seeks to review the phenomenon and study how this border crossing has affected Indian Women's Writing, and social and cultural understanding, both in the Indian context and in the global context. Translation into major international languages has mediated the space that contemporary Indian women writers occupy in international market of literature, just as global recognition has strengthened the position of Women's writing within their own writing community. This border crossing through translation has re-defined Indian women writers and even Indian women locally and internationally. Just as translation in to foreign languages allows the space that Indian Women's Writing occupies in India to be redefined, the dialogue around the culture of the source text, both at the local and international level, also evolves to include the issues and social conflicts addressed in the translated text.

When writing from the margins of one culture is translated into another language, it presents to the readership a pluralistic view of the source culture and a new vantage point from which to engage with the source culture. The writing from the margins throws a spotlight on the social cleavages and conflicts that, otherwise, might not find such a prominent place in the mainstream literature of that culture or society. An example of this fact is the Dalit Writing from India. Themes that remain secondary in mainstream writing become the focus of Dalit Writing or are addressed from the perspective of the marginalized groups of Indian society, such as social discrimination based on caste, political and social activism, development and education. The translation of Dalit Writing into foreign languages has exposed the international readership to these issues of Indian society, and helped in forming international opinion around them. This has changed the way the world understands Indian culture and society. The effect of this understanding is twofold. It exerts pressure on the source culture to reform itself and makes cultural understanding and dialogue more pluralistic and inclusive at the international level.

It is this proposition that translation can lead to shifts in cultural understanding and dialogue that this paper seeks to address through an interrogation of the recent trends in translation of postcolonial women's writing from India into major international languages, this paper would like to review the status enjoyed by Indian women writers, firstly, on the international stage, and secondly, on the domestic stage. This repositioning is indicative of the change in local and international perception of Indian society and culture. Through translation, such texts introduce new information, perspectives and social critique that have until then been eclipsed, out to the world stage. The valorization that such marginal literature receives, through the medium of translation, also extends to the issues and problems of the marginalized groups within the source culture. In this paper we shall limit ourselves to the translation of Indian women's writing in to French as a case study to illustrate this point. There are losers and winners of the process. Globalization according to Brittan, "as a whirlwind of relentless and disruptive change which leaves governments of the different countries of the world helpless and leaves a trail of economic, social, environmental and cultural problems in its wake".<sup>2</sup>

## **2. DISCUSSION:**

### **2.1 TRANSLATION AS A VEHICLE OF KNOWLEDGE, LITERATURE AND CULTURE**

How have ideas and theories, historical and practical knowledge traversed the globe? How have transactions between various groups and nations been facilitated? How have works of literature and scholarship acquired international status? It is by building bridges across linguistic and cultural regions, it is often through the rewriting of works in another tongue or through the medium of persons who speak more than one tongue. Translation is one of the means by which literatures cross borders, not just metaphorical or intellectual borders, but actual physical borders that demarcate linguistic, cultural and political regions. The act of translation itself implies a journey, a crossing over. However, the cultural turn of the 1980s has made it more than abundantly clear that this act, far from being a simple displacement of a text from its source culture to a new one, carries within itself, a host of cultural, ideological and geopolitical implications.

Postcolonial translation brings to the fore, questions of location, ethnic and cultural identity, gender, ideology, appropriation, resistance and transgression. Crossing borders is not just displacement; it is relocation and even redefinition. The translated text exists in a space, a borderland, which straddles two locations at the same time, and affects the topography of both the source and target cultures/literatures.

In referring to the title of collection of essays *Between Languages and Cultures: Translation and Cross-Cultural Texts*, Anuradha Dingwaney, one of the editors says,

"The between of our title refers to that space of translation where the self or one culture encounters, and, more importantly, interacts with an "other" or another culture. It is a fertile place, and disquieting, because, if explored fully, it proves to be a sphere (or zone) in which one both abandons and assumes associations."

It is the last line of this quote that I would like to expand upon. Looking at translation as a zone where one both abandons and assumes associations; it would follow that the translation of a text would have consequences for both the target and the source literatures and cultures.

This idea is also explored by Gustavo Perez-Firmat, who takes up the term *transculturación* coined by Fernando Ortiz to replace the *acculturación* that he finds to be too According to him, in the context of translation, between also refers *transculturación*, the space that emerges from translation, the liminal zone or the impassioned margin where diverse cultures converge without merging. He explains it as designating the space within dominant language and culture that is written, inflected, subverted by the subaltern and functions as resistance.

### **2.2 TRANSLATIONS AS INTERNATIONAL VISIBILITY**

From the 1990s we see a significant surge in literary production by Indian women writers, especially in English. The significance of this phenomenon is proven by the various awards that Indian women writers have received; for example, Shashi Deshpande was awarded the Sahitya Akademi Award in 1990 for *That Long Silence* in 1990 and the Padma Shri in 2009. Githa Hariharan's first novel, *The Thousand Faces of Night* won the Commonwealth Writer's Prize in 1992. Arundhati Roy won the Man Booker Prize for Fiction in 1997 for *The God of Small Things*. Jhumpa Lahiri's collection of short stories *Interpreter of Maladies* won the O. Henry Award in 1999 and the Pulitzer in 2000 and her novel *The Lowland* was nominated for the Man Booker in 2013.

These authors and their writing have been of course the subject of critical attention within and outside India. Today this body of writing is considered to be a significant component of Indian Writing in English. This is not to say that the growth of women's writing in India is limited to English expression. Women writers from other Indian languages such as Marathi, Hindi, Assamese, Tamil to just name a few, have also been constant contributors to the body of literature we call Indian Women's Writing. It is logical that award winning books, especially those that have won international awards figure largely in this list of Indian women's writing translated in to French. Githa Hariharan, Arundhati Roy, Kiran Desai and Jhumpa Lahiri are some of the Indian women writers currently translated into French. But the compilation also reveals certain trends that are indicative of the modalities of reception of Indian women writers on the international stage.

First of all, it is evident that the translation of Indian women writers in French was motivated by the fact that this literature received international recognition in the 1990s. We see that Githa hariharan's *Thousand Faces of The Night* (1992) is translated in to French in 1996, Arundhati Roy's Man Booker Prize winning novel, *The God of Small Things* (1997) is translated into French in 1998, Jhumpa Lahiri's *Interpreter of Maladies* is translated (1999) in 2000. The gap between the publication of the source text, its critical reception and translation is almost negligible. The French market of translations thus firmly focused on Indian women's writing in English, just as did the rest of the world in the last decade of the 20th century. However, our concern with this trend in translation moves beyond simple market economics. The list of translations that I have compiled here shows that the interest generated by the critical reception of Indian women writers of English expression lead to a general increase in French translations of Indian women's writing from 2000 onwards. The works of other writers, well known in india, for example the novels of Sashi Deshpande, winner of the Sahitya Akademi award for *That Long Silence* in 1990, were translated into French after 2000. Similarly, several of Anita Nair's novels have been translated into French, the latest being in 2010. Another writer extensively translated into French is Chitra Banerjee Divakaruni. About 10 of her works are available in French as of date. This list is illustrative of the French market for Indian women's writing has expanded in the past twenty years or so. But it would be simplistic to attribute this expansion to simple market economics. I feel that a deeper look at the modalities of production of these translations and the actors involved in this process is needed. Is it just an increase in the French (and francophone) consumption of Indian women's writing that has dictated this increase in the number of translations?

Coming back to my assertion at the beginning of this paper that Postcolonial translation brings to the fore, questions of location, ethnic and cultural identity, gender, ideology, appropriation, resistance and transgression, let us take a look at the modalities of production of these translations. What works are translated, who translates these works, who publishes them, what is the target audience - these are some of the questions that can help us problematize this seemingly simple phenomenon.

A study of the list of translations brings out that it is a handful of major publishing houses that commission the majority of translations of Indian women's writing in the francophone worlds. Editions Philippe Picquier, Gallimard, Fayard, Albin Michel are the French publishing houses that dominate this market. In fact, each of them publishes these translations under the heading of a special collection dealing with foreign literature, for example, Fayard *littérature étrangère*, Philippe Picquier- *Livres d'Asie*, Gallimard – *du monde entire*.

Similarly the list of translators also limits itself to several names that work for the above mentioned publishers – Dominique Vitalyos, Claude Demanuelli, Simone Manceau, Melanie Basnel, and Marielle Morin. That is not to say that there are no other translators, but these names stand out by the number of translations they have carried out of Indian women writers. These translators are for the most part of French nationality and experts of English. Some of them have a connection to India, for example, Dominique Vitalyos, who had lived in India for many years before returning to France and is fluent in some other Indian languages, including Malayalam.

We also see that the majority of translations are from English to French, with rarer examples from other Indian languages. For example, Amrita Pritam's *Pinjar* (1950) has been translated into French from Punjabi by Denis Matringe in 2003; Alka Saraogi's *Kalikatha* (1998) has been translated from Hindi in 2001, as have some works of Mahasweta Devi from Bengali. Another interesting fact that this research unearths is the new trend of publishing collections of short stories by Indian writers in French translation by Indian editors and publishing houses. I can cite here two examples, the first being *Indradhanoush*, *anthologie des nouvelles indiennes*, edited by Kiran Chaudhry and Stephanie Fabre, published by Shubhda Prakashan, Delhi (2008), and the second, *Shakti, quand les Indiennes ont leur mot à dire*, edited by N. Kamala and Claire Barthez (2013), published by Goyal Publishers, Delhi. France Loisirs, a French publication house has also published in 2004, *Ballades indiennes*, *histories d'ailleurs*, a collection of stories by Anita Nair, Bulbul Sharma and Chitra Banerjee Divakaruni.

We see that a clear market for Indian women's writing in the francophone world emerges from the new millennium, no doubt an effect of the international awards and recognition received by this writing from the 1990s onwards. While largely dominated by writing of English expression, more and more writers from the regional languages are being translated into French, especially through anthologies. Careful attention to such anthologies and translations also reveals that the choice of text to be translated is closely related to the representation of women's condition in Indian society, caste discrimination, marginalization and social justice. The high proportion of translated texts dealing with such issues reveals that through translation there is an international focus and demand for socially relevant writing from Indian women. For example, Baby Haldar's *Aalo Aandhari* (Bengali) hit the shelves in 2002 and sold out from day one. From sweepers, domestic helpers to the retired headmistress who lived next door, Baby Halder's story resonated with everyone. The English translation by feminist Urvashi Butalia, published in 2006, became a bestseller. The New York Times harked it India's *Angela's Ashes*. Today, the book has been translated in 21 local and 13 foreign languages, including French, Japanese, Korean and German. Its French translation, *Une vie moins ordinaire*, by Nathalie Bourgeau, from the publisher Philippe Picquier appeared in 2007. The works of another Dalit writer, Urmila Pawar, have been translated from Marathi into English and other Indian languages. Her short stories

have been translated in to French from the 2000s onwards and published by Indian publishers. Her autobiography, Aaydaan is currently being translated in to German as well.

This is against the backdrop of this data concerning the translation of Indian women writers into French that I would like to address the question of relocation and redefinition as it pertains to Indian women writers and culture.

### 2.3 TRANSLATIONS AS A VECTOR OF CULTURAL CHANGE

In the case of French translations of Indian women writers, the first question to address is the why of the translation. As I have iterated before, commercial demand cannot suffice to explain this phenomenon. As Gisele Sapiro explains in her book, *Translatio, le marché de la traduction en France à l'heure de la mondialisation*, a minimum sale of about 4000 copies is necessary to offset the cost of publishing a literary work, however most foreign works sell about 800 copies in France. However, there has been no decrease in the number of translations commissioned by French publishing houses from 1980 onwards. There is a steady policy of inclusion of foreign works from all over the world within the French literary corpus. According to Sapiro, this trend is part of a redefinition of French literature and literary criticism that has been in progress for the past twenty years. It seeks to position French literature as an inclusive space within the globalized world of literature. According to her, this notion has risen from the concepts of world literature or *littérature monde* of the 1990s. Paradoxically, she notes another trend; that of translating works from languages other than English. She says that a preference for choosing 'rare' languages is motivated more by identity politics rather than by questions of esthetics in the French context.

It is here that Indian Dalit women's writing presents an interesting case study. We have seen that most of the works translated in to French are from English, however, for the French market, it is not the language of the source text that is pertinent. It is the identification of these works as a marginal, transgressive body of work in the Indian social context. It is the identification of this writing as feminist, or as we say it in French, *prise de parole*, by Indian women that has sustained this trend of translation.

We cannot ignore the fact that these works have added to the corpus of material that is studied in departments of Gender Studies and Literature in Western universities. One example I can mention here is that of the French translation of Githa Hariharan. The publication of *Mille visages de nuit* was funded by the Swiss government as part of a cultural project. Hariharan's fiction has been translated into a number of languages including French, Italian, Spanish, German, Dutch, Greek, Urdu and Vietnamese and she herself has edited a volume of stories in English translation from four major South Indian languages, *A Southern Harvest* (1993). Another example is that of Assia Djebar, Algerian Francophone writer whose works were first translated into English by the University of Virginia Press, with a clear agenda to include Third World Literature in their humanities programmes.

Therefore, we see that the relocation of these works through translation also redefined how they are to be read by the target audience in the West. This could not be made plainer than by the fact that many of them accompanied by forewords, afterwords, accompanying commentaries that situate them within a larger, international paradigm of postcolonial women's writing. A classic example is that of Shashi Deshpande's *A matter of time*, translated into French as *Question de temps* and accompanied by an afterword by Ritu Menon, Indian literary critic of international renown. Therefore, it is difficult to avoid the pedagogical nature of these translations, whether it is explicit or implicit. Such translations firmly ensconce Indian women's writing in the margins of the literary world of the target culture, with one facet or the other being highlighted and influencing way this writing is perceived in the target culture. Indian women writers are largely represented by those writing in English, the demand for 'transgressive' voices has given the voices of marginalized Indian women writing in regional tongues to also be heard, such as Indian Dalit women.

This is where I would like to bring in Firmat's reference to *transculturación* in so far as it designates the space within the dominant language and culture that is rewritten, inflected, subverted by the subaltern, functioning as resistance. My first example is well known one, that of Mahasweta Devi. It is the translations of her work in to English by Gayatri Spivak that redefined her position within the Indian literary canon. Already a well respected member of the Bengali literary community, translation in to Hindi, English and other Indian and foreign languages allowed her to transcend her location as a writer of regional renown to one having national (Jnanpith in 1996 for *1084 Ki Maa* (1975)) and international recognition.

Another effect of this phenomenon, maybe as a response to it, is the very recent trend of Indian publishers and editors wanting to publish French translations of Indian women's writing. The forewords accompanying these collections make it clear that the under representation of regional languages has been noticed. Also it is a space where Indian translators can enter the market of French translation given the difficulties of translating from Indian languages. Therefore the space itself of French translations is being redefined and is redefining the space occupied by regional women writers in India.

### 3. CONCLUSION:

Based on the above analysis of the Francophone market for Indian writing, we see that this demand is more intellectual and academic than commercial. Therefore it would not be wrong to say that translation of Indian women's writing, especially Dalit women's writing is essentially linked to the international opinion and dialogue on Indian

society and culture. It provides alternate Indian perspectives of resistance and reclamation that often counter the perspectives the Indian mainstream has presented to the world. These perspectives become part of the international discourse and allow the world to look at India (or any other culture) in a manner that is more holistic and empathic to local socio-economic realities. Translation also becomes the tool to create internal opinion and pressure that can lead to reform and change in Indian society and polity in the long run.

Therefore we can conclude that translation can and does operate as a powerful agent for changing local and global cultural understanding and dialogue.

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# International Interdisciplinary Conference on 'New Pathways to World Development: Opportunities and Challenges' 26 - Feb, 2019

Adarsh College of Arts and Commerce, Kulgaon – Badlapur, Thane, MH, India

## Indian Awakening through Digitalization: Way Forward

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**Abstract:** World over, the Digital Revolution is driving the socio-economic & technological growth of the human face and India is not an exception to this. Digital India is a visionary move towards transformation of India. It is aimed to empower the poor and the underprivileged by using an affordable, developmental and inclusive technology. This has been facilitated by India's fast growing and vibrant IT industry.

Under Digital India Program, various initiatives are taken like digital identities, infrastructure, digital delivery of services and promoting employment & entrepreneurial skills and opportunities; to empower and to bring change in the lives of citizen. Soil health card, e Nam, e visa, e courts, GeM for digital identity, common services center, Digital literacy for the masses, Make in India Project are some of the examples of it. With JAM, DBT, CSE, Social Media, Cloud, AI, IoT, 3D printing, Industry 4.0, improving farmers' income, Health coverage for the poor through Ayushman Bharat and similar progress, India and its citizen are now truly plugged into the Global Digital Village and actually shaping the contours of democratization of technology and harnessing digital revolution for inclusion.

McKinsey estimated that India's digital economy could grow to one trillion US dollar by 2025 with focused efforts; but could end up only half with as usual approach. In view of this, this paper aims at reviewing critically the progress of digitalization in India as a tool of development, besides analyzing the future requirement for its continuum and challenges for marching ahead in view of emerging country in the world.

Regulatory facilitation and debottlenecking by the government for rapid progress and full realization of the potential, solutions for poverty, employment, education, skill imparting for improving agricultural productivity, mitigating risk and financial inclusion are prerequisites of success of Digital India.

**Key Words:** digitalization, Digital India, JAM, DISHA, DBT, SWAYAM, MOOC, CSE, AI.

### 1. INTRODUCTION:

World over, the Digital Revolution is driving the socio-economic & technological growth of the human face and India is not an exception to this. Digitalization has opened new vistas of opportunities reshaping the scope of development. From internet to Artificial Intelligence and Robotics, emerging technologies have presented unprecedented opportunities for social and economical innovation.

Although India's move towards its Digital Future began several decades ago, its unprecedented acceleration has beckoned enormous benefits and immense opportunities for highly accelerated and far more equitable growth. It was in 1997 that the first steps towards the citizen focused e governance were undertaken, initially in the state of Andhra Pradesh and then a strong push by the central government through State Wide Area Network ((SWAN) 2003. It was then followed by UID later renamed as Aadhar, Passport Seva. Parallel developments in the telecom sector and National Optical Fiber Network renamed as BHARAT Broadband along with rapid use of social media with smart phones unfolded opportunities at unprecedented pace. It was only after 2014 that the clear recognition of the huge potential digital economy was properly recognized to give the digital push to the economy. Besides, global developments in technology led to use of disruptive technologies such as social media, mobile, Data Analytics, Cloud, Artificial Intelligence, IoT, 3D printing etc. The Indian IT industry also grew from strength to strength. It is now the third largest start up system in the world and is on its way to becoming a fountainhead of innovation for the globe, by creating services in various areas, more importantly in social sector, by leveraging new disruptive technologies. The journey of Digitization in India has transformed India into a global economy that has touched the lives of common men in almost all spheres and holds the potential in enhancing and enriching their lives.

Digital India is a visionary move towards transformation of India. It is aimed to empower the poor and the underprivileged by using an affordable, developmental and inclusive technology. Digital India is a structured process to increase internet connectivity and making a country digitally empowered by reaching the masses and encourage them to use the technology in their daily life. It is not only transformational in nature but will also bring in public accountability. It ensures increasing the accessibility, availability, quality and affordability of different product and services so that all parts of population will have fair opportunities, thus fostering inclusiveness.

## 2. STUDY OBJECTIVES:

- To understand the concept of digitalization.
- To know the scope of 'Digital India'.
- To review the performance of Digital India Program.
- To study the challenges to and suggest measures for further progress of Digital India.

## 3. METHOD:

The data is collected from secondary sources such as Indian and foreign Reports, journals and newspaper articles. The same is being analyzed for drawing inferences and hence, this research is analytical and qualitative in nature.

## 4. DISCUSSION:

### • Scope of Digital India:

India is the fastest economy in the world, which has undergone total transformation with rapid uptake of digital technology. The IT revolution has proved to be a boon for Indian economy in terms of not only generation of employment and revenue but also transformation of society, culture and lifestyle.

'Digital India' is a visionary initiative of the Government of India to transform India by leveraging the power of Information Technology. It aims at empowering the poor and the underprivileged by providing affordable technology for Inclusive Growth and Empowerment of ordinary Indians. India's vibrant IT industry is the backbone of such a program. Under Digital India program various initiatives have been undertaken towards providing digital identity, creating digital infrastructure, enabling digital delivery of services and promoting employment and entrepreneurial opportunities. It includes the plans to connect rural areas with high speed internet network. Digital India has three components. 1. Development of secure and stable digital infrastructure. 2. Digital delivery of government services. 3. Universal digital literacy.

### • Digital Infrastructure:

In order to build robust digital infrastructure the Government of India developed Bharat Broadband Network Limited (BBNL), which executes the National Optical Fiber Network Project as the custodian of Digital India project. National Knowledge Network (NKN) is the state of art network to promote collaboration and exchange of knowledge among educational and research institutes enabling applications of virtual classrooms, collaborative research through NPTEL etc. To accelerate the delivery of e services in the country, cloud computing has been the initiative undertaken, which has ensured optimum utilization of the infrastructure and the speed of the development and deployment of e Gov applications. More than 890 applications are running on 15300 virtual services. E-sign electronic signature service is an innovative initiative enabling easy, efficient and secure signing of electronic documents by authenticating using e KYC services. Digital locker, e-filing financial sector, e-transactions of banks, post offices, driving licenses renewal, vehicle registration; different types of certificates have facilitated more than 6 crores of e-transactions.

### • Digital Delivery of Services:

Government of India introduced number of initiatives for better governance under Digital India program. Jan-Dhan, Aadhar, Mobile (JAM) was introduced for Direct Benefit Transfers. The combination of 32.94 crores Jan-Dhan bank accounts, 121 crore mobile phones and digital identity through 122 crore Aadhar has helped the poor to get the benefits directly into their bank accounts, eliminating leakages, curtailing corruption and ensuring enhanced efficiency of service delivery mechanism. 2071 crores of digital payment transactions through BHIM- UPI, RuPay debit cards have innovated the digital payment ecosystem in the country. Umang, a mobile App has put the power of governance in the hands of common people. It is a single mobile App which offers more than 307 government services in 13 different languages. National Scholarship Portal, Jeevan Praman, e hospital online registration, Soil Health Card, Digilocker, e Visa, e Courts, e Nam i.e. Electronic National Agriculture Market initiative GeM i.e. Government Electronic Market place have created opportunities for micro, small and medium enterprises in a transparent manner. A vast network of more than 3.06 lakh of digital services delivery centers trade across 2.10 Gram Panchayats has been created to provide access to digital services especially in rural areas at an affordable cost. These centres have created jobs for rural people, promoted rural entrepreneurs empowering marginalised section of rural areas.

- **Digital Literacy:**

Digital India is the program for employment, entrepreneurship and empowerment. In line with the objective to make one person e literate in every house hold of the country two schemes were launched viz; NDLM and DISHA. Centers of Excellence, CoE are set up in the areas of Internet of Things IoT, Internal Security, IPRs, Virtual Augmented Reality, Medical Tech and Informatics, Agriculture and Environment etc.

## **5. PERFORMANCE OF INITIATIVES OF DIGITAL INDIA:**

The remarkable increase in digital adoption is evident in improvement of India's position in United Nations e government Index 2018, which shows that India's relative capabilities of utilizing ICT for governance are relatively faster than entire Asia region. The UN online service Index has scored 0.95 in 2018 and e-participation index is 0.96.

- **Digital Payments in India:** The volume of digital transactions increased by about 55% in 2016-17 as against 2015-16. The volume of digital payments by 74%. The payment protection insurance segment registered 162% growth during the same period. The immediate payment service also exhibited 153% growth in value terms.
- **Aadhar & DBT:** JAM trinity encapsulates the government's strategy for inclusive growth. It has emerged as the financial address by allowing for transfer of cash benefits directly to beneficiaries' bank accounts without requiring their bank account and IFS codes. It has facilitated Aadhar Enabled Payment System. The number of schemes under DBT has now increased to 140% in March 2017. The savings due to Direct Benefit Transfer have touched 50000 crores INR as on 31st December 2016.
- **E-education:** The Study of Webs of Active Learning for Young Aspiring Minds (SWAYAM) and Moocs are free of cost multilingual platform for learning. 53.7 lakh persons were trained and certified in digital literacy in the country. Pradhan Mantri Gramin Digital Saksharta Abhiyan covered 6 crore rural households as one more step in this direction.
- **Digital Health with e-hospitals:** The number of hospitals connected is 139. The total number of outpatient department registrations on the portal is 5384372.
- **Internet Connectivity:** Internet connectivity in rural areas has increased to prove participation of rural people in internet and web economy. The budget position under telecom infrastructure optical fiber connectivity under Bharat Net Program is the examples of India's strong initiatives at digitalization.
- **Smart Cities Mission:** The Smart Cities Mission was launched by GOI on 25th June 2015. It has formalized to digitally transform the gamut of public services offered to a citizen from LPG connection to traffic control.
- **My GOV:** My GOV, an innovative platform for citizen- government partnership for addressing inclusive growth in India has built faith and transparency in the governance.
- **Digital Farming:** ICT has facilitated another revolution in agriculture. E- Krishi is a crop advisory App for android, which connects farmers to experts and scientists; who help them with advise and diagnostics. It also includes knowledge on natural and organic farming practices.
- **Digital Police Portal:** Digital Police Portal for filing complaints, facilitation of investigation and providing data base has improved citizen police connect.
- **Digilocker and e- sign:** With Digilocker and e- sign, the number of registered users has increased to 10724523 and their uploaded documents are 13983006 with e-signed documents as 76994 on 31st March 2018.
- **Employment:** To create employment for sustained standard of living, GOI took several initiatives through BPO promotions, 1200 startup initiatives, 8 Unicorns, mobile manufacturing units, Greenfield Electronic Manufacturing Clusters at 20 places, including 1.23 crore being imparted training. It introduced BPO promotion scheme in 20 states and 2 union territories to create employment opportunities for local youth and to establish balanced regional growth of information technology and IT enabled services in each state. Promotion of electronics manufacturing to reduce the imports in India has been another initiative under electronics manufacturing cluster scheme as Make in India initiative.

Thus, whether it is Digital Saksharta Abhiyan (DISHA) or My Gov or JAM, all the facilities have shown percolation to the every citizen of India and proved that digital power has really empowered the citizens of India.

## **6. CHALLENGES AHEAD & STEPS FORWARD:**

The entire gamut of digital transformation is providing innovative products and services to improve productivity and efficiency; and therefore Telecom Sector would be the key growth engine during digital revolution. As the development takes place in Artificial Intelligence, IOT, machine learning, Big Data Analytics new opportunities are available for businesses.

As the path to digitalization is resulting into massive volumes of data and its application getting internet connected, there are threats expected never before of cyber security risk. Cyber space is now the fifth domain of warfare. Cyber risk is one of the top three risks along with environmental risk. The challenges regarding digital data privacy and security, data ownership, AI based challenges are many and dynamic. Hence, a new set of regulation would be needed inviting attention of all stake holders especially industry and government. It would also call for new

institutional arrangement partnering with the regulators. Use of regulations which will be flexible and adaptive towards emerging technologies is required. The cyber security prepared in India for MSMEs, PSUs needs to be enhanced. Security by design and not as a bolt in feature and as a cost center is the paradigm shift that we need to drive.

Since the large number of population is devoid of connectivity to internet, spreading awareness and connectivity are the keys to socio-economic development of the country. This calls for development of vast digital infrastructure on a wider base.

Thus, for urban digitalization cyber security, interdepartmental coordination, location based services along with legal infrastructure and development of Smart Cities are the steps much in need of Digital India. Against this, for rural development effective implementation of electrification, digital infrastructure, digital literacy and availability of broad band with digital devices will only pave a way for further development of Connect India Project. The digital India program is just the beginning of digital revolution and once it is implemented properly, it will open new vista of opportunities for the citizen.

It is expected that with a robust foundation of Digital India and increased access to information and services, India's digital economy would be dollar one trillion sustaining 55 to 60 million jobs by 2025. About 390 to 500 billion of this one trillion economic value would come from digital application in sectors like agriculture, health and education. All these would lead not only to economic but also social transformation of India, fostering inclusive, self-sustained growth making India an empowered digital nation.

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# **International Interdisciplinary Conference on 'New Pathways to World Development: Opportunities and Challenges' 26 - Feb, 2019**

Adarsh College of Arts and Commerce, Kulgaon – Badlapur, Thane, MH, India

## **Trade War: Polarization of the WTO agreement**

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### **1. INTRODUCTION:**

As the successor to the General Agreement on Tariffs and Trade (GATT), the World Trade Organization (WTO) was established to supervise and liberalize world trade. Promotion of more trade activities and spreading the trade activity benefits is the intention. WTO is also there to resolve the disputes of trading partners and give the fair judgment. This background of WTO is important to mention here because the trade war between the two largest economies in the world is far from over. The dispute settlement process has started at the WTO but during this lengthy process series of tariff imposition is on and WTO looks just like a 'Watchdog' over here. Then the question that comes to our mind is that are we adhering to the main objectives of WTO or are we polarizing the WTO agreement? Is there too much of politicization of the current trade war?

This paper aims at pointing out the politicization of this United Nation's instigated trade war and it also reveals the reasons behind major moves of this war.

'The ghost of Smoot-Hawley seems to haunt President Trump' – was title of Robert Samuelson's column in one of the United States newspapers. To understand this title we will have to go back to the World Economy's horrifying experience of the Great Depression. Smoot-Hawley Tariff Act, formally United States Tariff Act of 1930, also called Hawley-Smoot Tariff Act, U.S. legislation (June 17, 1930) that raised import duties to protect American businesses and farmers, tried to add the considerable strain to the international economic climate of the Great Depression. It increased 900 import tariffs by an average of 40 to 48 percent. It did not recover the depressionary phase but worsen it. Food prices increased for Americans enormously that time which were already suffering from this downfall of the economy. It also compelled the US trade partners to retaliate with their own tariffs. That forced the global trade down by 65 percent. This trade war also triggered the World War –II. And Samuelson, the Columnist felt that President Trump is falling in to a same trap.

To protect the steel industry in US, Bush administration in 2002 raised import tariffs on selected steel products. After Bush's tariffs were put in place, auto-parts manufacturers left the U.S. so they could make their parts with cheaper steel and then ship them back to the U.S. — cutting jobs for American workers while also avoiding tariffs. So more jobs were lost than saved. The WTO ultimately decided they did not conform with global rules. Facing retaliation from the EU and others, Bush removed the tariffs after just 18 months, instead of having them in place for three years as he wanted. Gary Hufbauer, one of the authors of the 2003 Peterson Institute study on Bush's steel tariffs, mentioned that it is very expensive way to save jobs or create more employment as such in the economy.

Taking the clues from this 2002 steel import tariff incidence, Trump administration is facing the criticisms on the 'Trade-war' that he has initiated in 2018. During the 2016 presidential campaign, Donald Trump repeatedly gave assurances that American trade policy would be favourable to the American people. Accordingly, US President Donald Trump has many references to the series that started the series of import tax on some countries and its most important reference thread has been built with China, another giant in the international trade.

On March 8, 2018, President Trump announced 25 percent tariffs on steel import and 10 percent on aluminium from the European Union, Canada and Mexico. The only justification to implement this rate is to create employment in the United States. And after this, import duty imposition has become the ongoing series of incidences. Significance of the protection policy of international trade specifies that imposing tax on imported goods means making imported goods more expensive for the local consumers, so that imports will fall as per the expectations and local producers of the same commodities will be promoted for more production and they also will be facilitated by the local market extension. As per theoretical references imposition of import tariffs would happen usually from developing countries to protect the infant domestic industries against the advanced countries' competitive sectors. In this protectionist view developing countries would benefit from the short-run distributional impact of protectionism, import-competing sectors can expand without having to specialize, demand for skilled labour reduces and hence their wage-price. This would lead to increase in employment of unskilled labourers and their incomes as well. This kind of

protection is good only up to a specific period, once the domestic industries are competitive enough, they should be left open for the international competition.

Some of the major Trade Wars that history has witnessed:

- Anglo-Dutch Wars (1652-1784)
- Opium Wars (1839-1860)
- Banana Wars (1898-1934)
- Smoot- Hawley Tariff Act (1930)
- Anglo-Irish Trade War (1932-1938)
- Bush's Steel Tariff (2002-2004)
- Trade War over genetically modified food (2010-11)
- Trump Tariffs (2018)
- China- United Nations Trade War (2018- present)

Against this theoretical background if we refer to the on-going series of tariff imposition, we sense more of the politicization of 2018 series of tariff imposition rather than having pure inward looking growth intentions.

## 2. Evidences of Politicization of the current trade- war:

The authorized body to impose tariffs is the U.S. congress but in 1962 Congress granted some special powers to President of the US to curb imports of goods that threaten national security. Trump has used those special powers and imposed tariffs on few metals. Eight countries have filed a complaint with the WTO saying that the US cannot use national security as a defense against them. Some of the arguing countries are Canada, India, Mexico, the European Union, Russia and China of course.

To answer back to US, Canadian Prime Minister Justin Trudeau assured the retaliation with tariffs, Mexico announced tariffs on US industries in areas that supported President Trump during the election campaign. This includes steel, lamps and pork products, etc.

President was trying to release jailed American pastor Andrew Brunson. Turkey claimed that he was involved in the 2016 coup to overthrow the government. On August 10, 2018, Trump announced possibility of doubling the tariffs on aluminium and steel imports from Turkey. This led to lowering the value of the Turkish lira against the U.S. dollar.

All this firing was happening from the US side but inside the US, farmers, companies showed their agitation against this politicization of trade war. This was on September 12, 2018. "Tariffs Hurt The Heartland" was the slogan used to convince the US President. Farmers showed their sufferings because of the retaliatory tariffs imposed by China and Europe on US exports.

With good intentions in June 2018 Germany proposed an end to the EU's 10 percent tax on US auto imports and in return the US must forget about imposing a 25 percent tax on European auto imports. There is already 25 percent US tariff on light trucks. But due to no response from the US side, later in June the EU imposed tariffs on \$3.2 billion of American products. It targeted imports that will impact Trump's political base.

Second half of July 2018, the EU and the US agreed to hold off on any new tariffs, reassess the steel and aluminium tariffs and work towards zero tariffs on non-auto industrial goods. The EU agreed to import more US liquefied natural gas and soybeans. Here, the EU is trying to make the advantage of the US-China trade war. This would reduce their reliance on Russian LNG and help out American farmers who have lost the Chinese market due to the trade war. Now Russian LNG prices are much lower than the US prices, and it is going to be interesting to watch the victory of political wasted interest or market price criterion.

On April 3, 2018, to retaliate the US announcement of tariffs on \$50 billion Chinese imports including electronics, aerospace, and machinery, China targeted 106 products of the US and specifically those industries which are located in states that supported Trump in the 2016 election.

China needs soybeans to feed pigs and it is a primary meat staple, but China can replace beans with those from Brazil. US farmers sell one half of their crop to China and if this market disappears the US will suffer from than China. Soybean prices have already hit a 10-year low in July 2018 due to the oversupply in the market.

In the initial months of the Trade War, the US demanded that China should stop subsidizing the 10 industries prioritized in its "Made in China 2025" plan. These include robotics, aerospace and software. China dreams to be the World's primary artificial intelligence center by 2030. The United States has accused Beijing of stealing intellectual property rights. US believes Chinese laws undermine intellectual property rights by forcing foreign companies to engage in joint ventures with Chinese companies, which then gives the Chinese companies access and permission to use, improve, copy or steal their technologies. The Trump administration estimates that the theft of American intellectual property was \$ 225 billion dollars to \$ 600 billion every year. In addition, according to some important evidence, Chinese companies, often by the involvement of government officials, run cyber attacks on American

companies to steal intellectual property. Trump claims that these taxes will benefit from imported goods to avoid improper transfer of American technology and intellectual property to China, and so will the US jobs for life. 2000 Clinton model assured China's entry to World Trade Organization (WTO) with the intention of more free trade between China and other WTO members. But China faces the accusation of still continuing with mercantilist pattern of trade and non-tariff barriers. Along with these quantity controls China has different patterns and rules on businesses of foreign and state-owned companies.

The above series looks an open out-cry of the trade war. Both are one of the strong players in the international trade. If Trump wants to achieve his goals, then he should take priority in America's business policy and boycott China if at all required.

The US cannot take up the china boycott solution for few logical reasons. First of all, American companies, like everybody, want to avail the big market provided by China. Boycotting China will remove the US from Chinese market and that is why it will not be logical to withdraw. If at all the US gets into such actions, rest of the competitors, specifically European countries will try to make maximum gains out of this move.

This following data published by the US Census Bureau indicate the dominance of Chinese exports to the US in comparison with the US exports to China. Among the foreign holders of the US bonds China tops the list, and China has built up a strong base of the Foreign Direct Investment (FDI) in the US, according to the data.

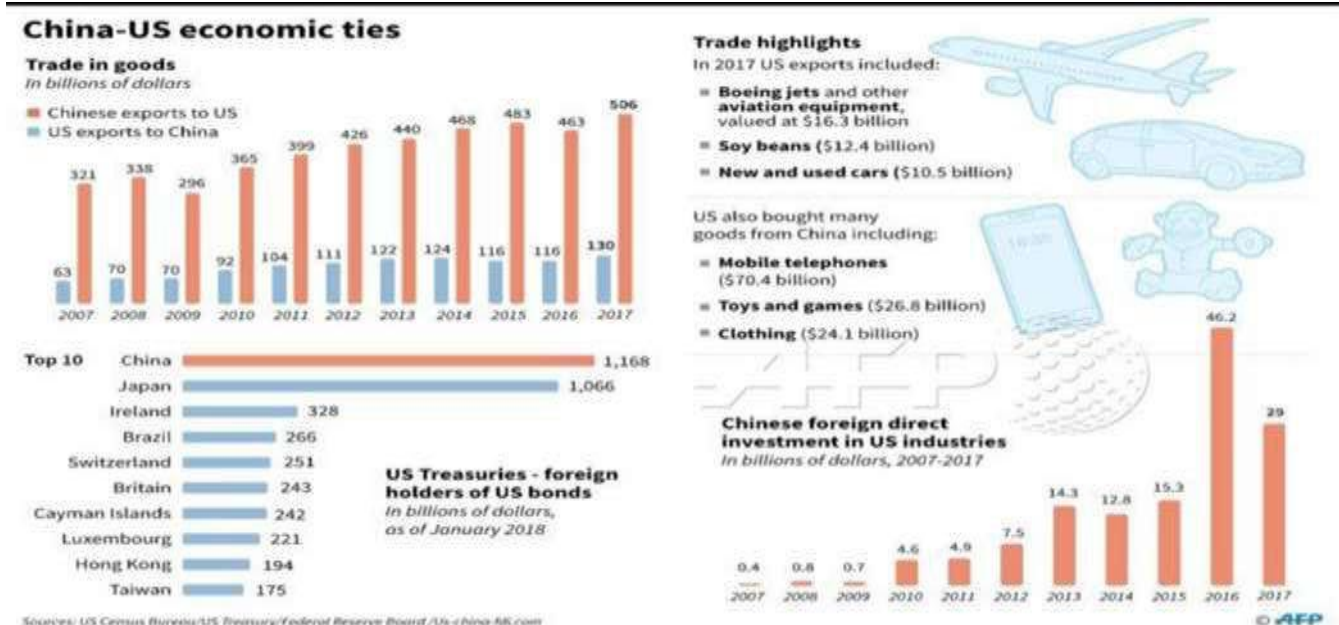


Fig.1 China – US economic ties

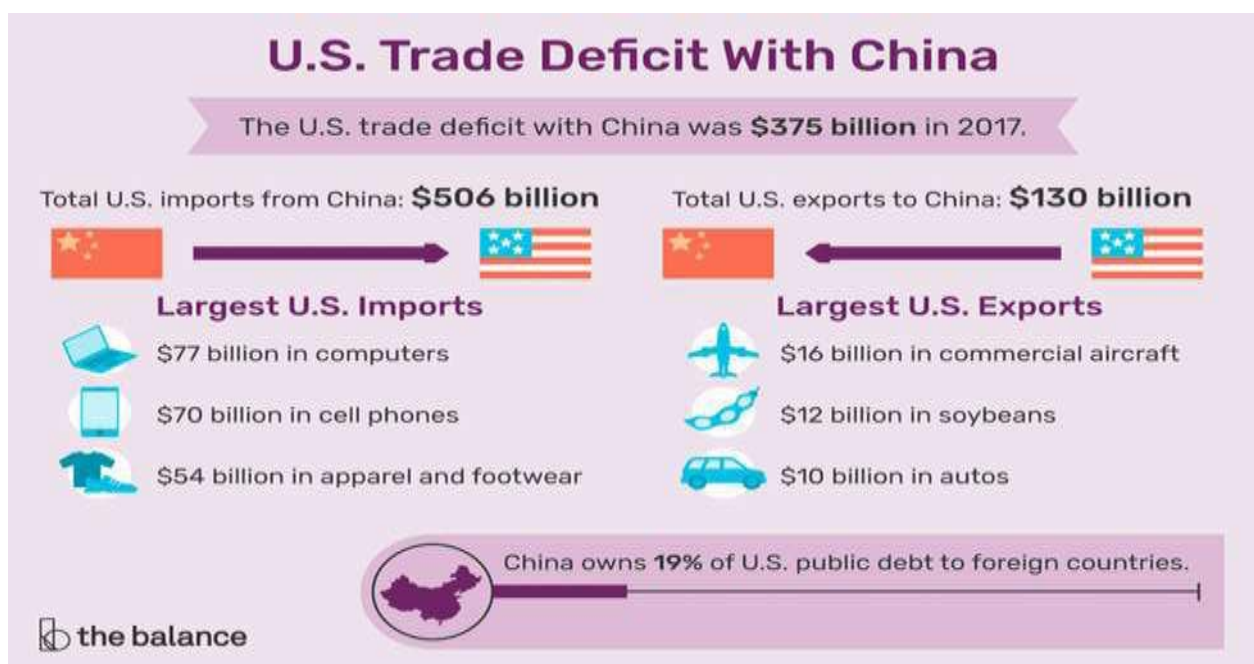


Fig.2 U.S. Trade deficit with China

The above table shows the very nature of some of the mainly traded goods between China and the US. Table indicates the US trade deficit figures with China in 2017. But after the emergence of this trade war, China's trade surplus narrowed sharply to USD 27.91 billion in August of 2018 from USD 40.05 billion in the same month a year earlier and missing market consensus of USD 39.3 billion (2018-19 US BOP data).

This increased our trade deficit and reduced the value of Indian rupee against the US dollar. We observed wide fluctuations in the currency market and also in the stock market. The trend was completely bearish whenever the new tariff imposition news could hit the market.

India did go for some counter measure, for example imposition of tariffs on 30 different imports from the US, which will make us receive \$238 million.

India is not at all the part of this trade war but it will surely feel the heat of this fight between two giants of the world economy. To be on a safer side India should concentrate on the rupee value stability and maintaining the required foreign exchange reserves for the security.

#### 2019 Face of this Trade War

According to Trump, everything is fair in this intensifying Trade War between China and the US. The currency was obviously the next line of attack. Chinese currency value manipulation is not new to the world. "The currency is one area in which Beijing has an advantage over the U.S.," wrote the TS Lombard economists, Bo Zhuang and Rory Green. Continuing with the same devaluation of the Yuan will certainly reduce the burden of these import taxes. The fall in the yuan in June 2018 almost entirely offsets the 10 percent tariffs that Trump has imposed on \$250 billion worth of Chinese goods.

With the onset of the year 2019, the speculative talks of further devaluation of the Yuan are in the pipeline. Along with that the US imposition of 10 percent tariff on another \$ 200 bn worth Chinese goods has gone up to 25 percent on January 1, 2019. This convincingly shows that there is a little hope for the two sides to strike a comprehensive agreement in the near future.

### 3. CONCLUSION:

In all this trade war is a mixed bag of politicization of trade war, silence of WTO over the fight, wasted interests of some of the EU countries and creation of trade for Brazil, Mexico and even India as well.

There are fundamental differences between these two nations from the beginning. Based on that this fight is just in addition to those differences. Who will win this war is still ambiguous. But how far the US will gain from these strikingly odd patterns of trade behaviour is the question. The US dependency on the Chinese products and the way in which China has accumulated the dollars gives no positive answer to support Trump's actions over a couple of months and thereafter.

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## Emerging Trends of FDI Inflows in the Era of Globalization in India

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**Abstract:** Capital flows have significant benefits for the economies around the world. Countries with sound macroeconomic policies and well functioning institutions are in the best position to reap the benefits of capital flows. Subsequently there is increase in the number of jobs with the development of new manufacturing facilities and creation of front end jobs, all of which create employment opportunities. Investment inflows and increased jobs opportunities together contribute to the increase in more disposable income in the economy. FDI is assumed to stimulate domestic savings and induce technological progress through innovation and incorporation of advanced technology in the production process. This paper primarily deals with the types, trends-country-wise, sector-wise and suggestive policy measures in detail.

**Key Words:** Capital, Jobs, Technology, Investment, FDI and Production.

### 1. INTRODUCTION:

Foreign Direct Investment (FDI) is a potent instrument of economic development, especially for the less developed countries. It enables capital-poor countries like India, to build up physical capital, create employment opportunities, develop productive capacity, enhance skills of local labour through transfer of technology and managerial know-how, and help integrate the domestic economy with the global economy. India has adopted the New Economic Policy (NEP) in 1991 in the wake of economic crisis. India has opened up its market since July 1991 by lowering tariff and non-tariff barriers. The NEP has removed all sorts of biases against exports initiating reforms in the area of international trade, investment, financial sector and public sector deregulations. The inflows of FDI were encouraged to expand exports of a country with additional capital, the attendant advantages of technology, managerial knowledge and marketing expertise with access to global, regional and expanding home country markets. India has progressively expanded the scope for FDI by gradually increasing the number of sectors opened to FDI.

Prior to 1991, the FDI policy framework in India was highly regulated. The government aimed at exercising control over foreign exchange transactions. All dealings in foreign exchange were regulated under Foreign Exchange Regulation Act (FERA) 1973, the violation of which was a criminal offence. Through this Act, the government tried to conserve foreign exchange resources for the economic development of the nation. Consequently the investment process was plagued with many hurdles including unethical practices.

### 2. STUDY OBJECTIVES:

- To examine the trend and pattern of FDI inflows in India.
- To understand the types of FDI.
- To study Sectoral Composition of Foreign Direct Investment (FDI).
- To suggest suitable policy measures to attract more FDI in India.

### 3. LIMITATIONS:

The study is concerned with the analysis of secondary data related to FDI inflows in India. Data has been collected through various reports, books, journals, publications, seminars and other reports

### 4. METHOD:

This study tries to examine the determinants FDI inflows into India only after reform period particularly from 2000-01 to 2017-2018.

## 6. DISCUSSION:

### What is Foreign Direct Investment?

Foreign Direct Investment or FDI in simple terms is the investment made by foreign investors of one country into the business enterprise of another country, which in turn enhances the economic growth rate of receiving country.

### Trends of FDI Inflows to India

The pattern of capital flows in India could be divided into three main phases. The first phase may be taken as from independence to till 1980s. In this phase, India was heavily dependent on the bilateral and multilateral concessional finance as a source of external capital flows. India is the second highest populated country in the world with majority of the population in the younger age group. With such population composition India has been identified by the world as an attractive consumer market. This lead for the capitalists all over the world to divert their capital from the rich nations to a nation like India as there are brighter chances of earning huge profits. This is the main reason for capital flow into India. The next reason for a lower Indian industrial growth is lack of capital. This could be overcome by the government by allowing the foreign capital inflow.

Table-1

Foreign Investment Flows to India (Amount US Dollar in Millions)

Year	Gross Inflows / Gross Investment	Direct Investment to India	Net Foreign Direct Investment	Net Portfolio Investment	Total Investment Inflows
2000-01	4031	4,031	3272	2590	5862
2001-02	6130	6,125	4734	1952	6686
2002-03	5095	5,036	3217	944	4161
2003-04	4322	4,322	2388	11356	13744
2004-05	6052	5987	3713	9287	13000
2005-06	8962	8,901	3034	12494	15528
2006-07	22826	22,739	7693	7060	14753
2007-08	34844	34,729	15893	27433	43326
2008-09	41903	41,738	22372	-14030	8342
2009-10	37746	33109	17966	32396	50362
2010-11	36047	29029	11834	30293	42127
2011-12	46552	32952	22061	17170	39231
2012-13	34298	26953	19819	26891	46711
2013-14	36047	30763	21564	4822	26386
2014-15	45147	25283	31251	42205	73456
2015-16	55559	44907	36021	-4130	31891
2016-17	60220	42215	35612	7612	43224
2017-18	60974	39431	30286	22115	52401

Source: (i) Handbook of Statistics on Economy 2017-18, Reserve Bank of India, , Table 150, pp. 223, Foreign Investment Inflows.

India has received large FDIs inflows in line with its robust domestic economic performance. The significant increase in FDI inflows to India reflected the impact of liberalization of the economy since the yearly 1990s as well as gradual opening of the capital account. As part of the capital account liberalization, FDI was gradually allowed in almost all sectors, except a few on grounds of strategic importance, subject to compliance of sector specific rules and regulations. The attractiveness of India as a preferred investment destination could be ascertained from the large increase in FDI inflows to India which rose from US \$ 4031 million in 2000-01 to US \$ 41,738 million in 2008-09. There is a wider fluctuation in foreign direct investment between 2009-10 to 2017-18.

### Share of Top Investing Countries in India

With the growing interest in Indian market, many companies and countries are interested to invest into Indian economy and benefited from its rich manpower dividend. Record FDI flows into India now have a distinctly regional flavor with global touch.

Table-2

Share of top investing countries in India (In US \$ Million)

Times	Country	Cumulative FDI inflows (April 2000 to June 2018)	% age with Inflows
1	Mauritius	129,072.55	33.13

2	Singapore	73,289.32	18.81
3	Japan	28,159.95	7.23
4	U.K.	26,086.15	6.70
5	Netherlands	24,318.15	6.24
6	U.S.A.	22,765.19	5.84
7	Germany	10,990.47	2.82
8	Cyprus	9,612.04	2.47
9	France	6,297.90	1.62
10	U.A.E.	5,840.75	1.50
11	Switzerland	4,392.84	1.13

Source: FDI Statistics, Department of Industrial Policy & Promotion, Ministry of Commerce & Industry, GOI, 2018.

The above table 2 provides information about country-wise FDI inflows to India from April 2000 to June 2018. Mauritius was the largest source of foreign investment in India. Its share in inflows as high as 33.13%. Singapore was the second with a share of 18.81%, Japan is third with a share of 7.23%, U.K. is fourth with a share of 6.70%, Netherlands is fifth with a share of 6.24% and USA is six with a share of 5.84%.

### Sectorial Composition of Foreign Direct Investment (FDI)

FDI is now considering as an important input for development of the economy. The policy for FDI in different sector is different, and government of India is changing this policy in time to time basis. India is a one of the most liberal country in context of transparent policies on FDI among the emerging economies. FDI up to 100 percent is allowed under the automatic route in all sectors except few sectors which require prior approval of the governments.

Table-3  
Sector-Wise Distribution of FDI Equity Inflows (US \$ in millions)

Sr. No.	Sector	Cumulative Inflows (Apr. 2000-June 2018)	Share in the total (%)
1	Service Sector	68,617	18%
2	Construction Development: (Township, housing, built-up infrastructure & construction Development projects)	24,865	6%
3	Computer software & hardware	32,230	8%
4	Telecommunication	31,751	8%
5	Automobile industry	19,291	5%
6	Drugs & pharmaceuticals	15,829	4%
7	Chemicals (other than fertilizers)	15,387	4%
8	Power	14,179	4%
9	Trading	20,184	5%
10	Metallurgical Industries	10,841	3%

Source: (i) service sector includes financial banking, non-financial business/ business, outsourcing, R & D, courier,

Tech. testing & analysis (ii) Cumulative sector wise FDI equity inflows (from April 2000 to June 2018 are at –Annex-‘B’ (iii) FDI sectoral data has been revalidated / reconciled in line with the RBI, which effects minor changes in the FDI figures (increase/decrease) as compared to the earlier published sectoral data.

The table 3 shows that out of top ten sectors received FDI inflow in India from April 2000 to June 2018, service sector (including financial & non-financial services) is on the top and received total 68,617 US million \$ which is alone accounted for 18 percent of total FDI inflows in India followed by construction sector which received 24,865 US million \$ and contribute 6 per cent, Computer and Telecommunication received 32,230 US million \$ and 31,751 US million \$, which contribute to 8 percent of total FDI inflows. Automobile sector received 19,291 US million \$ followed by drugs, chemical and power 4 percent in each sector, 5 percent in trading and Metallurgical sector received 10,841 US million \$ which contribute to 3 percent of total FDI inflow. The table 3 clearly indicates that most of the foreign countries like to invest their amount in service sector, construction industry, computer sector and telecommunication because these seems earn more profit compared to others.

Policy measures to attract more FDI in India

- Government should focus on infrastructure development so as to attract more and more FDI.
- The Indian government should provide additional incentives to foreign investors to invest in Indian states where the level of FDI inflows is quite low.
- Government should take hard measures to stop the corruption from top to bottom. As corruption at each level goes down the more investors will certainly attracted towards India for investment.

- Geographical disparities exist among various states so government should ensure the equitable distribution of inflows to states. Government must give more freedom to states, so that they can attract inflows at their own level.
- The policy makers should focus more on attracting diverse types of FDI and should design policies where foreign investment can be utilized as means of enhancing domestic production, savings and exports.

## 6. CONCLUSION:

India needs massive investments to sustain high-quality economic growth, particularly in the energy and infrastructure sectors. Policy makers are looking at FDI as the primary source of funds. The need for attracting FDI has become imperative in the context of modern economic environment. India's FDI policy has been gradually liberalised to make the market more investor friendly. FDI has helped the Indian economy and government continues to encourage more investment of this sort. FDI has been a booming factor that has bolstered the economic life of India. Over the years FDI flow is increasing. Today, FDI inflow in India plays a very significant role in overall growth of the country. The government of India has set for itself an ambitious target of achieving \$ 10 billion FDI inflows per year. This target will be achieved when global business investors are attracted to make investment in it and the liberal economic policies of India initiated since 1991 have favoured the integration with the global economy has provided wider space for India across the globe.

The FDI inflows in India shows fluctuating trend during the last 18 years i.e. 2000 to 2018. The study found that in India top ten sectors received 65 percent of total FDI inflow whereas service and construction sector together contributed 26 percent of total FDI inflow. The study also reveals that there is strong positive impact of FDI inflow on growth of GDP. The service sector accounted for a steeply rising share of FDI stocks in India followed by construction development, communication and computer software and hardware.

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# International Interdisciplinary Conference on 'New Pathways to World Development: Opportunities and Challenges' 26 - Feb, 2019

Adarsh College of Arts and Commerce, Kulgaon – Badlapur, Thane, MH, India

## Climate refugees/migrants in India: A need for policy

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**Abstract:** The fourth assessment report of the Intergovernmental Panel on Climate Change (IPCC) mentioned the “potential for population migration” due to increase in the number of areas affected by droughts and an increase in the intense tropical cyclones activities (IPCC 2007: 18). Affirming this, the latest report by the World bank titled as Groundswell: Preparing for Internal Climate Migration Report 2018, estimates that more than 140 million people in Africa, Latin America and South Asia could move to another part of their country by 2050 to escape the worsening impacts of climate change - unless urgent action is taken to curb global warming and help people adapt. The Report further stressed that if emissions of Green House Gases (GHGs) remain high, as many as 143 million “internal migrants” might move within their own countries, comprising as much as 3.5 % of the total population of the studied regions by 2050 and such movements could accelerate after 2050. These estimates actually portray the stark reality of climate induced migration internally as well as across the borders of the countries. India being geographically and demographically highly vulnerable needs to address this issue with a strong policy prescription.

This paper therefore outlines a need for a policy framework for dealing with this new pattern of migration which is yet to get defined as climate refugees in the international as well as national frameworks. Unless defined clearly this vulnerable section remains highly deprived of the resources and the capacity to adapt to the changes on account of the Forced migration. The paper with the available data shows the overall extent of the climate migrants and then deals with the climate migration in India across its states and across the national boundaries from its neighbouring countries like Bangladesh.

**Key Words:** climate migrants, forced migration, climate change, displacement, vulnerability.

### 1. INTRODUCTION:

The Global Report on Internal Displacement 2017 (GRID 2017) developed by Internal Displacement Monitoring Centre (IDMC) and the Norwegian Refugee Council (NRC), stated that 227.6 million people being displaced worldwide as a result of natural disasters from 2008-2016 with an estimated 24.2, 19.2 and 19.1 million new displacements in 2016, 15 and 14, respectively, due to sudden geophysical hazards like earthquakes, landslides and volcanic eruptions, coupled with climatically-induced events of extreme floods, droughts, severe temperatures, etc. Around 64 percent of the total 227.6 million displacements were caused by very large and mega scale disasters events. Weather-related events displaced 195.7 million people (almost 86%) from 2008-16 and 31.9 million were displaced due to geophysical events. These statistics are a growing proof of climate change-induced displacement or migration and underlines the gravity of understanding this issue with a more holistic approach. Apart from this report the estimates by various other international agencies like the World Bank or the Asian Development Bank (ADB) also support these data.

The fourth assessment report of the Intergovernmental Panel on Climate Change (IPCC) mentioned the “potential for population migration” due to increase in the number of areas affected by droughts and an increase in the intense tropical cyclones activities (IPCC 2007: 18). Even the famous Stern Review has estimated that significant numbers of people will be displaced, either temporarily or permanently, from their homes as a consequence of global warming (Stern 2006). These theoretical estimates are well supported by the empirical evidences from various reports worldwide. As per the estimates in the Groundswell: Preparing for Internal Climate Migration Report 2018, by the World Bank, more than 140 million people in Africa, Latin America and South Asia could move to another part of their country by 2050 to escape the worsening impacts of climate change - unless urgent action is taken to curb global

warming and help people adapt. The Report further stressed that if emissions of Green House Gases (GHGs) remain high, as many as 143 million “internal migrants” might move within their own countries, comprising as much as 3.5 percent of the total population of the studied regions by 2050 and such movements could accelerate after 2050. These internal migrants would then migrate from less viable areas with lower water availability and crop productivity and from areas affected by rising sea level and storm surges. The poorest and most climate vulnerable areas will be hardest hit. This report, which focuses on three regions—Sub-Saharan Africa, South Asia, and Latin America that together represent 55 percent of the developing world’s population, that is the most vulnerable on account of its size, income and resource availability. The World Bank commissioned this report to help countries plan future agricultural and infrastructure projects and it is based on a methodology developed by the City University of New York Institute for Demographic Research and the National Center for Atmospheric Research. Kanta Kumari Rigaud, who led creation of this Report, had said, “ these preparations need to include making economies less vulnerable to climate change, helping farmers adapt their growing techniques, and making city infrastructure more resilient to storms, rising sea levels, floods or drought. Cities also need to create enough jobs, and boost health and education services, to meet the needs of the growing number of people migrating to urban areas. Without that preparation, cities could face serious repercussions.” This Report further adds that in the worst case scenario, more than 85 million people could leave home by 2050 in sub-Saharan Africa, 40 million in South Asia, and 17 million in Latin America. According to South Asia Network on Dams, Rivers and People (SANDRAP) by this midcentury, climate change is likely to uproot far more people than World War II, which displaced some 60 million across Europe or the Partition of India, which affected approximately 15 million. In its report Climate Change and Migration in Asia and the Pacific, the Asian Development Bank (ADB) has highlighted grave causes and ramifications of climate-induced displacement. As per ADB, roughly 37 million people from India, 22 million from China and 21 million from Indonesia will be at risk from sea levels rising by 2050. Anthropogenic activities led climate change therefore has emerged as the greatest global challenge for this century and thereafter too if not tackled by a right policy prescription.

The climate change thus has resulted into forced migration or displacement of population worldwide, however it has become more severe for the vulnerable populations of the developing economies of Asia and Africa. There is a wide spread view gaining ground that climate related migration could evolve into a global crisis by displacing a large number of people from their homes and forcing them to flee on account of climate change related phenomenon such as droughts, floods and hurricanes. With impact on the key sectors like agriculture, water resources and economic entities, climate change plays an influential role in human life cycles as well as the economies of the world. Climate change was incorporated in the title of the Intergovernmental Panel on Climate Change (IPCC) and the UN Framework Convention on Climate Change (UNFCCC). According to the UNFCCC, “Climate change means a change of climate which is attributed directly or indirectly to human activity that alters the composition of the global atmosphere and which is in addition to natural climate variability observed over comparable time periods”. Climate change is a change in the statistical distribution of weather patterns when that change lasts for an extended period of time (i.e., decades to millions of years). It may refer to a change in average weather conditions, or in the time variation of weather within the context of longer-term average conditions, defined by the World Meteorological Organization as a 30 years or longer term. The most general definition of climate change is a change in the statistical properties (principally its mean and spread) of the climate system when considered over long periods of time, regardless of cause. The term “climate change” is often used to refer specifically to anthropogenic climate change which is caused by human activity, as opposed to changes in climate that may have resulted as part of Earth's natural processes. Climate change is expected to significantly affect human migration in three different ways. First, warming of the atmosphere in some regions will reduce the agricultural potential in terms of the production and productivity and undermine the ecosystem services such as fertile soil and water affecting people’s livelihoods. Second, increasing extreme weather events will generate mass displacement. Third, sea level rise will destroy the low-lying coastal areas and millions of people who will have to relocate permanently.

The issue of climate change and the migration linked with it becomes more critical for India as being more dependent on climate sensitive sectors for the growth of its GDP and employment too. Climate change is likely to expose hundreds of millions of people to increasing environmental risks displacing a large number of people and forcing them to migrate. Changing weather patterns would also impact agriculture, hampering millions of livelihoods around the world, especially of poor and marginalized populations in India and the most vulnerable people in India would be unable to move and will remain trapped in increasingly unviable areas. These climate refugees are also the world’s most poor people living on less than 10 US dollar per month. Some data about the climate migrants in India thoroughly explains the vulnerability of these migrants.

## 2. India’s case:

In the Indian context, climate-induced migration can be broadly divided into two categories.

1. The migrants who are forced to move from rural to urban areas as a result of an environmental disaster that might have destroyed their homes and farms. These migrants often seek refuge in mega-cities in search for the multiple opportunities of livelihood and settlements. So in the case of Mumbai, a number of migrants from the South might

have moved as a result of land degradation and desertification at their native places while migrants from the North have largely moved owing to droughts. Floods, storm surges, saltwater intrusions and cyclones have pushed millions of people from rural areas to the urban areas in India

2. The climate-induced migrants to India who move from the neighboring countries like Bangladesh in search of a better life in India. Bangladesh is one of the world's most natural disaster prone countries where 25% of its land is just five feet above sea level while two-thirds is less than 15 feet above sea level. Particularly the Sundarbans, a low-lying delta region in the Bay of Bengal are highly vulnerable to climate change where some 13 million impoverished Indian and Bangladeshi citizens live. Climatologists say seas are rising in the Sundarbans more than twice as fast as the global average due to which much of this delta could be submerged in as early as two decades. Dr. Abhinav Mohapatra of the Indian Meteorological Department says, "This could trigger a massive exodus of climate refugees creating enormous challenges for India and Bangladesh." The geographically diverse Indian subcontinent is particularly vulnerable to a wide variety of natural disasters, and India, as the largest country in the region, is the destination to move to for those displaced by these disasters.. Earthquakes and water-induced disasters in Nepal, droughts in Pakistan and Afghanistan, and the rise in sea levels around the Maldives are also likely to cause large-scale climate induced migration into India in the future.

In the last three decades, close to a million people have been rendered homeless as a consequence of increasing erosion in the Brahmaputra river basin. Bangladesh is expected to suffer most from rises in sea level as a direct result of rivers overflowing in the monsoon seasons, as well as receding glaciers in the Himalayan continent. A three-foot rise in sea level is expected to maroon 20 percent of India and displace more than 300 million people by the end of 21st century. Around 200 islands constituting the world's largest mangrove estuary shared by India and Bangladesh have experienced loss of forests, lands and habitats due to rising sea levels in recent years. According to the IPCC, sea levels in India are expected to rise at the rate of 2.4 mm a year; in 2050, the total increase will be 38 cm, displacing tens of thousands of people. For nearly a quarter of India's population living along the coast, would be very severely affected is a scary reality. The Indian subcontinent is highly vulnerable to the negative impacts of climate change. This region is the home to millions living under sub-poverty levels who depend primarily upon the agriculture sector for sustenance. In recent times, climate change-induced displacement has increased migration levels in the low-lying coastal areas of the Brahmaputra basin, covering areas of Assam, Orissa, Kolkata in India. Around 2,400,000 people were reported to be internally displaced in India in the year 2016 and 1,670,000 were displaced in India due to Bihar floods in 2016. Researchers in Assam in India and in Bangladesh have estimated that around a million people have been rendered homeless due to erosion in the Brahmaputra river basin over the last three decades. Sahana Bose of the Central University of Assam states in her essay "Climate resilience and the climate refugees" that the migrant tribes in the Indian Sunderbans, working as agricultural labourers or cultivating small farms, locally known as 'Adivasis' are the worst type of climate refugees.

In 2006 there were widespread reports of the first submergence of inhabited island due to climate change. Researchers reported that Lohachara Island in India's Hooghly river, once home to 10,000 people, had finally been submerged (Brown 2008) which compelled people to move to the nearby Sagar Island. Although it is now widely recognised that climate change will significantly adversely affect India, there are few studies available on how climate change is going to affect the migration of people. It has been asserted that 70,000 people out of the 4.1 million living in the Indian part of the Sundarbans islands would be rendered homeless by 2020 (EPW, 6 June 2009). One of the most serious climate change risks to India is the increased frequency, intensity and geographical coverage of drought. Migration is already a response to changing environmental conditions. For example, an estimated 3,00,000 labourers migrate from drought-prone Bolangir district in western Orissa every year (Deshingkar 2003) Climate change is expected to increase the drought in semi-arid peninsular India and western India, leading to further immiserisation of the landless and small and marginal farmers, who are typically forced to migrate more often to cities (Revi 2007). Increased drought conditions due to climate change may affect the livelihoods of people inducing them to migrate. Climate change is expected to increase the severity of drought especially in western India, where Luni occupying about one-fourth of the area of Gujarat and 60% of the area of Rajasthan are likely to experience acute physical water-scarce conditions. The river basins of Mahi, Pennar, Sabarmati and Tapi are likely to experience constant water scarcities and shortage (NATCOM 2004). According to one recent study, approximately 32% of India's coastal area will be at risk of inundation with sea level rise and intensified storm surges along with an additional 8,693 sq. km of land area, 3,744 sq. km agricultural land and 76,40,416 people at risk of storm surge and sea level rise (Dasgupta et al 2009).

### 3. Projected state-wise climate migration in India:

Greenpeace Report 2008 forecasted the number of out-migration in different Indian states by the end of 2100. States of West Bengal, Maharashtra and Tamil Nadu were projected to face the highest rates of climate refugees with 10 million, 12 million and 10 million people moving out from the states. This is indicated in the graph below.

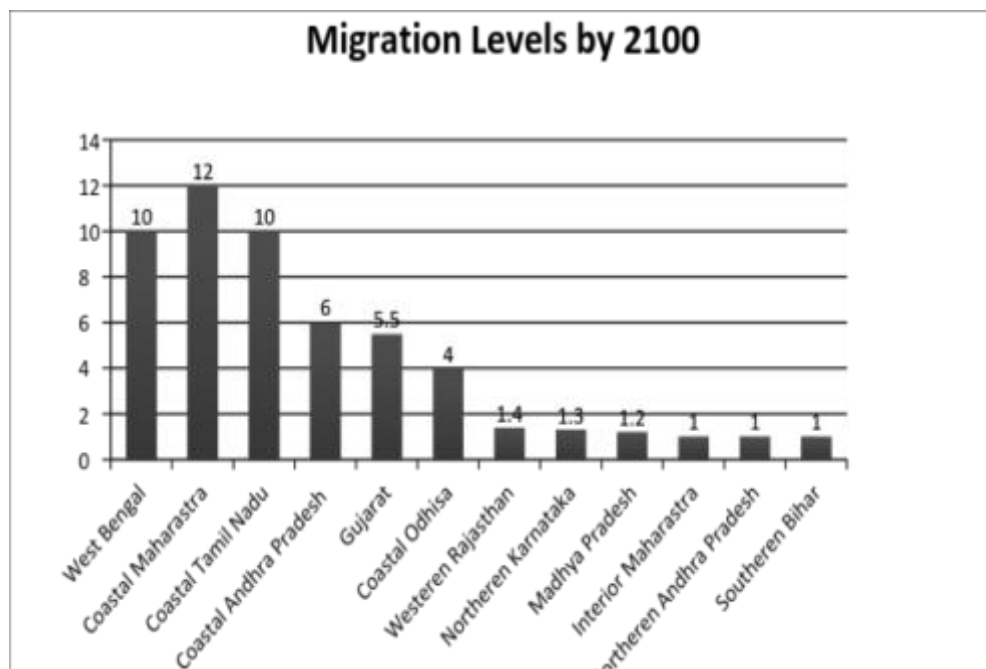


Fig.1 Migration level by 2100

This type of internal climate migration is going to put an additional burden on the mega cities and their resource availability. These statistics are a call for governments as well as international agencies to focus investment on reducing the negatives impacts of climate change and its counterpart in terms of the climate refugees. This calls for some concrete decisions in the face of a policy prescription to support and protect climate migrants/refugees.

On October 2, 2016 India became a signatory to the Paris Agreement on climate change, underlining the goal of reducing carbon emissions to avoid adverse impacts of the climate change. The most worrisome and surprising issue is that despite the occurrence and the gravity of the problem of climate induced migrants, there is not an accepted definition of the climate migrants so that they can be covered as in terms of the refugees and would be governed by the United Nations High Commissioner for Refugees (UNHCR), mandated to protect and support refugees at the request of a government or the UN itself. This might be due to the fact that so far neither the International agencies nor many national governments except Sweden and Finland have addressed the direct human costs of climate change: the displacement of millions by natural disasters and/or the environmental changes.

The Climate refugees are those people who get displaced and are forced to migrate within and outside their country as a consequence of climatological factors such as extreme temperatures, widespread floods and droughts, rises in sea level, tsunamis, exacerbating coastal erosion, desertification and other natural calamities. There are several other definitions for a climate refugee coined by researchers and international agencies, but none of them have been accepted or legalized globally under the domain of international law. Research estimates show that most of the climate refugees are internally displaced and this affected refugee group consists mostly of the marginalized, smallholding and/or landless agrarian community who are the direct and most vulnerable victims of climate change. Since climate/environmental refugees do not get same legal protection and recognition as that of a refugee (as per UNHCR rules), climate refugees are excluded from claiming benefits of international and domestic aid that can help them overcome, adapt to and mitigate climate change-related consequences. Due to the lack of a definition under international law for environmental refugees and climate refugees no national or international institution is responsible for their protection. There is a need to recognize the displacement of people within the countries so that proper action can be taken to address their problems. Climate migrants often lack representation, residency rights or social entitlements and hence find themselves clubbed into the category of illegal immigrants, with little or no effort made by the authorities to discern their motivation for migration. The issue of climate refugees is also creating tremendous tensions at the local level. In West Bengal, the massive and continuous influx of the so called illegal climate migrants from Bangladesh has become a political issue. Waves of Bangladeshi migrants have settled in the state and the Northeast over the decades. The resultant pressures on land and economic resources are triggering clashes between local residents and the migrant Bangladeshis.

In a country like India where competition for jobs and resources is already very high, the issue is also repeatedly exploited for political gain. Moreover, the vulnerability of populations to climate change-related disasters goes beyond physical risk. There are also economic, social and cultural fallouts from such disasters and these also drive migration, making it difficult to distinguish between environmental and economic migrants. The legal issues around environmental displacement are multidimensional. Most often the affected populations move to a safer area within their own country – in which case they are referred to as ‘internally displaced’. These people continue to

remain under the protection of their own government and should be managed through domestic laws and internal policy decisions.

Looking at the scale and the severity attached to it there is surely a need for a holistic approach to the issue of these climate migrants in terms of a public policy. This becomes highly essential in India because the climate migration is a forced migration that involves deprivation, devastation and absence of any specific policy by which these migrants could be rehabilitated. Further the internal climate migration adversely affects the mega cities' resource availability and can lead to social tensions. Another category of climate migration in India (from the neighboring countries prone to climate events) poses political and diplomatic issues which would further put a pressure on India's resources, its people and their security. One of the political scientists, Miles DePaul therefore says, "The need of the hour is a normative shift on the issue of climate-induced migration to ensure that those victimized by anthropogenic and natural climate change are met with a compassionate, coordinated global regime rather than strict national immigration policies, like those currently employed in India." The issue of climate migration mainly enters a huge relocation costs within and across the states and thus need a policy intervention by the central as well as the state governments. This directly and/or indirectly impacts the fiscal federalism too. Any solution aimed at addressing this challenge within India, has to solve the fundamental questions: How can policymakers integrate principles of resilience with its economic development? How does the government ensure that mega-cities are less vulnerable to the effects of mass urbanization? What is India's long-term plan to finance rehabilitation and reconstruction efforts in the event of climate-induced disasters?

#### **4 .The Policy prescription:**

To tackle with the issue of inter-state climate migration, the climate change needs to be addressed properly by the climate mitigation and adaptation policies. International, national, state city and community-wide organizations have to invest in climate change adaptation and mitigation strategies in order to reduce displacements caused by more frequent disasters like floods, droughts, desertification etc. reducing the carbon emissions either by taxing them or by a mechanism like CDM would be helpful here. For instance, the 2015 Paris Climate Accord highlighted this issue and has laid down country specific pledges to reduce emissions and curb further temperature rise, which implicitly would be able to tackle the problems of climate refugees by reducing the displacements as a result of more stable weather patterns.

In case of climate migrants, they are less equipped to anticipate, cope with and recover from a natural disaster and so they are forced to migrate. More often these migrants are a population that is already battling poverty and it is more difficult for them to rebuild their livelihood after a major natural disaster and have no option other than leaving the area in an attempt to start with their livelihood elsewhere. The major climate migrants in India are expected to be from Indian coastline which is low lying and densely populated too. It stretches over 7,500 km and is inhabited by more than a 100 million people in nine coastal states. A one-meter sea level rise is projected to displace approximately 7.1 million people in India, and about 5,764 sq km of land area will be lost, along with 4,200 km of roads (NATCOM 2004: 114). The policy should deal with different geographic zones within India and accordingly should frame different policy measures.

Dr. Jamuna Sheshadri, a professor of sociology at Delhi University explains, "Everyone knows that climate change is displacing people but no government is willing to acknowledge this officially for fear of having to recognize these people as refugees and be held responsible for their welfare". This calls for a strong political will to design a proper policy for the Inclusion of these severely excluded migrants just because there is no internationally accepted legal definition of climate refugees so far. The legal definition of the term Refugee is someone who has been "forced" to flee his or her country because of persecution, war, or violence. An individual has to flee his/her own country and migrate to another country to be officially termed a refugee and be eligible for protection under international law, while also be a beneficiary to several kinds of international and domestic aids. The climate refugees are actually forced to migrate internally as well as internationally, however the reason for their migration is not valid under this established legal definition. For this, the legal framework in India must develop the definition of climate refugees at least for internal climate migration. There is a need to do climate justice on social, economic and ethical grounds.

The Norwegian Refugee Council, a prominent humanitarian organization in Norway that works on global refugee issues, had suggested setting up of an international environmental migration fund bankrolled by industrialized nations. The idea of a UN pact to compensate victims of climate change is another suggestion. On these grounds, the issue of climate migration in India must be addressed by creating a separate fund for the victims to cope with the scarcity of resources.

#### **5. CONCLUSIONS**

The policy therefore should address the poverty and vulnerability issues of the poor that adds to climate related injustice due to the forced migration. If not addressed in time, the problem of the climate migrants/refugees would result finally into a Humanitarian crisis and would take a huge toll on mankind.

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# International Interdisciplinary Conference on 'New Pathways to World Development: Opportunities and Challenges' 26 - Feb, 2019

Adarsh College of Arts and Commerce, Kulgaon – Badlapur, Thane, MH, India

## Artificial Intelligence: A challenge to nature!

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**Abstract:** We are living in material world still we are surrounded by virtual digital world which is also known as world of 'Midas'. Usage of advance modern technology is not only essential but it has become integral part of life. The topics of Artificial intelligence, machine learning, data analytics, robotics, social media, cloud, 3-D imaging, and 10 T etc. creates enthusiasm among us. Since ancient times Human being have arrays of questions: Who am I? What's behind the reason behind each and everything happening in the world? What are the mysteries behind everything? And the work which he is doing should be done in different, easy, qualitative manner and it should consume less time to complete the entire work; this intense yearning gave rise to many inventions and discoveries. Therefore it is said that need is the mother of all invention.

**Key Words:** Artificial Intelligence, roboethics, machine intelligence. Spirituality.

### 1. INTRODUCTION:

We are living in material world still we are surrounded by virtual digital world which is also known as world of 'Midas'. Usage of advance modern technology is not only essential but it has become integral part of life. The topics of Artificial intelligence, machine learning, dataanalytics, robotics, social media, cloud, 3-D imaging, and 10 T etc. creates enthusiasm among us. Since ancient times Human being have arrays of questions: Who am I? What's behind the reason behind each and everything happening in the world? What are the mysteries behind everything? And the work which he is doing should be done in different, easy, qualitative manner and it should consume less time to complete the entire work; this intense yearning gave rise to many inventions and discoveries. Therefore it is said that need is the mother of all invention.

If we take a look into the last 300-400 years of history, we come across that scientist have well defined all the inventions and discoveries. They have divided the developmental history into four parts of industrial revolution.

- First Industrial Revolution (1800)
- Second Industrial Revolution (1900)
- Third Industrial Revolution (2000)
- Fourth Industrial Revolution (Recent or On-going)

In this paper I am going to focus on fourth industrial revolution. This revolution is indication of beginning of the digital world, which based on human intellect new artificial intelligence, has developed. This intelligence is seen now in our living rooms as well as in our smart phones. It has become integral part of our daily life without which we can't think about ourselves. In this scenario it is necessary to know the pros and cons of it; otherwise we need to be ready to face the several ethical problems which will arise out of it.

According to Britannica encyclopaedia, "Artificial intelligence means the ability of a digital computer or computer-controlled robot to perform tasks commonly associated with intelligent beings." The intention behind the development of artificial intelligence was that: Can machines think similar to humans? This system should have intelligent behaviour, learn, demonstrate, explain, and provide the best solutions or options to the user. Such computer programmes based on algorithm helps to develop systems which can understand, think, learn, and behave like humans which is inclusive of reasoning, learning, and problem-solving. Artificial intelligence is a complicated mixture of computer science, mathematics and other complex sciences. The complex programming of AI helps these machines to imitate the cognitive abilities of human beings. In other words, computer can think like humans or computer will have thinking ability of humans. Thus, we can say that with the help of these machine lives of human beings will be easier.

John McCarthy first coined the terminology of 'Artificial Intelligence' in 1956. Now 'AI' has taken up various shapes and forms over the period of time to make humans life easy and better. Usage of AI technology is found in various fields as a key word of new ways of development like, mobile phones, GPS, Voice recognition and robotics.

Sophia robot is the best example of Artificial Intelligence. She is the first robot in the world to be recognized with 'honorary' citizenship in Saudi Arabia in October 2017. The android Sophia is Social Humanoid, developed by Hong Kong Based Company Hanson robotics. According to some thinkers this is more of a publicity stunt than a meaningful legal recognition. Some thinks that this gesture as openly condescending of human rights and the rule of law.

## **2. DISCUSSION:**

### **2.1 Benefits of Artificial Intelligence:**

Technology of AI has been used in the various fields like gaming for instance, Chess where Deep Blue computer have defeated Gary kasparov and Vishvanathan Anand, tic tac toe, PUBG, Pokemon, Virtual digimix etc. When we are playing a computer game or run a computer-controlled robot, we actually interact with artificial intelligence. Here, the machine intelligence or computer program plans the game movement in response to our movements. In this case many gaming programs are fed in computer language of 0 and 1, and ample options are given to it, from this computer chooses correct options. Thus, mobile games or computer games are the apt example of AI technology.

Natural language processing technique helps the computers which understand human spoken language for instance, when you give command to Apple Siri or Amazon Alexa to play songs or give information it recognizes the voice and it provides you desire result. This is nicely depicted in the Children Animation film Cars3 as well as in many other fiction movies or in advertisement of Amazon Alexa or Google Mini Home. Speech recognition machines of AI help to understand the language which is used by humans and talk to them as an assistant. They are the digital assistance of Human Beings. A spy plane or drone takes pictures, which can be used to make sense of spatial data or it is a guide of the zones and areas. Usage of Drone for military purpose is nicely depicted in Uri' movie

It reduces the possibility of the error and increases the chances of accuracy. Its application is also found in fields like exploration of space; where robots are used and they are fed with information. It has less wear and tear cost because machines are with metal bodies and they are more resistant and have greater ability to tolerate the spatial atmosphere. They do not modified or breakdown in the changing environment. Now days, Artificial intelligence and the science of robotics are used in mining and other fuel exploration processes. It also helps in exploring the ocean floors and taking care of our marine biodiversity. Artificial intelligence is widely used by financial institutions and banking institutions to organize and manage large customer and other data. It helps in detecting the fraud in card based system and other system in future. Some organization use 'avatars' which are digital assistants. It actually interacts with the users which saves the need for human resources.

The artificial intelligence algorithm identifies and recognizes the person's face and tags the individuals when photos are posted on the social media sites. The bio-metric machine and smart phones recognizes the figure print which is used in many organizations and security agencies for accurate data and safety purpose. AI is also used in the field of medicine. Doctors evaluate the patients and their health risks with the help of artificial machine intelligence. These machines help them to know the side effects of various medicines on patients. Many times medical practioners are trained with the artificial surgery simulators. It also helps in detecting and monitoring neurological disorders as it can replicate the brain functions. Robotics is often used in treating the mental disorders. AI is also used in radio surgery. It helps in treating patients without damaging the surrounding tissues in case of patient is suffering from tumour.

Unlike humans, machines do not require frequent breaks and refreshments. They are programmed for long hours and perform without getting distracted or even tired. Intelligent Robots are one of the best creations of humans. They can perform multiple tasks within no time. They are not alternate to humans but are very efficient while performing any tasks. They are made up of sensors which detect few physical data like light, heat, temperature, movement, pressure and so on just like humans. They also possess good memory. In world 69% people have I.Q. between 85-115 and if we have to measure this I.Q. among artificial intelligence then it put Google at first rank who's I.Q. is 47.28; which less than the I.Q. of a child of six years. As per the some scientist verdict Artificial Intelligence has to wait till 2045-2050 to reach to the level of human beings I.Q. But the only threat is that human intelligence should not reduce and totally depend on AI in course of the development of AI technology.

### **2.2 Ethical Dilemma**

Creating artificial intelligence gazettes will require huge costs as they are very complex machines. Their repair and maintenance costs are also very high. They have software programs which needs frequent up gradation to cater the needs of the human. The development of thinking machines raises many ethical questions. The questions are that these machines should not harm humans and other morally relevant beings. We believe that intelligence is the gift of nature. Now question arises if intelligence is the gift of nature, Can human intelligence to be imitate or not? The

Machines do not have any emotions and moral values like humans. They perform what is programmed and cannot differentiate between what is right or wrong. Even though cannot take decisions of their own if they encounter a situation unfamiliar to them. They either perform incorrectly or breakdown in such situations.

Artificial intelligence cannot improve with experience but with time, it leads to wear and tear cost. It stores a lot of data but the accessed and use of these data is very different from human intelligence because it understands machine language. Machines cannot alter their responses to in any emotional environment. In the world of artificial intelligence, there is nothing called working with a whole heartedly or passionately. The machine intelligence dictionary does not have the words like care, concern and empathy. There is no sense of belonging or togetherness. They fail to distinguish between a hardworking individual and an inefficient individual.

AI lacks in the power of thinking that the human brain has. Human beings are highly sensitive and emotional intellectuals. They see, hear, think and feel. Humans' thoughts are guided by the feelings which completely lacks in machines. Thus, the inherent intuitive abilities of the human brain cannot be imitate in machine. The replacement of humans with machines can leads to large scale unemployment. If the usage of artificial intelligence becomes excess then humans will be highly dependent on the machines and will lose their creative power and become lazy. If artificial intelligence falls in wrong hands, it is a serious threat to mankind. It may lead to mass destruction and there will be a constant fear of machines taking over the humans.

The ethics of artificial intelligence is the part of the ethics of robot technology and other artificially intelligent beings. The robotic ethics deals with the moral behaviour of humans as they design, construct, use and treat artificially intelligent beings. The term 'robot ethics' refers to the morality of how human beings in designing, constructing, using and treating robots and other artificially intelligent beings. It also takes into consideration can artificially intelligent beings are used to harm humans or how they may be used to benefit humans.

Rights of robots is the concept which tells us that why people should have moral obligations towards their machines. It also suggest that robot has rights to exist and perform its own mission which can be linked to robot duty to serve human, by linking human rights to human duties for society. It also includes the right to life and liberty, freedom of thought and expression and equality before the law. Glenn McGee states that humanoid robots may appear by 2020, but Ray Kurzweil states that humanoid robots may appear in 2029. Another group of scientist supposed that at least 50 years had to pass before any sufficiently advanced system would exist in humanoid.

The philosophy of sentientism gives degrees of moral consideration to all sentient beings, primarily humans and most non-human animals. If artificial intelligences show evidence of being sentient then it holds that they should be shown compassion and granted rights. According to Josheph Weizenbaum, AI technology should not be used to replace people in positions that require respect and care like:

- A customer service representative ( it is in use for telephone based interactive voice response system)
- A therapist or a doctor
- A nurse for the elderly
- A soldier
- A judge
- A police officer

Weizenbaum says that we require authentic feelings of care and concern from people in these professions. If machines replace them, we will find ourselves alienated, devalued and frustrated. If artificial intelligence used in this way it will be a threat to human dignity. There are conditions where we would prefer to have automated judges and police that have no personal agenda at all. Using of AI machines to support a court ruling can be highly problematic if past rulings show bias toward certain groups then those biases get formalized and engrained, which will make it even more difficult to spot and fight against.

A super-intelligent AI will be able to bring about almost any possible outcome and to spoil any attempt to prevent the implementation of its goal. As a result of it many uncontrolled unintended consequences can arise. It could kill off all other agents, convince them to change their behavior, or block their attempts at intervention. However, instead of superseding the human race and leading to our destruction, super-intelligence can help us to solve many difficult problems such as diseases, poverty, and environmental destruction, and enhance ourselves. But I feel the mere complexity of human value systems makes it very difficult to make artificial intelligence's motivations human-friendly.

This is well depicted in many Hollywood and Bollywood fiction movies in the movie 'The Thirteenth Floor' depicts that a in a future world sentient beings are created by computer game solely for the purpose of entertainment. In the movie 'Matrix', the dominant spices on earth are sentient machines and human are treated with utmost speciesism. The 'Fast and Furious 8' movie showcases car army and it creates threat in the mind of people. The 'series of Star wars' movies shows how AI can be helpful to save the galaxy. The movie 'Bicentennial and AI' showcases the possibilities of sentient robots that have the feeling of love. Similarly in Children animated movies like 'Big Hero Six' the robot Baymax helps the boy Tadashei and has the feeling of empathy. The animated movie 'Wall-E' also

showcase that robot rescue the earth. In series of 'Transformer' movie two types of robots that good one are known as 'auto bots' and bad one are known as 'decepticons' where auto bots are used for the welfare of the mankind. Even in the Bollywood movie 'Robot' featured on Rajanikant shows that scientist makes the humanoid called 'chitti for the welfare of humans but a scientist with cruel intention used it for destruction purpose. The fight between humanoid and animanoid is shown in movie 2.O'. All these fiction movies or animated movies try to foresee possibly unethical consequences of the creation of sentient computers as well as benefits of it.

Now question occurs if we use the robots for military combat will it be ethical or unethical because of the potential of AI weapons can become more dangerous than human operated weapons as they cannot discriminate between what is right and what is wrong. If such robots are given some degree of autonomous functions will they work for the benefit of human or for destruction? Till date there has been intensive research is going on artificial Intelligence for using autonomous power with the ability to learn by using assigned moral responsibilities. Some thinkers says that there is a chance that robots will develop the ability to make their own logical decisions on who to kill and that is why there should be a set of moral framework is require which AI cannot overrule.

### 3. CONCLUSION:

There has been a recent outcry with regard to the engineering of artificial-intelligence weapons that has included ideas of a robot takeover of mankind. AI weapons do present a type of danger different from that of human-controlled weapons. Many governments have begun to fund programs to develop AI weaponry based on ethicality. But still question remains can AI machines think spiritually or ethically because they work as per the program is fed in them they follow the order of the machine, they don't understands whose order they are following and why. They cannot discriminate between the good and bad order. So if it is used for destruction purpose then entire AI machineries will be threat to humanity if it is not controlled ethically by humans.

Thus it is need of an hour to understand the artificial intelligence which has several pros but it has its cons as well. Its benefits and risks should be carefully weighed before using it for human convenience and we should not be greed to play with nature; man may destroy himself or he becomes slave of this technology like AI technology depicted in Children animated film for e.g. Doremon cartoon where main character Nobita always depended on Doremon animnoid, Pokemon, UB humanoid, Ninja Hathodi and so on. It reminds me Martin Heidegger's philosophy where he says yes to limited technology and no to excess use of it.

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## Role of Artificial Intelligence in Development of Hotel Industry

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**Abstract:** Technology led marketing, has not remained a new concept for the hospitality businesses, mainly driven by customer data viz. demographic profile, social media presence and preferences. Artificial Intelligence has become the game changer for traditional hotel industry for enhancing hotel reputation and revenue by taking customer experience at a new level.

*This paper studies the role of Artificial Intelligence (AI) in enhancing the service quality of the Hotel Industry. It highlights various ways to use AI in achieving the service quality by managing service encounters and customer experiences through data integration and analysis and evolving AI systems. It also lays emphasis on role of Artificial Intelligence in developing the hotel sector by way of cost savings, revenue and reputation management.*

**Key Words:** Hotel Industry, Service Quality, Artificial Intelligence, Customer Data.

### 1. INTRODUCTION:

Booming travel and tourism is raising the demand for hotel industry. Major hotel players are widening their geographical base for grabbing the heightened demand, branding aggressively, establishing strategic partnerships. Globally hotel industry is witnessing a paradigm shift due to technological advancement. Service innovation by resorting new ideas and rigorous technology led marketing is need of hour for hotel operators. Social Platforms have provided more information and wider choices to the potential hotel customers. Managing customer experience with higher service quality is the key to customer satisfaction and visit repetitions.

Artificial Intelligence (AI) is a branch of computer science that emphasizes the creation of intelligent machines those work and react like human beings. John McCarthy coined the term AI in 1956, who defines it as ‘the science and engineering of making intelligent machines.’ It took almost 60 years to actually intelligent machines come into existence, perceive their environment, learn and take action. AI systems learn from the errors or the activities happened and attempt to evolve themselves to perform in a better way. This paper attempts to review the use of AI in hotel industry and to find its impact on hotel service quality and development.

### 2. STUDY OBJECTIVES:

- To review applications of AI in Hotel Industry.
- To analyze role of AI in enhancement of Hotel Service Quality.
- To identify impact of AI on development of Hotel Industry.

### 3. REVIEW OF LITERATURE:

Many researchers have studied hotel service quality from different perspectives viz. dimensions of service quality, its impact on satisfaction and loyalty, quality gaps and affecting factors such as Gabbie and O'Neill (1997), Juwaheer T. D. (2004), Lau et al. (2005), Marković S. and Raspor S. (2010), Bostanji G.M.A (2013), Antoneta and Charles (2014). Whereas, AI being a recent development, very few studies are conducted on the application of AI in hotel industry. Olsen and Connolly (2000) underlined the significance of hotel customers' data to meet their changing needs and desires. Jurca and Fallings (2004) studied AI based Reputation Mechanism for hotel bookings and found it effective to prevent financial frauds. Ivanov and Webster (2017) conducted a cost benefit analysis of adoption of robots, artificial intelligence and service automation.

The perusal of literature revealed the absence of studies identifying the impact of AI applications on hotel service quality and overall development of the Hotel Industry.

#### 4. METHODOLOGY:

This study is based on secondary data collected from journals, hotel websites and, hospitality and AI experts' web articles.

#### 5. DISCUSSION:

AI is changing our life in multitude ways by change in education, finance, business, manufacturing for the time being. The most known AI applications are speech recognition services (Alexa, Siri), Online Ads Network, Social Media Feeds, Media streaming devices, Navigation Apps. Self-driving cars by Tesla, Drone Delivery Programs by Amazon, Personalized Dynamic Video Games and Smart Homes are some of the examples showing how AI is prevailing in every facet of our life and business.

##### 5.1 Applications of AI in Hotel Industry

Three types of applications of AI technology viz. Conversational AI, Mass-Individualization and AI-Enabled Convergence can be used in hotel industry.

- **Conversational AI**  
Conversational chat-bots allow value added interface at various interaction levels. Customer to bot and further bot to bot communications can be applied for hotel room bookings, enquiries, concierge and feedbacks.
- **Mass-Individualization**  
It assists in providing customized and personalized services. The data of customers' attitude, needs, behaviour, buying and browsing history collected by Conversational AI applications and algorithms will be used to shape and offer personalized hotel services.
- **AI-Enabled Convergence**  
Technological convergence is related to evolving the intelligent machines for performing similar tasks. AI systems will perform the same task but in a more advanced manner, which would be helpful in enhancing service, encounters.

##### 5.2 Role of AI in enhancing Hotel Service Quality

Hotel Service quality is crucial in competitive advantage for satisfying customers and spreading positive word of mouth- offline and online. The Gap model of service quality compares the customer perception with his expectation and the excess of perception score is treated as Positive Gap of Service Quality (Parasuraman et. al.1985, 1988, 1991). AI enabled applications in hotels will positively influence the customer perceptions for five Service Quality dimensions in following manner:

- **Tangible:**  
Tangibility deals with the physical facilities, sophisticated equipment and staff appearance. An AI valet on smart phones can replace the formal check-in and checkout and eliminate the waiting time at reception. Using facial recognition to know guest arrival valet assigns a room based on guest preferences and downloads room keys to his mobile. Tokyo's Henn Na Hotel is using multi-lingual robots to help guests check-in and out and employs face recognition to replace room-keys. Meliá Hotels have introduced electronic wristbands, which allow guests to open the rooms, to pay for hotel services and to make payments at nearby stores facilitating cashless payments for guests and tracking their purchase preferences. In-Room media streaming devices can play media of customer's choice using his self-reported and online data from multiple sources for maximizing the in-room experience.
- **Reliability:**  
Reliability addresses punctuality, willingness to solve problems, dependability of services and accuracy of records. Guests can entrust the AI enabled robots to place room-service requests for assured prompt delivery. Konica Minolta recently deployed hospitality robot fleet. The navigation of the delivery robots or autonomous wheels platform throughout hotel floors and elevators is aimed at delivering items such as snacks and amenities to hotel guests, thus enabling hotel staff to focus on other need of the guests.  
Traditional wireless networks struggle to provide reliable service in large resorts. New AI-powered wireless platforms assess the data usage patterns of the guest and troubleshoot problems to equip with more consistent and dependable Wi-Fi. AI systems can also predict the problem areas and potential maintenance issues through pattern recognition and assure smooth workflow that increases the dependability of services.  
AI algorithm can scan for hotel rates across all distribution channels, alert the hotel for any disparity found and ensure the parity of hotel rates across all distribution channels.
- **Responsiveness:** Responsiveness relates to quick service delivery and reducing waiting time. Chat bots based on Natural Language Processing (NLP) technology can understand the demands of the hotel guests from different countries, which enables prompt service delivery. AI algorithms can predict the expected time of service delivery. AI enabled hotels can provide Proximity-based assistance to its guests. Customer can get easy, quick and accurate solutions for his queries like the distance between hotel and conference venue, name

and menu of closest restaurant suitable for his food-preferences, nearby tourist spots, local deals of his interests and leisure habits, especially very helpful for leisure travellers.

- **Assurance:**

Assurance shows the trustworthiness, politeness of hotel staff, customer safety and support to staff from hotel patrons for excelling service performance. AI can analyse the foot traffic patterns of the hotel and other information to decide the staff demand. It will result in quick service delivery and optimum use of human resource. Better-informed and well-prepared staff will be available and free from stress during peak seasons and peak hours, too.

AI fuelled surveillance system can be strengthened with evolving object and face recognition. Security camera feeds monitored by AI would detect the potential threats and inform the authorities for early action.

- **Empathy:**

Empathy dimension deals with the personalization of services, individual attention and convenience of customer. For personalized marketing and offers, AI enabled online ads network and social media feeds based on user statistics are already in use, for instance video recommendations on you-tube, online hotel ads with respect to customer's travel bookings or nearby things ads with respect to his hotel booking. Additionally, AI enables hotels to personalize the reward program.

Service encounter at hotel bookings is a major friction point. Customers checking room availability many times leave without booking. Filling up required information on each hotel page becomes time-consuming and complex and interacting with booking staff of each hotel is almost impossible. Chat bots on hotel website and on social-media platforms can resolve this issue and provide a personalized booking experience at customer's convenient time. Network Intelligence, using the power of many connected computers to learn, can achieve the web optimization. For example, if a system in Indian Hotel notices that there is an increase in Russian visitors on several hotel websites, it can optimize the websites for Russian visitors during that specific period. Recommender engines analyse the information received from multiple AI programs and give suggestions for improving online performances. For instance, a system analyses that visitors coming from USA often search for water sports information, it would recommend change in web display by placing water sports information in the menu earlier on the site.

The AI voice assistants are useful for senior citizens, persons with disabilities to make booking enquiries, to discuss suitability of amenities, prices and offers, to order room-service and even for persons on the go. For example, there are virtual butlers like 'Edward' of Edwardian Hotels and 'Rose' of Cosmopolitan Hotel in Las Vegas.

### 5.3 Role of AI in Development of Hotel Industry

- **Cost Savings with higher efficiency-** Energy equipment consume almost 10% of hotel revenue, according to the National Grid. AI can monitor guest presence and preferences and intelligently turn on and off the equipment saving energy and optimizing guest comfort. AI based cleaning machines, robotic mini vacuum discs and robot mops will keep the hotel clean reducing workload of housekeeping staff.

AI, by analysing the demand and material requisition patterns, will avoid piling up stocks and wastage. AI enabled supply chain management systems can ensure procurement of material of right quantity and quality, at right time for reasonable prices ensuring efficient service performance.

- **Revenue Enhancement-** Personalized offerings with thoughtful touches such as a guest's preferred newspaper, toiletries, pillows, television, bathroom settings and room-views keeps the guest coming back. Special things provided by tracking desires and preferences and designing individualized service experience like lavish linen, exquisite menu of beverages, luxury vehicles for high-end customers will draw extra income.

Parsing multiple data sources, AI ascertains the occupancy patterns for hotel locality and assesses the impact of particular events and suggests dynamic pricing. Airbnb uses AI to recommend the pricing strategies to its hosts. Moreover, it enables to design marketing strategies for maximizing occupancy level during such events. AI added to the hotel websites and booking engines can increase the conversion rate by changing display options. A potential guest checks rates and availability on booking engine and AI observes that the abandonment rate is higher when the rooms are presented in descending price order, whereas, by inverting the order, the abandonment rate drops significantly. Thus, the system learns which the optimum method of displaying rates is and alerts the hotel patrons or displays the rates accordingly by itself.

- **High Return on Investment-** For providing high service quality, the hotels need to channelize its resources for best return. AI systems inform and remind the hotel patrons about the repairs, upgrades and replacement of equipment and property. It uses occupancy data, feedback and online reviews, self-reported guest data to prioritize the strategic decisions with the maximum return.
- **Reputation Management-** AI can scan all the review sites, videos, images, social networks, blogs and other websites about the hotel and portrays the real-time public image of hotel, so that hoteliers can instantly

respond negative reviews and avoid probable public relation disaster. Furthermore, they can strategize and engage in effective marketing, branding and reputation enhancement efforts.

- Competitive Intelligence- Multi-variance testing used by OTAs enables experimenting with different colours, button placements or messages to evaluate and choose most efficient and attractive specific variant for competitive advantage. AI systems can test thousands of patterns, learn and improve results for multiple times, which is beyond human capacity.

Parsing multiple databases, AI can provide valuable context to drive the future expansion. Population mapping, identifying hotel demand and scant supply in particular areas provides firm base for expansion of hotel business. Review data, Demographics and hotel pipeline Data set the requisition and standards of upcoming hotel property and services to resonate best with target customer segments.

Deep learning systems can be used by major players in the industry to find service patterns for creating innovative services and new brands for specific customer segments. It can be utilized by the Hotel Associations and Government for taking policy, infrastructure and investment decisions which will result in employment and revenue generation and overall growth of hotel industry.

## 5. LIMITATIONS:

This study presents an overview of use of AI in Hotel Industry; however, it needs the empirical assessment of impact of AI applications on Hotel Service Quality.

## 6. CONCLUSIONS:

Artificial intelligence is changing traditional outlook to hotel services with its ability to streamline processes, provide valuable insights and optimize guest experiences. It is driving the new wave of innovative, responsive and guest-centric hospitality to attain better service quality and overall development of hotel industry. Hotel patrons, yet unaware of AI or having no immediate plans of AI, have to collect and save data that can be transformed into competitive advantage; in near future, the saved data will turn into a very rich source of valuable revenue. There is no doubt, machines learning and working with human, will ensure quality hospitality, making AI more valuable and not just a buzzword.

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## Impact of Demonetization on India's Foreign Trade

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**Abstract:** This paper makes an attempt to analyze the impact of demonetization with reference to key areas viz; Trade balance, Growth in imports and exports, Foreign exchange reserve, Rate of exchange and Balance of payment position of the country. The paper analyses the impact of demonetization on India's foreign trade and its influence on changes in the economy.

**Key Words:** Demonetization, Balance of payment, Rate of exchange, foreign exchange reserve.

### 1. INTRODUCTION:

The Indian government decided to demonetize Rs. 500 and Rs 1000 rupee notes on 8th November 2016. These notes accounted for 86% of the total currency. The main objective of demonetization was to eliminate black money and promote cashless economy. In the post demonization period, Indian economy experienced both positive and negative developments. This paper makes an attempt to find out the impact of demonization on India's foreign trade.

### 2. STUDY OBJECTIVES:

The main objective of this study to understand the impact of Demonetization on India's foreign trade.

### 3. DISCUSSION:

**3.1. Impact demonetization on India's foreign trade:** Impact of demonization on India's foreign trade is analysed in six important categories in this section.

Table 1: Growth in Merchandise exports, imports and trade deficit:					
Year	Exports	Growth (%)	Import	Growth (%)	Trade deficit
2011-12	309	22.48	500	32.33	-191
2012-13	307	-1.82	502	0.29	-195
2013-14	318	4.66	466	-8.26	-148
3014-15	316	-1.29	461	-0.48	-145
2015-16	262	-15.48	380	-14.96	-118
2016-17	275	5.17	384	0.88	-108
2017-18	302	9.78	459	19.59	-157
Source: DGCIS Kolkata and , RBI statistics on Indian economy					

Table 1 depicts India's merchandise exports and imports along with trade deficits. India's merchandise export in 2011-12 was US \$309 billion which declined drastically to US \$262 billion in 2015-16, the financial year prior to demonetization. In 2016-17 exports increased to US \$275 billion with a growth rate of 5.17% and further to US \$302

billion in 2017-18 with a growth of 9.78%. This information makes us to understand that after demonetization there is a positive growth in India's exports.

India's merchandise import was US \$500 billion in 2011-12 which declined drastically to US \$380 billion in 2015-16. In 2016-17 it increased to US \$384 billion with a growth rate of 0.88% and further to US \$459 billion in 2017-18 a growth rate of 19.59%. This indicates that after demonetization there is a huge growth in India's imports.

In 2011-12, Trade deficit in India was US \$191 billion which has declined to US \$118 billion in 2015-16, and further to US \$ 108 billion in 2016-17, mainly due to better performance in the export sector. But in 2017-18 the trade deficit has increased to US \$157 billion in 2017-18 mainly due to drastic increase in India's imports.

**3.2 Comparative analysis of Exports of Principal commodities during pre- and post-demonetization period :** To consolidate our observations we tried to compare the growth in export of principle commodities during the pre and post demonization period.

**Table 2: India's exports of Principal commodities ( in US \$ billions)**

Commodity	Apr-Mar 2015-16	Apr-Mar 2016-17	% Growth	Apr-Oct 2016-17	Apr-Oct 2017-18	% Growth
Plantation	156.2	161.1	3.14	89.5	104.5	16.78
Agri & Allied Products	2452.1	2454.9	0.11	1355.9	1535.3	13.22
Marine Products	476.7	590.3	23.83	347.0	447.9	29.08
Ores & Minerals	201.4	325.5	61.62	144.0	168.1	16.76
Leather & Leather Manufactures	555.4	530.8	-4.43	315.3	317.8	0.79
Gems & jewelry	3928.3	4341.2	10.51	2660.2	2465.5	-7.32
Sports Goods	22.7	22.4	-1.32	14.4	14.5	1.09
Chemicals & Related Products	3216.9	3277.9	1.90	1872.4	2037.7	8.83
Plastic and rubber articles	641.5	643.8	0.36	365.5	410.1	12.2
Articles of stone, Plaster, Cement etc.	387.9	408.7	5.36	239.0	257.5	7.72
Paper & Related Products	234.7	233.5	-0.51	142.1	145.2	2.17
Base Metals	1849.7	2189.0	18.34	1077.7	1543.6	43.23
Optical, Medical & Surgical Instruments	163.5	188.9	15.54	106.9	124.7	16.6
Electronics Items	569.0	568.9	-0.02	328.3	335.0	2.03
Machinery	1892.2	2015.1	6.50	1158.2	1326.8	14.56
Office Equipment	8.9	11.7	31.46	6.3	5.2	-17.41
Transport Equipment	2133.6	2316.3	8.56	1278.9	1334.1	4.32
Project Goods	2.5	2.8	12.00	1.7	0.3	-80.58
Textile & Allied Products	3595.2	3576.6	-0.52	1962.5	2041.1	4.01
Petroleum & Crude Products	3058.2	3154.5	3.15	1718.5	2001.2	16.45
Others	681.4	570.3	-16.30	349.3	317.9	-8.99

**Source: DGCIS Kolkata and , RBI statistics on Indian economy**

It is observed from the Table2 that the Out of 21 categories of export commodities 16 category of commodities are showing higher growth in post demonetization period as compared to pre demonization period and 5 categories of commodities are showing declining trends during the same period. This indicates that demonetization worked positively towards export sector.

After demonetization there is a drastic improvement in the exports of principle commodities like Plantation, Agriculture and allied products, Marine products, Ores and minerals, Base metals, Medical instruments and machinery. The major category of export commodities adversely affected after demonetization is project goods, office equipment, Gems & jewellery and Ores & minerals.

In order to examine precisely the impact of demonetization on percentage change in the export growth, a comparative analysis of 21 commodities were made during pre-demonetization phase and post-demonetization phase by applying t- test for testing the Null Hypothesis.

The Null Hypothesis given by Ho: There is no significant impact of demonetization on the growth of export against the alternative hypothesis H1: There is significant impact of demonetization on the growth of export.

### 3.3. RESULTS:

T-test: Paired Two Sample for Means		
	Pre-Demonetization	Post-Demonetization
Mean	8.537142857	4.54952381
Variance	255.5884214	551.8823548
Observations	21	21
Pearson Correlation	0.107538966	
Hypothesized Mean Difference	0	
df	20	
t Stat	0.677872005	
P(T<=t) one-tail	* 0.252810129	
t Critical one-tail	1.724718218	
P(T<=t) two-tail	0.505620258	
t Critical two-tail	2.085963441	

\*: indicates no statistical significance. Source: Analysis tool Pak, Ms-Excel

Interpretation: In the above analysis, the p-value for one tail test is 0.25 which is greater than the level of significance at 5%. i.e.  $P > 0.05$ , therefore, we do not have sufficient evidence to not to reject Ho and we fail to reject Ho which means that Demonetization did not have significant impact on change in exports.

**3.4 Comparative analysis of Imports of Principal commodities during pre- and post-demonetization period :** It is observed from the Table 3 that the Out of 21 categories of imports of principal commodities 18 category of commodities are showing a higher growth and 3 categories of commodities are showing a declining trend in post demonetization period as compared to pre demonetization period. This indicates that Demonetization has helped positively towards import sector as well.

After demonetization there is a significant growth in the imports of Plantation, Agriculture and allied products, Sports goods, Ores and minerals, Gems and Jewellery, Plastic and rubber articles Base metals, Medical instruments, Electronic items and machinery. The major category of commodities adversely affected after demonetization are Office equipment, transport equipment and others.

Table 3:India's Imports of Principal commodities ( in US \$ billions)						
Commodity (category)	Apr-Mar 2015-16	Apr-Mar 2016-17	% Growth	Apr-Oct 2016-17	Apr-Oct 2017-18	% Growth
Plantation	89.5	84.1	-6.03	52.5	62.8	19.46
Agri & Allied Products	2067.3	2321.0	12.27	1220.1	1404.7	15.13
Marine Products	9.7	9.4	-3.09	5.6	5.5	-2.92
Ores & Minerals	2068.4	2163.6	4.60	1084.5	1692.5	56.05
Leather & Leather Manufactures	103.1	99.2	-3.78	59.4	61.2	3.16
Gems & jewelry	5650.8	5373.8	-4.90	2645.1	4367.1	65.1
Sports Goods	22.1	22.4	1.36	12.8	16.4	27.64
Chemicals & Related Products	3688.8	3368.0	-8.70	2036.9	2296.0	12.72

Plastic and rubber articles	1376.0	1401.9	1.88	833.4	985.4	18.23
Articles of stone, Plaster, Cement etc.	243.8	227.1	-6.85	135.5	157.5	16.25
Paper & Related Products	715.7	699.3	-2.29	411.9	491.2	19.25
Base Metals	2470.3	2155.1	-12.76	1241.3	1548.3	24.73
Optical, Medical & Surgical Instruments	417.6	439.8	5.32	247.1	302.2	22.2
Electronics Items	4002.1	4193.0	4.77	2280.6	2978.7	30.61
Machinery	3321.7	3276.8	-1.35	1854.1	2154.4	16.2
Office Equipment	12.4	9.1	-26.61	4.6	2.9	-36
Transport Equipment	1539.4	1956.0	27.06	1014.5	813.3	-19.83
Project Goods	276.1	207.4	-24.88	113.2	125.1	10.55
Textile & Allied Products	533.2	551.6	3.45	349.0	387.3	10.99
Petroleum & Crude Products	8294.4	8696.3	4.85	4678.8	5578.6	19.23
Others	1197.4	1179.5	-16.30	701..6	347.8	-50.42

Source: DGCIS Kolkata and , RBI statistics on Indian economy

In order to test the impact of demonetization on percentage change in the import growth, during two phases namely pre-demonetization phase and post-demonetization phase. 21 commodities were considered for the investigation and the source was secondary data. t- Test was applied for testing the Null Hypothesis given by  
Ho: There is no significant impact of demonetization on the growth of import against the alternative hypothesis  
H1: There is significant impact of demonetization on the growth of import.

### 3.5 Results

<b>t-Test: Paired Two Sample for Means</b>		
	Pre- Demonetization	Post- Demonetization
Mean	-2.475238095	13.25380952
Variance	141.8329262	667.3315948
Observations	21	21
Pearson Correlation	0.249884532	
Hypothesized Mean Difference	0	
df	20	
t Stat	-2.815500719	
P(T<=t) one-tail	***0.005342101	
t Critical one-tail	1.724718218	
P(T<=t) two-tail	0.010684202	
t Critical two-tail	2.085963441	

\*\*\*: indicates statistical significance.

Source: Analysis tool Pak, Ms-Excel

Interpretation: In the above analysis, the p-value for one tail test is 0.005342101 which is less than the level of significance at 5%. i.e.  $p < 0.05$ , therefore, we have sufficient evidence to reject Ho which means that Demonetization did have significant impact on change in imports.

**3.6 Influence of Demonetization on rate of exchange:** Other criteria considered to find out the influence of demonetization on international trade is the rate of exchange. Comparative trends of exchange rate of rupee with selected countries during the pre and post demonetization period are presented below. The currencies considered for comparison are US dollar, Pound sterling, Euro, Yen and Pakistani rupee

<b>Table 4:Exchange rate of rupee vis-a vis with selected currencies of the world</b>					
Year	US dollar	Pound sterling	Euro	Yen	Pakistani rupee
2011-12	47.92	76.39	65.89	0.60	0.54
2012-13	54.41	85.97	70.06	0.65	0.57
2013-14	60.50	96.30	81.17	0.60	0.58
3014-15	61.14	98.57	77.52	0.55	0.60
2015-16	65.46	98.72	72.28	0.54	0.63
2016-17	67.07	87.69	73.60	0.62	0.64
2017-18	64.50	81.54	69.16	0.58	0.61
Source: Economic Survey 2017-18 Volume 2					

It is observed from the Table 4 that the rates of exchange of rupee with selected currencies are showing an upward trend till 2016-17. This indicates that there is a continuous fall in value of Indian rupee since 2011-12. But, in 2017-18 the rate of exchange of rupee started showing a down ward trend. This indicates that Indian rupee has become stronger after demonetization.

**3.7 Influence of Demonetization on Foreign exchange reserve:** Another parameter adopted in the study to find out the influence of demonetization on international trade is the Components of Foreign exchange reserves. The trends of various components of foreign exchange reserves viz, Gold, RTP, SDRs and Foreign currency assets from 2011-12 to 2017-18 are presented in Table 5.

<b>Table 5: Foreign exchange reserves (in US \$ millions)</b>					
<b>Year</b>	<b>Gold</b>	<b>RTP</b>	<b>SDRs</b>	<b>Foreign Currency assets</b>	<b>Total</b>
<b>2011-12</b>	<b>27023</b>	<b>2836</b>	<b>4469</b>	<b>260069</b>	<b>294397</b>
<b>2012-13</b>	<b>25692</b>	<b>2301</b>	<b>4328</b>	<b>259726</b>	<b>292046</b>
<b>2013-14</b>	<b>21567</b>	<b>1834</b>	<b>4464</b>	<b>276359</b>	<b>304223</b>
<b>2014-15</b>	<b>19378</b>	<b>1139</b>	<b>4185</b>	<b>295947</b>	<b>320649</b>
<b>2015-16</b>	<b>20115</b>	<b>2456</b>	<b>1502</b>	<b>336104</b>	<b>360176</b>
<b>2016-17</b>	<b>19869</b>	<b>2321</b>	<b>1446</b>	<b>346319</b>	<b>369955</b>
<b>2017-18</b>	<b>21614</b>	<b>2081</b>	<b>1541</b>	<b>397294</b>	<b>422532</b>
<b>Source: Economic Survey 2017-18 Volume 2</b>					
<b>SDRs = Special Drawing Rights, RTP= Reserve Tranche Position in IMF</b>					

It is evident from the Table 5 that the Total foreign exchange reserves are more or less stagnant during the period from 2011-12 to 2013-14 at around US \$ 300000 million. Then it has increased to US \$ 360176 million in 2015-16 a year before demonetization afterwards it has increased to US \$ 422532 million in 2017-18. Similar trends are also observed in case of Gold and foreign currency assets except RTP and SDRs. This indicates that there is a remarkable growth in foreign exchange reserves after demonetization.

**3.8 Influence of Demonetization on Balance of Payment positions of the country:** The Balance of Payment position of the country is a true indicator of international trade status of the Country. The Table 6 shows India's Balance of Payment position between 2011-12 and 2017-18.

It is observed from the Table 6 that India's Trade balance is showing a declining trend since 2012-13 further declined US\$ -112442 million in 2016-17, the year of demonetization. This is the lowest in the period considered for study. But it has increased to US\$ -160036 million in 2017-18. This is mainly due to huge increase in our imports.

The net invisibles declined drastically to US\$ 97147 million in 2016-17 but it has increased to US\$ 111319 million in 2017-18. The current account deficit has declined to US\$ -15296 million in 2016-17 mainly due to improvement in the Trade balance. However, the Current account deficit has increased drastically to US\$- 48717 million in 2017-18.

The Capital account balance has declined from US\$ 40055 million in 2015-16 to US\$ 36846 million in 2016-17 and it has increased drastically to US\$ 92292 million in 2017-18. The overall balance in the balance of payment is showing an upward trend since 2015-16 increased to US\$ 43575 million in 2017-18.

<b>Table 6: Balance of Payment position as per IMF manual 5 ( US \$ millions)</b>							
<b>Year</b>	<b>Imports</b>	<b>Exports</b>	<b>Trade balance</b>	<b>Net Invisibles</b>	<b>Current account balance</b>	<b>Capital account balance</b>	<b>Overall balance</b>
<b>2011-12</b>	499533	309774	-189759	111604	-78155	65324	-12831
<b>2012-13</b>	502237	306581	-195656	107493	-88163	91989	3826
<b>2013-14</b>	466216	318607	-147609	115313	=32296	47804	15508
<b>2014-15</b>	461484	316545	-144940	118081	-26859	88265	61406
<b>2015-16</b>	396444	266365	-130079	107928	-22151	40055	17905
<b>2016-17</b>	392580	280138	-112442	97147	-15296	36846	21550
<b>2017-18</b>	459000	298964	-160036	111319	-48717	92292	43575
<b>Source: Economic Survey 2017-18 Volume 2</b>							

The above trends reveal that the overall impact of demonetization is positive on Balance of Payment position of the country.

#### 4. FINDINGS:

- There is a positive growth in India's exports and imports after demonetization. The trade deficits have maintained its declining trend even after demonetization in November 2016. However, it has increased drastically during 2017-18 due to faster growth in imports
- Out of 21 categories of commodities 16 categories of commodities are showing higher growth and 5 categories of commodities are showing declining trends in post demonetization period as compared to pre demonization period This indicates that Demonetization has helped positively towards export sector.
- Out of 21 categories of imports of principal commodities 18 categories of commodities are showing higher growth and 3 categories of commodities are showing a declining trend in post demonetization periods as compared to pre demonetization period. This indicates that demonetization has increased our imports.
- The statistical test conducted on categories of principal commodities reveals that the demonetization did not have significant impact on change in exports and have significant impact on change in imports.
- Indian rupee has become stronger after demonetization vis-a vis with selected currencies of the world.
- There is a remarkable growth in foreign exchange reserves after demonetization in India.
- The overall impact of demonetization is positive on Balance of Payment position of the country.

#### 5. CONCLUSION:

The decision of the Government to demonetize Rs 500 and Rs. 1000 currency notes has created havoc in the economy. There is a continuous debate over efficacy of demonetization. It has created positive impact on the areas of promoting cashless economy, curbing black money, controlling terrorist activities and bringing transparency in administration. At the same time it has adversely effected on the areas of investment, generation of employment and performance of agrarian and rural sector.

The present study is concentrated on the area of foreign sector and tried to find out the impact of demonetization on international trade. It is observed that the overall impact of demonetization on foreign trade is positive and it has improved foreign exchange reserves of the country, it has contributed to improve the value of rupee and overall improvement in the balance of payment position of the country.

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## Burgeoning NPAs: A Challenge before Indian Banking Sector

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**Abstract:** *It is pertinent to note that the NPAs are rising at an alarming rate since last two to three years. Out of all the scheduled commercial banks, the major chunk of NPAs is of public sector banks. In the Economic Survey 2016 – 17, it is pointed out that the origins of NPA problem lie in the decisions taken in mid – 2000. During this period, projects worth lakhs and crores in the field of infrastructure, power, telecom, etc. were financed by banks. The firms abandoned their conservative debt / equity ratios and started taking high risks. But, gradually things started going wrong after Global Financial Crisis of 2008 – 09. The firms started facing the problem of higher production & financing costs, and lower revenues resulting into reduction in cash flows and debt servicing problems. As the firms profitability was affected their interest coverage ratio also started decreasing. The problem of NPAs led to what is known as “Twin Balance Sheet Problem”. The public sector banks have tried to solve the problem of NPAs in a standard way by scaling back their new lending. Household lending and agricultural loans have continued but lending to corporates and MSMEs have been reduced severely. The RBI and the Government of India has also taken several steps to resolve this issue. Considering, the growing NPAs as a challenge before Indian banking sector, the present paper points out the problem associated with NPAs, possible causes and solutions.*

**Key Words:** *Commercial banks, Public sector banks, NPAs, Global Financial Crisis, Twin Balance Sheet, RBI.*

### 1. INTRODUCTION:

Banks have been playing a crucial role in the Indian financial system. It is pertinent to note that more than two-thirds of the household savings are channelled through the banking system. The banking system also provides more than ninety percent of commercial credit. Under such circumstances the financial position of a bank is very important. One of the biggest challenges faced by the banks is the huge Non – Performing Assets (NPAs). It is observed that the NPAs are rising at an alarming rate since last two to three years. Thus, growing NPAs is a continual problem in the Indian banking sector. Considering, the growing NPAs as a challenge before Indian banking sector, the present paper points out the problem associated with NPAs, possible causes and solutions.

### 2. DISCUSSION:

**CAUSES BEHIND THE RISE IN NPAs** - The major causes behind NPAs are as follows -

**Merger of Specialized Financial Institutions into Commercial Banks** – In India, apart from commercial banks there existed Development Financial Institutions (DFIs) like Industrial Development Bank of India (IDBI), Industrial Credit & Investment Corporation of India (ICICI), and Industrial Finance Corporation of India (IFCI). They were term-lending institutions which extended long –term finance to industrial sector. Almost all the lending for new industrial projects or project finance was done by these DFIs while commercial banks focused mostly on working capital finance. In late 1990s, the two DFIs, ICICI and IDBI were merged into their commercial bank entities ICICI Bank and IDBI Bank respectively, and IFCI became less relevant. As a result of this the composition of bank lending underwent a transformation and project financing became a part of commercial bank lending. This was especially the case for PSU banks that were more susceptible to political pressures.

**Lack of Expertise & Lending policies** - From 2003 – 2007, many private sector companies entered into sectors such as aviation, telecom, telephony, etc. This led to huge demand for credit from these industries but commercial banks had little expertise or experience in assessing these businesses. It led to mismatch of assets and liabilities. The

long term lending (asset) was based on short – term liabilities (deposits). It further exposed the banks to the risks which they were not used to like delays in projects due to policy issues, environmental issues, etc.

In the *Economic Survey 2016 – 17*, it is pointed out that the origins of NPA problem lie in the decisions taken in mid – 2000. During this period India's GDP was growing at a rate of 9 to 10 per cent per annum, corporate profitability was at its highest, etc. As a result many firms launched new projects in lakhs of crores particularly in the field of infrastructure, power, telecom, etc. As a result within a span of four years from 2004 – 05 to 2007 – 08, the investment to GDP ratio increased from 27 percent to 38 percent. During the same period, the amount of non – food bank credit doubled clearly pointing out the fact that such a huge investment was largely financed by banks.

**Effect of Global Financial Crisis (GFC)** – The Global Financial Crisis of 2008 – 09, changed the situation completely. After the crisis, the Indian economy experienced a dramatic slowdown in growth. The Real GDP growth during 2011 -13 slowed down to 6 per cent. Besides this, there was huge depreciation of exchange rate, high inflation, and a period of monetary contraction.

This created a havoc for corporate sector and also for the banking sector. As a stimulus measure PSU banks were asked to lend even more to infrastructure sector which by 2009 had already started showing stress due to a slowing economy, longer than anticipated delays to obtain clearances from government, escalating costs, etc. All this resulted into fresh waves of NPAs, especially in the sectors like infrastructure, steel, metals, textiles, etc. **Twin Balance Sheet Problem (TBS)** - The issue of rising NPAs is associated with Twin Balance Sheet problem. Twin Balance Sheet problem is the stress on the Balance sheet of Lenders (Banks) as well as Borrowers (Corporates). The Banks suffer from the problem of stressed assets which have very less probability of full revival and the Corporates have loan and interest obligations which are beyond their current financial standings.

During the period from 2000 - 2008 the Indian firms abandoned their conservative debt / equity ratios and started taking high risks. But after the GFC, the firms started facing the problem of higher production & financing costs, and lower revenues resulting into reduction in cash flows and debt servicing problems. As the firms profitability was affected their interest coverage ratio also started decreasing. The Interest Coverage Ratio (ICR) is used to determine how easily a company can pay their interest expenses on outstanding debt. The ratio is calculated by dividing a company's Earnings before Interest and Tax (EBIT) by the company's interest expenses during the same period. Thus, the lower the interest coverage ratio, the higher the company's debt burden and the greater the possibility of bankruptcy or default. It is observed that the share of chronically stressed firms with interest coverage ratio of less than unity reached 33.5 per cent in 2016.

The problem of NPAs was first quantified and highlighted by Ashish Gupta in his report on NPAs in the corporate sector in 2010. The RBI was also aware of this problem in the early 2010s.

In this context, it is worth to quote Arvind Subramanian(2018) *"Even now I find myself wondering why it took so long to address the TBS challenge, when it was such a serious economic problem...Nothing fundamental was done to address the problem between then (i.e.2010) and 2014, either by the RBI or the previous government, a period of catastrophic neglect. On the contrary, the situation was allowed to deteriorate via what was euphemistically called 'ever-greening': banks lending money to over-indebted companies, who turned around and used the funds to repay the interest they owed to the banks. This is a sophisticated form of fraud and to have allowed it to happen was a policy failure."*

**STEPS TAKEN BY RBI AND GOVERNMENT TO SOLVE THE NPA PROBLEM** – The RBI and the Government have taken several steps to solve the NPA problem. Some of the important steps taken are -

- **Asset Reconstruction Companies (ARCs)** were established to buy the bad loans of commercial banks. But this strategy had a limited success.
- **Strategic Debt Restructuring (SDR)** scheme was introduced in June 2015 under which creditors could take over firms that were unable to pay and sell them to new owners.
- **Asset Quality Review (AQR)** Scheme was introduced in October 2015. Accurately estimating asset quality is an important responsibility of the RBI. RBI does this through Annual Financial Inspection (AFI) in which balance sheets of every bank is inspected annually. In October 2015, RBI conducted inspection of selected banks' balance sheets in random. The report from such inspection is termed as Asset Quality Review. So, AQR is the result of asset quality inspection by the RBI on the commercial banks. The main feature of AQR is that it is not a periodic inspection, but random inspection.
- **Indradhanush Scheme** – Mission Indradhanush was introduced in 2015, by the Govt. of India. It is a 7 point plan to resolve the issues faced by Public Sector Banks. It aims to revamp their functioning to enable them to compete with Private Sector Banks. Under this scheme, the government has promised to infuse Rs.70,000 crores of capital into the public sector banks by 2018 -19.
- **Insolvency & Bankruptcy Code 2016 (IBC)** – IBC is one of the biggest economic reforms adopted by India. IBC 2016 lays the insolvency processes for individuals, companies and partnership firms. The law has brought a significant change in the power sharing equation between creditors and debtors by giving both of them the

power to initiate proceedings against each other. The legislation is expected to bring the long awaited respite to the Indian banking industry, plagued with bad loans worth Rs.8 lakh crore.

- In this context, a few sentences from *Economic Survey 2017 – 18 Vol. I* are worth quoting “ *The new Indian Bankruptcy Code has provided a resolution framework that will help corporates clean up their balance sheets and reduce their debts. And in another critical move, the government announced a large recapitalization package (about 1.2 percent of GDP) to strengthen the balance sheets of the public sector banks (PSBs). As these twin reforms take hold, firms should finally be able to resume spending and banks to lend especially to the critical, but currently – stressed sectors of infrastructure and manufacturing.*”
- As per a news item in the daily “*Economic Times*” dt. July 24 2018, it was reported that financial creditors have realized claims worth Rs.47,000 crore in 26 cases under the IBC.
- Another news item in the daily “*Economic Times*” dt. September 15, 2018 pointed out that PSBs have recovered bad loans worth Rs.2.33 lakh crore during the financial years 2014 – 15 to 2017 – 18.
- Mergers of Banks – From April 1 2017, five subsidiaries of SBI and the new Bharatiya Mahila Bank were merged with SBI. It was motivated by the desire to increase operational efficiency in the SBI group. In September 2018, the government announced merger of weak banks i.e. Vijaya Bank and Dena Bank with a comparatively stronger bank, i.e. Bank of Baroda.

**EMPIRICAL EVIDENCE** – The following studies point out the evidence related to NPAs, profitability of commercial banks, etc.

Jain Ravi Kumar *et al* (2019) in their study examined the effect of determinants influencing the performance of 45 (26 PSU and 19 Private sectors) commercial banks in India post the GFC during the period 2010 – 16. To measure profitability ROE was taken as independent variable. Their results show that capital adequacy has an insignificant impact on profitability. While, management efficiency, asset quality, earnings quality and liquidity affect profitability of Indian banks significantly. Further, the profitability is also significantly affected by macroeconomic variables such as – GDP at current market prices, WPI, and IIP. Overall they found that the private sector banks performed better than public sector banks.

Moinoddin Mohammad (2019) in his study of 5 public sector banks and 5 private sector banks during September 2018 showed that GNPA and NNPA of Andhra Bank and PNB were higher among the public sector banks. Among the private sector banks, ICICI Bank and Axis Bank had higher GNPA and NNPA. The study also found significant difference between GNPA and NNPA of public and private sector banks.

Ponnala & Kasilingam (2019) in their study considered panel data of 40 commercial banks during the period from 2005 to 2017. Their study shows that liquidity risk and credit risk are the two vital factors behind bank stability and future survival. Their results show that the credit risk is significantly influenced by size, ROA, Loan assets, Income diversity, priority sector lending, ownership type, inflation and GDP. Liquidity risk is significantly influenced by credit risk, priority sector lending, ownership type and GDP. The results also show that bank stability is significantly influenced by credit risk, liquidity risk, the interaction between them, along with other variable such as loan growth size, ROA and inflation. The results indicate that joint management of default risk along with liquidity risk can increase the bank stability and provide better insights to the regulators and bank management to improve overall stability of the banks with framing the policies of joint management of default and liquidity risks.

Viswanathan & Muthuraj (2019) in their study point out that the ability of banks to identify defaulters before lending is paramount for minimizing the incidence of NPAs as well as developing effective mechanism to proactively deal with potential defaulters. Various financial indicators such as quick ratio, profit after tax as percentage of net worth, total net worth, cash profit as a percentage of total income will enable the concerned authority to spot possible defaulters and take appropriate corrective measures. The variables such as debt to equity ratio, PAT as of Net worth, Total net worth, and PBT as of income are the most important variables that can separate the two groups of possible defaulters and non - defaulters.

*The Financial Stability Report 2018*, pointed out that credit growth of scheduled commercial banks (SCBs) has improved between March 2018 and September 2018, driven largely by private sector banks (PVBs). It further pointed out that the asset quality of banks showed an improvement with the gross non-performing assets (GNPA) ratio of SCBs declining from 11.5 per cent in March 2018 to 10.8 per cent in September 2018.

### 3. CONCLUSION:

The problem of NPAs can be solved by using three – pronged approach of – Recognition, Recapitalization and Resolution. The AQR deals with Recognition and it should continue till all the stressed assets have been recognized and provided for. To get the banks to lend again, some amount of capital has to be infused. The *Indradhanush Scheme* deals with Recapitalization. With respect to Resolution, the enactment and implementation of the Insolvency and Bankruptcy Code (IBC) 2016 is a step in the right direction.

In general, comprehensive reforms of banking regulation and supervision are required. Further, the banks themselves need to tighten their mechanisms for scrutinizing loan applications, especially when the NPAs start increasing and when there is overheating in the economy or credit boom.

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## Appendix -

Table 1 - Return on Assets & Return on Equity of Commercial Banks 2008 – 2018  
(In Per cent)

Financial Year	Return on Assets (ROA)	Return on Equity (ROE)
2008-09	1.1	15.4
2009-10	1.0	14.3
2010-11	1.1	14.9
2011-12	1.0	14.6
2012-13	1.0	13.8
2013-14	0.8	9.5
2014-15	0.8	9.3
2015-16	0.3	4.8
2016-17	0.4	4.2
2017-18	-0.2	-2.8

Source: *Database on Indian Economy* – RBI, Mumbai.

Table 2 - Gross NPAs as a Percent of Gross Advances of SCBs & PSBs 2008 - 2017

Financial Year	Scheduled Commercial Banks	Public Sector Banks
2008-09	2.3	2.0
2009-10	2.5	2.3
2010-11	2.4	2.3
2011-12	2.9	3.2
2012-13	3.2	3.6
2013-14	3.8	4.4
2014-15	4.3	5.0
2015-16	7.5	9.3
2016-17	9.3	11.7

Source: *Handbook of Statistics on Indian Economy, 2018* –RBI, Mumbai.

**Table 3 - Growth Rate of Bank Credit (SCBs) 2008 – 2018 (In % )**

Financial Year	Food Credit	Non – food Credit	Total Bank Credit
2008-09	4.1	17.8	17.5
2009-10	4.9	17.1	16.9
2010-11	32.6	21.3	21.5
2011-12	26.5	16.8	17.0
2012-13	18.6	14.0	14.1
2013-14	2.1	14.2	13.9
2014-15	-4.1	9.3	9.0
2015-16	11.5	10.9	10.9
2016-17	-48.8	9.0	8.2
2017-18	-22.1	10.2	10.0

Source: *Handbook of Statistics on Indian Economy, 2018* –RBI, Mumbai.

**Table 4 - Credit to GDP & Deposit to GDP of SCBs 2008 – 2018 (In Per cent)**

Financial Year	Credit to GDP	Deposit to GDP
2008-09	20.70	68.10
2009-10	21.40	69.40
2010-11	19.30	66.90
2011-12	19.89	67.64
2012-13	20.17	67.88
2013-14	19.70	68.59
2014-15	19.99	68.44
2015-16	19.08	67.77
2016-17	19.87	70.52
2017-18	19.78	68.12

Source: *Handbook of Statistics on Indian Economy, 2018* –RBI, Mumbai.

## International Interdisciplinary Conference on 'New Pathways to World Development: Opportunities and Challenges' 26 - Feb, 2019

Adarsh College of Arts and Commerce, Kulgaon – Badlapur, Thane, MH, India

### Changing Trends of Tourism in India

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**Abstract:** Tourism is important service sector which acts an engine of economic growth of developing country like India. Various natural, historical attractions attract large number of tourists in India. It also has rich culture. This paper focuses on share of India in international tourism receipts in world and Asia and the Pacific region. The study discuss about number of foreign tourist visits to all parts of India. This paper is based on secondary data. The researcher highlights the challenges of tourism in India. The study ends with some conclusion and suggestions.

**Key Words:** Tourism, Tourism attractions, International tourism, foreign tourists visits, Foreign exchange earnings.

#### 1. INTRODUCTION:

Tourism is important service sector which acts an engine of economic growth of developing country like India. Various natural, historical attractions attract large number of foreign tourists to India. The India Tourism Statistics Report says that, number of foreign tourist arrivals in India is 10.04 million with annual growth rate 14%. As the same way foreign exchange earnings from tourism in INR terms Rs. 177874 Crore with annual growth rate 15.4%. Whereas number of international tourist arrivals is 1323 million with annual growth rate 6.8%. International tourism receipts are 1332 US\$ Billion. Hence, tourism in India is growing. It is one of the tertiary sector which contributes in development of economy.

#### 2. STUDY OBJECTIVES:

- To study the number of foreign tourist visits to India.
- To identify the states where large number foreign tourist visits.
- To study the share of India in international receipts in world and Asia and the Pacific region.
- To identify challenges of tourism in India.
- To give some suggestions.

#### 3. LIMITATIONS:

This study includes the data of only five years i.e., from 2013 to 2017.

#### 4. RESEARCH METHODOLOGY:

This study is based on secondary sources available like tourism statistics of government of India, published research papers and articles in newspapers.

#### 5. DATA INTERPRETATION:

Table 1  
No. of Foreign Tourist Visits to India

Year	Foreign Tourist Visits (in million)	Annual Growth (%)
2013	19.95	9.2
2014	22.33	11.9

2015	23.33	4.4
2016	24.71	6.0
2017	26.89	8.8

(Source: Secondary Data)

Table 1 show that, from the year 2013 to 2017 there has been increasing foreign tourist visit to India but annual growth is not consistently increasing. It is flexible. In compare to 2013, it has been increased in 2014 whereas it has decreased in 2017.

Table 2

Share of Top 10 States of India in Number of Foreign Tourist Visits in 2017

Rank	State/UT	Foreign Tourist Visits in 2017	
		Number	Percentage (%) Share
1	Maharashtra	5078514	18.9
2	Tamil Nadu	4860455	18.1
3	Uttar Pradesh	3556204	13.2
4	Delhi*	2740502	10.2
5	Rajasthan	1609963	6.0
6	West Bengal	1574915	5.9
7	Punjab	1108635	4.1
8	Kerala	1091870	4.1
9	Bihar	1082705	4.0
10	Goa	842220	3.1
	Total of Top 10	23545983	87.6
	Others	3340655	12.4
	G. Total	26886638	100.0

(Source: State/UT Tourism Department) \*Provisional

Table 2 shows that Maharashtra is at rank 1st in number of foreign tourist visit and it has been followed by Tamil Nadu, U.P., Delhi, Rajasthan, West Bengal, Punjab, Kerala, Bihar and the Goa is at the 10th rank.

Table 3

Top 10 Source Countries for Foreign Tourist Arrivals (FTAs) in India in 2017

Sr. No.	Source Country	FTAs (in Million)	Percentage (%) Share
1	Bangladesh	21,56,557	21.49
2	United States	13,76,919	13.72
3	United Kingdom	9,86,296	9.83
4	Canada	3,35,439	3.34
5	Australia	3,24,243	3.23
6	Malaysia	3,22,126	3.21
7	Srilanka	3,03,590	3.03
8	Russian Federation	2,78,904	2.78
9	Germany	2,69,380	2.68
10	France	2,49,620	2.49
	Total	66,03,074	65.80
	Others	34,32,729	34.20
	Grand Total	1,00,35,803	100.00

(Source: Bureau of Immigration, Govt. of India)

Table 3 shows that 21.49 foreign tourist to India from Bangladesh. It ranks first. It is followed by US, UK, Canada, Australia, and Malaysia, Srilanka, Russia, Germany and France ranks at 10th.

Table 4

Share of India in International Tourism Receipts in World and Asia & the Pacific Region

Year	International Tourism Receipts (in US \$ Billion)		FEE in India (in US \$ Billion)	Percentage (%) share and rank of India in World		Percentage (%) share and rank of India in Asia and the Pacific	
	World	Asia and the Pacific		% Share	Rank	% Share	Rank
2013	1198.0	360.2	18.397	1.54	16 <sup>th</sup>	5.11	8 <sup>th</sup>
2014	1252.0	359.0	19.700	1.57	15 <sup>th</sup>	5.49	7 <sup>th</sup>
2015	1217.0	355.6	21.013	1.73	14 <sup>th</sup>	5.91	7 <sup>th</sup>
2016	1239.0	370.8	22.923	1.85	13 <sup>th</sup>	6.18	7 <sup>th</sup>
2017	1332.0	389.5	27.310	2.05	13 <sup>th</sup>	7.01	7 <sup>th</sup>

(Source: UNWTO Tourism Market Trends)

Table 4 shows that in 2013 international tourism receipts is 1198.0 in world and 360.2 in Asia and the Pacific whereas in 2017 it is 1332.0 in world and 389.5 in the Asia and the Pacific. It is also observed that percentage share of India is 1.54 in world and in Asia it is 5.11 in 2013 whereas percentage share of India is 2.05 in world and in Asia it is 7.01 in 2017. The data reveals that India ranks 13th in the world and 7th in Asia and the Pacific in the year 2017.

Table 5  
Share of Top 10 Countries of the World and India in International Tourism Receipts in 2017

Rank	Country	International Tourism Receipts (in US \$ billion)	Percentage (%) Share
1	USA	210.7	15.82
2	Spain	68.0	5.11
3	France	60.7	4.56
4	Thailand	57.5	4.32
5	Italy	44.2	3.32
6	UK	43.9	3.30
7	Australia	41.7	3.13
8	Germany	39.8	2.99
9	China	35.6	2.67
10	Japan	34.1	2.56
	Total of Top 10 Countries	636.2	47.76
	India	27.3	2.05
	Others	668.5	50.19
	Total	1332.0	100.00

(Source: UNWTO)

Table 5 shows that USA ranks 1st in the world in International Tourism Receipts in 2017, it has followed by Spain, France, Thailand, Italy, UK, Australia, Germany, China and Japan has 10th rank. India's international tourism receipts is 27.3 US \$ billion. It is low in compare to all other countries.

## 6. CHALLENGES OF TOURISM IN INDIA:

India's share in tourism is increasing slowly. It has 13th rank in International Tourism Receipts in World and 7th rank in Asia & the Pacific Region. Still some countries are ahead of India. Even though from 2014 to 2017, rank of India in Asia and the Pacific is 7th. Though the India's share in tourism is increasing but there are some challenges this industry face.

- Lack of tourism infrastructure
- Lack of marketing and publicity of tourism
- Cleanliness and sanitation of tourism places
- Approach and attitude of local people towards this industry
- Changing climatic conditions
- Tourism ethics
- Accommodations as per requirements of foreign tourists
- Terrorist attack especially in J & K
- Problem of tourism etiquette in manpower
- Budgetary provision and actual utilization

## 7. SUGGESTIONS:

- It is the responsibility of government to provide basic amenities such as pure drinking water, sanitation facility, and transport facility at various tourism places.
- Find out the USP of respective state and use it for tourism marketing strategy.
- Special task force should be appointed to maintain cleanliness of tourism places.
- Make the awareness and give training to local people about tourism allied activities. Emphasis them that how tourism industry is beneficial to our economy.
- More focus should be given to eco-tourism development. Eg. Construction of eco-hotels, minimise and reuse of resources etc.
- There should be strictly follow international codes and tourism ethics.
- Increase number of accommodations and make it suitable as per requirement of foreign tourists.
- Give proper training and teach etiquette to deal with international tourists.
- Utilise full amount which is already being allocated in budget for tourism development.
- Take safety and security measures to international tourists while travelling in India.

## 8. CONCLUSIONS:

The secondary data in this study reveals that there is increase in number of foreign tourists in India. Share of India in International Tourism Receipts in World and Asia & the Pacific Region is also increasing but it is not compete with all other countries in the world. Economy of any country will sustain only if there is continuous development, changes, innovative strategies adopted in economic activities. This service industry can also be zero defects industry. India is rich in historical, cultural and natural resources. Large number of foreign tourists will increase the international tourism receipts in India. It can be rank number one tourism destination not only in Asia but also in overall world. As we know India is agro based economy country, slowly and gradually it should also become tourism based economy country in the world.

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## Impact of Globalization on Indian Culture

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### 1. INTRODUCTION:

“The Era of Globalization” has become another term to define the current time. The entire world has become a small village, where everyone is closely connected and is influencing each other in one or other manner. This is the means for providing the international arena for intermingling of people from different sectors, culture and dialects and learns to move and approach socially without hurting and affecting each other’s prestige. The term globalization is self-explanatory. It has become a platform at world level which gives chance to each and every individual to prove themselves. Globalization is the outcome of the exchange of the perceptions and views of people of the world. It has become a podium where people belonging to different countries with different culture and pattern of life style, come together and get a chance to exchange the ideas and culture to certain extent. The term globalization has become a very common term to describe the uniform culture for the entire world. The exchange of ideas has made the Indians more modern. But when we compare the effects of globalization on Indian society, we find the Indians have become more of Westernized than modern. The present paper is an attempt to analyze the impact of globalization on Indian culture by comparing the values and interests of the people for world culture.

### 2. STUDY OBJECTIVES:

- Primary Objectives:  
Knowing the Impact of Globalisation on India with special reference to Indian Culture.
- Secondary Objectives:  
Evaluating the concept of Globalisation.  
Finding the Factors responsible for the Globalisation.  
Measuring the impact of globalisation on young India.  
Drawing suggestions to simplify the issues and challenges of globalisation.

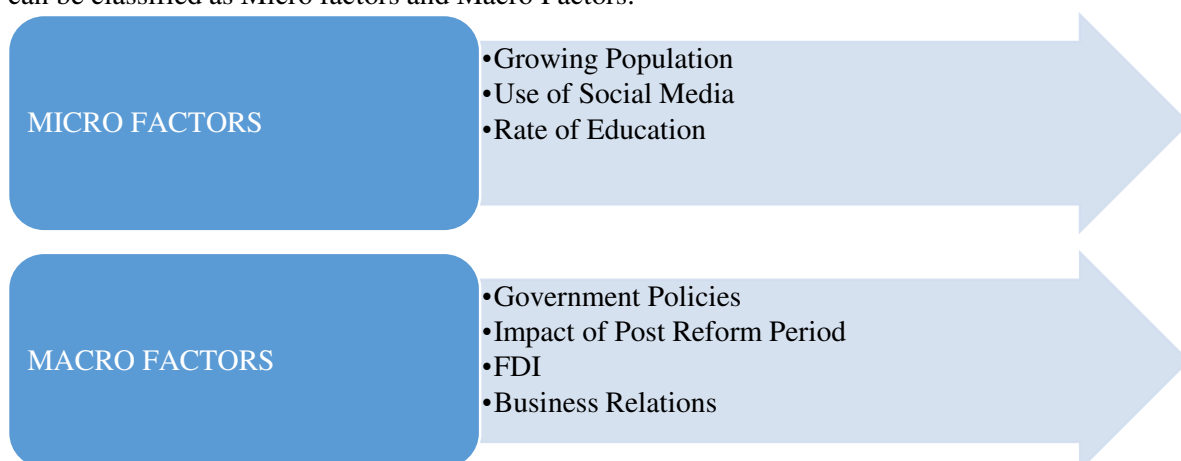
### 3. METHOD:

Due to time constraint, the research paper is based on secondary data, available from Reference Books, Articles, Journals and websites.

### 4. DISCUSSION:

#### THE FACTORS RESPONSIBLE FOR GLOBALIZATION:

There are various factors which has become the reasons for the globalisation at the faster rate. These factors can be classified as Micro factors and Macro Factors.



### **Micro Factors for Globalisation:**

- It is a well-known fact that India's population is growing at a very faster rate and positioned at second in the world after China in population. As a result the lack of opportunities of getting employment has become the reason for migration from India to other country and this has add fuel to the fire of transfer of manpower from India to abroad.
- Use of social media as been increased in the recent years and at the same time the growing popularity of internet has brought the people of the world more and closer.
- The rate of education and awareness also has increased at a faster rate, which in turn brought the thrust of knowing the culture of other countries and resulted in mingling of the world people at different platform.

### **Macro Factors for Globalisation:**

- The post-world war II period can be considered as the base for start of popularising the concept of Globalisation. After getting freedom from British rules in 1947, Indian Government got the challenge to develop the country from almost zero level. The first five year plan is also highlighting the concern for world business relationship by India to certain extent. The review of first five year plan and implementation of second five year plan in the year 1956 clearly witnessed the importance of going with the flow of globalisation. Pt. Jawahar Lal Nehru has given the slogan in those days "Export or Perish". These certain highlights are explaining that how the Indian Government realised the importance of being the part of globalisation and took all the initiatives to become modern and to be the part of it.
- With the establishment of W.T.O. the concept of Trading Bloc came into existence, which brought the countries closer for improving the trade relations. It also emerged the conditions of exchange of culture and no doubt the political relation also got improved, which resulted in world peace.
- The period of 1991, which is called as the historic period when Indian Government has decided to go the LPG (Liberalisation, Privatisation and Globalisation) Policy for the economic development. We can say that with every step of advancement of approach of the country for globalisation has left the footprint at every sphere of culture, trade, economy of the country, etc.,
- Foreign Direct Investment up to 100% is also a major step taken by Indian Government, which has connected India to many countries.
- Developed countries have been trying to pursue developing countries to liberalize the trade and allow more flexibility in business policies to provide equal opportunities to multinational firms in their domestic market. International Monetary Fund (IMF) and World Bank helped them in this endeavour. Despite bureaucracy, lack of infrastructure and an ambiguous policy framework that adversely impact MNCs operating in India, MNCs are looking at India in a big way, and are making huge investments to set up R&D centers in the country. India has made a lead over other growing economies for IT, business processing, and R&D investments.

### **5. POSITIVE IMPACT OF GLOBALIZATION:**

- Growing Employment Opportunities: Due to Globalisation the employment opportunities have been enhanced like anything. Now there are no boundaries for the talent possessed people of India. India has witnessed the growth in the employment opportunities in the entire world for the Indians. It is a great achievement for Indian Economy.
- Economic Development: Due to Globalisation, it is expected that by 2030 India will be the one of the strongest economic country in the world.
- Increased Purchasing Power: The purchasing power and Standard of living of Indians have been increased due to availability of goods at the affordable prices. Apart from that the FDI, also is helping the corporate sector to grow in the right direction.
- Development of Service and I.T. Sectors: Globalisation is making it possible for the people to witness the faster economic growth in the field of service sector and Information Technology sector.
- World Peace: The improved political relationships are providing the facility of having peace in the world.
- Creativity: Improved technology is availing the gadgets which are relieving the people of India from monotonous work and allowing them to create new ideas for the further development.

### **6. NEGATIVE IMPACT OF GLOBALIZATION:**

- Loss of interest in our own language: The growing popularity of Globalisation has made everyone to have the fluency in English or any other foreign language. This has made the people to have command on foreign language and they almost start forgetting their own language. More over the people of India feel ashamed when they speak in their mother tongue and not in English or other foreign language.
- Foreign Culture: People of India have become more of fond of foreign culture in respect of clothing, eating, living etc. It has made the youth of India to forget the culture of our own living pattern.

- Losing value of Ayurveda: The western culture has made the new generation to rely more on allopathic treatment and not the ayurvedic. The new generation feels that what people will think of them if they go for the traditional measures for health problems.
- Effect on Student & Teacher Relationship: The growing popularity of Internet has also affected the teaching pattern of India. Students are relying more and more on online material and it has made the teachers to lose their values of physical presence. This is making the new generation to be the students of internet and not of the teachers.
- Human Values: The human values are also getting pushed and the youth of India is becoming more and more self-centric.
- Loss of Talents: The globalisation has made the youth to think that India is just developing country and the other countries are having more and more opportunities for them. They leave India and settle down in foreign country and work for them. They use their talent for the further development of the country which is already developed. This is making India to face the challenge of losing the talents.
- Loss of Indian Currency: More and more rely on foreign investment is also making the Indian companies to pay the interest and dividend in Indian currency. This is making India to lose the currency and making the country backward one step.
- Increased Divorce Rate: Since the culture is affected by the foreign culture and it's very common in developed countries to get divorce if the husband and wife are not having the same opinion. Indians, who use to think hundred times before going for divorce, are going for divorce now as if it is very common for them also. This separation is affecting the upbringing of the children in negative manner.
- Consumption of Alcohol and Smoking: The use and consumption of alcohol and smoking has become a fashion and trend among the new generation. It is also enhancing the use of drugs to certain extent.

## 7. CONCLUSIONS:

The present research paper has focused on finding the impact of growing Globalisation on Indian culture. In the research we have found that Globalisation is necessary, because, due to globalisation the trade, social, economic and political relations are getting improved among the countries and it is required also. But at the same time when it was observed, it was found that the youth of India are getting negatively impacted. Moreover, India is losing the new and innovative talent and these talented Indians are working for the other developed countries. In near future many communities may forget the traditional mother tongue and the use of foreign language will be encouraged. All these things are going to affect the Indian culture.

It is suggested to create certain cells by the Indian Government to explain the impact of Globalisation on Indian Culture and it should be informed to the youth of India that how responsible they are to make the Indian culture survived. The various courses in different programs can also be introduced by the Universities and Colleges to pass this message to the young Indians.

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# International Interdisciplinary Conference on 'New Pathways to World Development: Opportunities and Challenges' 26 - Feb, 2019

Adarsh College of Arts and Commerce, Kulgaon – Badlapur, Thane, MH, India

## The Study of Gender Equality and Women Empowerment in Indian Society

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**Abstract:** Gender equality and women empowerment are two sides of the same coin. Gender equality is a human right which entitles all persons irrespective of their gender to live with dignity and with freedom, whereas the term women empowerment make invaluable contribution to the improvement of health conditions and educational status & productivity of whole families & communities which in turn improve prospect for the next generation.

This research paper is totally based on the study of Indian society to find out real applicability of both the term i.e. Gender equality and Women empowerment. The main objective of doing this research study is to find out whether really in the society male and females are treated equally and also to know whether in the society females are enjoying total freedom while taking any kind of decision in their respective family.

**Key Words:** Gender Equality, Women Empowerment, Freedom, equality, relationship.

### 1. INTRODUCTION:

Gender equality and women empowerment these two terms are different but having interlinked with each other. Gender equality will be achieved only when women and men enjoy the same opportunities, rights and obligations in all segments of life. This means sharing equal, power and influence and having equal opportunities in economic and social aspects. Equal claims on education and career prospects will enable women to realize their personal ambitions. Gender equality demands the empowerment of women, with a focus on identifying and redressing power imbalances and giving women more freedom to manage their own lives. When women are empowered, the whole family benefit, thus benefiting the society as a whole and these benefits often have a positive effect on future generations.

### 2. STUDY OBJECTIVES:

- To study the level of gender equality among the society.
- To study the concept of women empowerment among the society.
- To study the relationship between the literacy and application of the concept gender equality and women empowerment.
- To study the psychology of men and women at working place about the term gender equality and women empowerment.

### 3. METHOD:

Rationale of the study: - For the nations development the role of gender i.e. men and women are equally important. This research study is focusing especially on the role of men, whether women's are getting equal opportunity in the society or not. And also to know whether women's are having total freedom while fulfilling economic social obligations. At the end of the research we can come to know whether the term gender equality and women empowerment are having only theoretical touch or practical touch.

Hypothesis:-

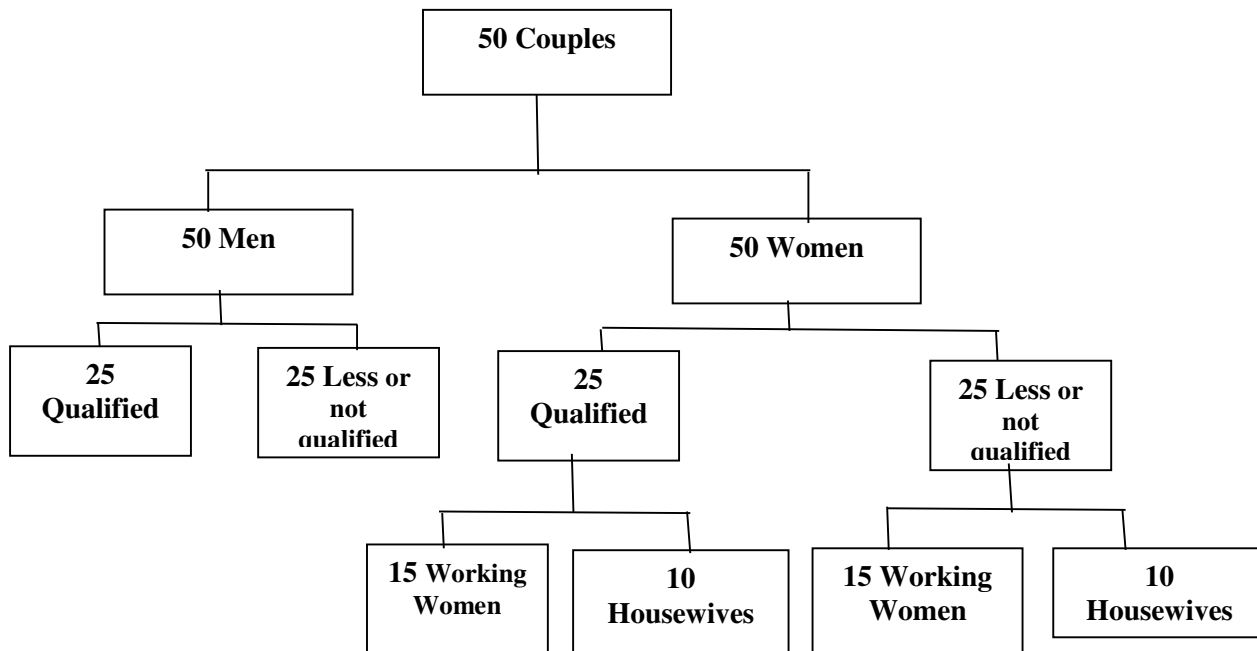
- 1) Ho: - There is no significant relationship between qualification and working on Gender equality and women empowerment.  
H1 :- There is significant relationship between qualification and working on Gender equality and women empowerment.
- 2) Ho: - No gender equality and women empowerment at work place.

H1:- Presence of gender equality and women empowerment at work place

#### 4. RESERCH METHODOLOGY:

Research Methodology :- This research is based on primary data by using convenience sampling method through structured questionnaire. This data is collected from 50 couples residing nearby me. Sample Size:  
- The total sample size is 100 i.e. 50 men's and 50 women's.

Sample design:-



#### 5. LIMITATIONS OF THE STUDY:

- 1) This study is restricted to 50 couples residing nearby me. If the same is extended to a larger geographical area that may give different results.
- 2) The sample size is 100 which include 50 men and 50 women. If we increase the number of respondent's results may vary.

#### 6. STATISTICAL ANALYSIS:

Table No. 1

Table showing awareness of Gender Equality & women empowerment among Men Category

Type of Respondents	Total Respondents	Awareness about Gender Equality & Women Empowerment
Men-Qualified	25	22
Men-Less/ Not Qualified	25	08
Total	50	30

(Source- Field Work)

Comments :- Out of 25 qualified respondents, 22 respondents are aware about the term gender equality and women empowerment i.e. 88%. Whereas out of 25 less or not qualified respondents, only 08 respondents are aware about the term gender equality and women empowerment i.e. 32%.

Table No. 2

Table showing awareness of Gender Equality & women empowerment among Women Category

Type of Respondents	Total Respondents	Awareness about Gender Equality & Women Empowerment
Women-Qualified	25	23
Men-Less/Not qualified	25	05
Total	50	28

(Source- Field Work)

Comments :- Out of 25 qualified respondents, 23 respondents are aware about the term gender equality and women empowerment i.e. 92%. Whereas out of 25 less or not qualified respondents, only 05 respondents are aware about the term gender equality and women empowerment.

Table No. 3

Table showing awareness of Gender Equality & women empowerment among qualified working women

Total Respondents	Awareness about Gender Equality & Women Empowerment
15	15

(Source- Field Work)

Comments :- 100 % qualified working women are aware about the term Gender Equality & women empowerment.

Table No. 4

Table showing awareness of Gender Equality & women empowerment among less or not qualified working women

Total Respondents	Awareness about Gender Equality & Women Empowerment
15	04

(Source- Field work)

Table No. 5

Table showing awareness of Gender Equality & women empowerment among qualified housewife

Total Respondent	Awareness about Gender Equality & Women Empowerment
10	08

(Source- Field Work)

Comments: - 80 % qualified housewives are aware about the term Gender Equality & women empowerment.

Table No. 6

Table showing awareness of Gender Equality & women empowerment among less or not qualified housewife

Total Respondent	Awareness about Gender Equality & Women Empowerment
10	01

(Source- Field Work)

Comments :- Only 10 % less or not qualified housewives are aware about the term Gender Equality & women empowerment.

Table No. 7

Table showing Gender Equality at work place among men and women category

Type of Respondents	Total No. of Respondents	Agree	Disagree
Men Category	50	45	05
Women Category	30	25	05
Total	80	70	10

(Source- Field Work)

Comments:- Out of 50 men respondents, 45 respondents are agree about gender equality at work place i.e. 90%.whereas out of 30 women respondents, 25 respondents are agree about gender equality at work place i.e. 83.33%.

Table No. 8

Table showing involvement of women in important decision making

Type of Respondents	Total	Agree	Disagree
Men	50	20	30
Women	50	15	35
Total	100	35	65

(Source- Field Work)

Comments :- As far as involvement of women in important decision making process is concerned, out of 50 men respondents, 20 have agreed i.e. 40 %. Whereas, out of 50 women respondents, 15 have agreed i.e.30 %.

Table No. 9

Table showing responsible factor behind non-empowerment of women

Type of Respondents	Total	Society	Male dominated culture	Women herself
Men	50	05	29	16
Women	50	04	37	09
Total	100	09	66	25

(Source- Field Work)

Comments :- The ancient roots of male dominated culture is the crucial factor behind lessening the progress of women, which from here shows that out of 50 men respondents, 29 respondents i.e.58 % agreed for the same. Whereas out of 50 women respondents, 37 respondents i.e.74 % have the same opinion.

The other significant factor is women herself as it is evident from the above data i.e. out of 50 men respondents, 16 respondents (32 %) and out of 50 women respondents, 09 respondents (18 %) agree with this reason.

The society is the next factor in consideration, as 05 men out of 50 respondents and 04 out of 50 women respondents are having the same opinion.

## 7. TESTING OF HYPOTHESIS:

1) Ho: - There is no significant relationship between qualification and working on Gender equality and women empowerment.

H1 :- There is significant relationship between qualification and working on Gender equality and women empowerment.

Interpretation :- As per Table No. 1 and 2 qualification among men and women creates lots of difference about awareness and implementation of the term gender equality and women empowerment. So Null hypothesis is rejected and alternate hypothesis is accepted.

Interpretation :- As per Table No. 1 and 2 qualification among men and women creates lots of difference about awareness and implementation of the term gender equality and women empowerment. So Null hypothesis is rejected and alternate hypothesis is accepted.

2) Ho: - No gender equality and women empowerment at work place.

H1:- Presence of gender equality and women empowerment at work place.

Interpretation :- As per Table No 7 out of 50 men respondents, 45 i.e. 90 % respondents are agreed about gender equality and women empowerment at work place. Whereas out of 30 women respondents, 25 i.e. 83.33 % respondents are agreed for the same. So the alternate hypothesis is accepted.

## 8. FINDINGS:

- More amount of awareness is there among qualified men and women about gender equality and women empowerment.
- At work place, equal treatment to men and women is observed.
- Mind set of men is now accepting the term gender equality and women empowerment.
- Implementation of gender equality and women empowerment is rarely finding among less qualified or not qualified men and women.
- As far as qualified couple is concerned, equal participation from men and women while taking important decision.
- As far as less qualified couple is concerned, especially women are reluctant or ignored by men while taking important decision.
- Most of the couple are of the opinion that male dominated culture is responsible for not having women empowerment.
- Among couple, some women have openly accepted that we our self are responsible for not having women empowerment.

## 9. CONCLUSION:

With this research work we can conclude that society i.e. Men and women, both have accepted that there should be gender equality and women empowerment. But still little bit scope is available for improving the situation of implementing the gender equality and women empowerment. Especially among less qualified people we should create awareness about these term.

## 10. SUGGESTIONS:

- Every organization should work on gender equality and women empowerment.
- The mind-set of the men or male dominated culture should get change and for this brainwash sessions should be arranged.
- Women they should start taking active part in family decision matter. Even in the organization, they should take initiative to get involved with men while taking any decision.
- The last but not the least suggestion is to create literacy among every men and women.

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# International Interdisciplinary Conference on 'New Pathways to World Development: Opportunities and Challenges' 26 - Feb, 2019

Adarsh College of Arts and Commerce, Kulgaon – Badlapur, Thane, MH, India

## Skill Development: Imperative for India's Growth

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**Abstract:** Skills and knowledge are the driving force of economic growth and social development for any country. In the next decade, economic forecasters predict that India's economy will climb to the third largest in the world, behind only the US and China, but despite rapid economic growth, unemployment is rising. The country's low skill intensity, low education attainment presents a major challenge in preparing the workforce for India's future. The aim of this study is to throw light on skill development and current education system. The research was conducted by means of descriptive and analytical study. The research highlights the role of education system, Institutions, teachers and students in the dynamic environment for sustainable development.

**Key Words:** Skill development, Sustainable development, Education system, teachers, students

### 1. INTRODUCTION:

The Indian education system is producing every year thousands of qualified graduates with lack of skill development. Some percentage of qualified graduate are working for service sector (53.66% of our GDP). We need to build a nation having more of skilled employees to contribute towards our manufacturing units and service sector in future. The current education system and government are trying their best to build the skill base nation. Despite of their effort the practical application is lacking in our current education system and not supporting our students to develop the skill. India is among youngest nations in the world with more than 65% of the working-age people and more than 54% of the people with a young workforce (below the age of 28). There is a great need for India to train the skill among youth for the development of our society. The academic knowledge plus skill development will contribute to sustainable economic growth.

### 2. STUDY OBJECTIVES:

1. To study awareness among students about skill development.
2. To study the importance of skill development and sustainable economic growth.

### 3. SIGNIFICANCE OF STUDY:

The study will help to throw light on the current education system and huge gap which would hinder the sustainable growth in India. The Current education system is focusing towards book knowledge and lacking practical application which is discourse towards skill development. The Education system should build a skill base talent for sustainable development in India.

### 4. RESEARCH METHODOLOGY

The nature of the study is descriptive and analytical. The research has been carried out through primary data which was collected with the help of questionnaire (Google form). Field survey and interview method was used to collect data. The target responses for the study are students who reside in Mumbai. Convenience sample method was used to collect data from students. The sample size has been considered as per the response received within the study period i.e. 120. The period of the study is December 2018 to end of December 2018. Simple statistical tools were used to analyse the data.

## 5. LITERATURE REVIEW:

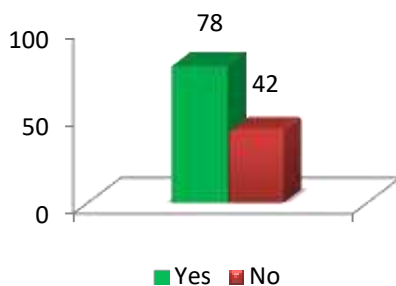
Dr. B. Yasodha Jagadeeswari (2015), studied on “Education and Skill development for foster economic growth in India”. The researcher threw light on key challenges faced by India due to demographic dividend and how to ensure a sufficient number of productive jobs in non-agricultural sector. To lead the demographic dividend, India needs better education and skill development programmes to train the huge youth in the skills which are required by the industry.

Dr. Ragini Sharma (2011), studied on “Skill Development – Impact on Economic Growth”. The researcher focused on ongoing education and learning, informal, non-formal and informal forms, from cradle to grave, making knowledge to improve quality of life. LLL is providing or using all types of learning opportunities to encourage continues development and enhancement of the knowledge and skills.

The above research stimulated us to find out the lack of skill development in the current education system which would hinder the sustainable economic development.

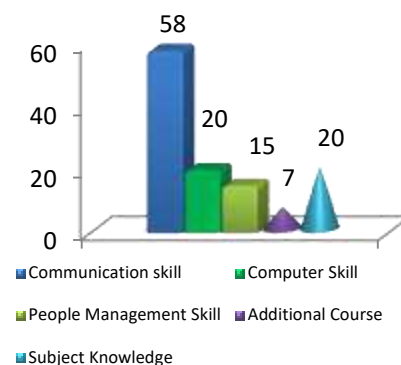
## 6. DISCUSSION:

Graph 1: Currently working



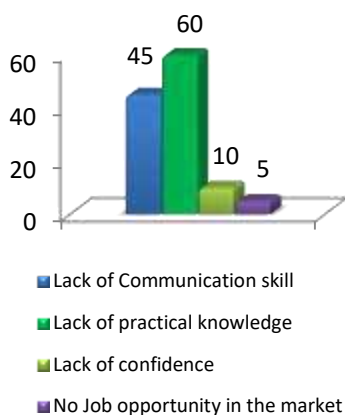
Currently 65% students are working and 35% still struggling to get job.

Graph 2: Identify the skill that helped you to get the job



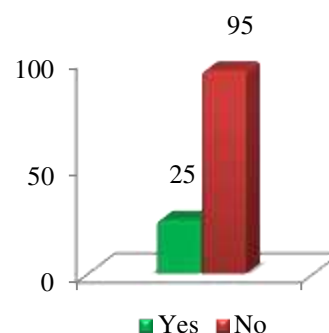
Majority of the students got job due to communication skill i.e. 48%.

Graph 3: Identify the reason for not getting hired



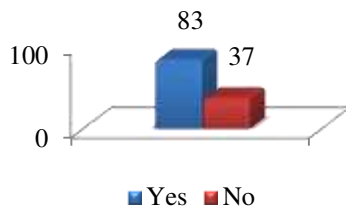
Majority of the students say that not being hired for job is due to lack of practical knowledge & communication skill.

Graph 4: Do you think that any skill training program for industry entry level roles included in your curriculum



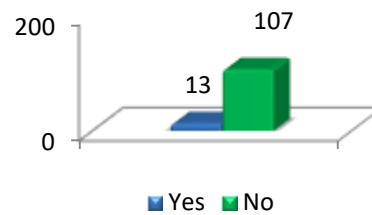
79% of students say that our curriculum and industry employability skill is not matching.

Graph 5: Any additional course related to employable skill offered by your institute



Majority of students say that college is offering additional skill development course.

Graph 6: Is it provided free of cost



11% says that courses are offered free of cost

## 6. FINDINGS:

- Students are struggling to get placed after completion of their graduation
- Students are lacking employability skills
- Some students managed to get the job due to skills
- Our curriculum and industry requirement has huge gap
- Colleges are trying to provide those skills through additional courses
- Such courses are not free of cost
- Students those who are taking up such course are managing to get job

## 7. SUGGESTIONS:

In the present context of globalization, the demand for skilled and multi skilled workers has increased. Therefore in the context of developing countries, such as India, there is a critical need for quality skill development and training.

At school level a subject should be added in the curriculum wherein the skill of the students should be identified. At the next level after identification of skill the students should be trained as a part of the subject. This will help them to identify their interest and passion for learning and accordingly this will help them to select course for graduation.

At college level the curriculum should include a subject wherein industry people should provide training to the students for a particular job. This will provide clarity to the students to groom themselves for employability.

Our education system should develop awareness about government schemes and opportunities available in the market for employability. Institute can play a major role by offering few free courses to the students to develop their skills for employability.

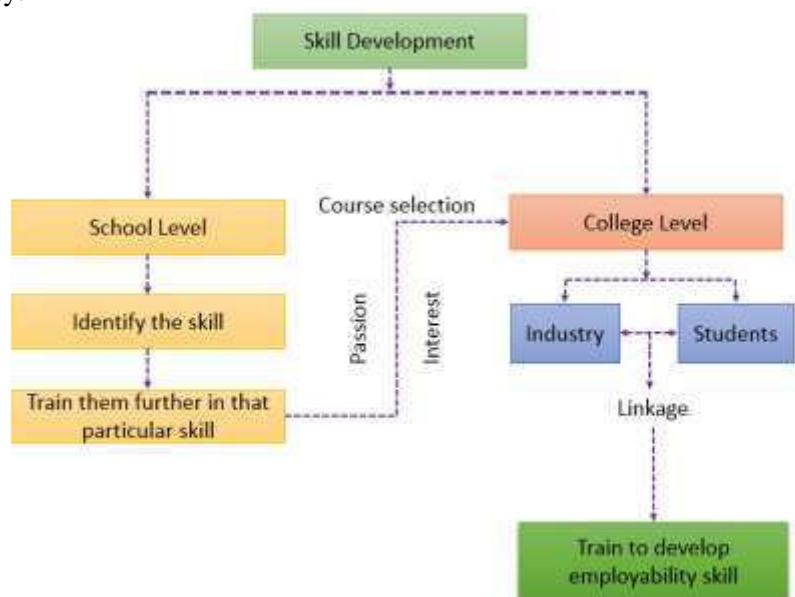


Figure.1

The above figure.1 illustrates the collaborative efforts of Education system, Industry and Students for developing a nation with skill base employability.

## 8. CONCLUSION:

The research concludes that students are struggling to get job due to lack of skills. Integration of skill development and education is very important to create employability. Students must get the exposure of Industry, Government schemes and opportunities in the market. All this can be provided to the students by integrating them in the curriculum. The parameter of success will depend on how efficiently education system can integrate skill development to ultimately develop skilled workforce. Some students are struggling to get job after graduation and some are struggling to complete graduation due to financial problem or individual incapability. So skill training at right age becomes very important which can help youth to get employability and contribute towards India's growth.

## 9. LIMITATION AND SCOPE FOR FUTURE STUDY:

The scope of this study is limited to the sample size of 120 students in Mumbai. The study can be extended to find out ways to develop skill base among students in the dynamic environment.

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# International Interdisciplinary Conference on 'New Pathways to World Development: Opportunities and Challenges' 26 - Feb, 2019

Adarsh College of Arts and Commerce, Kulgaon – Badlapur, Thane, MH, India

## Education in Jharkhand with Emphasis on English

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**Abstract:** *Teaching a second language can never be the same as teaching a first language. A learner who has learned one language knows a lot about human languages. He has built a universal grammar and this helps him in learning other languages. Only the significant differences in the other languages are to be learnt. Quite often what is being taught in the schools in the name of the mother tongue is the standard language. A student who comes to learn the standard language in the grip of his own dialect; his dialect is his first language. In trying to teach the standard dialect or the literary dialect, in fact, we try to teach a second dialect which happens to be very similar to the first dialect. This is a point which nobody has bothered about. It is quite possible that a student may speak the standard dialect and the teacher may force him to learn the teacher's dialect which may not be the standard dialect. This creates real problems. So, in teaching a first language, we should keep in mind the similarities and differences between a dialect and the standard language (or may be the literary dialect which is different from our everyday dialect).*

**Key Words:** *dialect, primitive, Anglicists, recommendations, abolish, empowering.*

### 1. INTRODUCTION:

In the primitive society, education was not controlled and systematic. There was rather no need for regular training. But with the sophistication of the social environment the need for formal education was felt. Invention of devices was necessary to cope up with new circumstances and to make the devices known to the younger members of the society. The need for formal education had to be devised. As a means of formal education, school was created. If we review the tradition of evolution of different countries we can find that school was created allowing the basic pattern to remain the same. In our country, among the ancient education systems, the Buddhist and the Brahminic systems of education are noteworthy. In the Brahminic system the education was conducted in the houses of the Gurus. On the other hand, in the Buddhist system, 'Maths' or 'Viharas' were the centers of education.

What followed the Brahminic and Buddhist system of Education in India was the one conducted under the guardianship of the 'sultans' who framed it as per their own will. Among them, however, only a few patronized it magnanimously.

In 1911, the capital of India was shifted to Delhi. Obviously, Jharkhand did not have any individual education system other than that operating in the rest of the country. So, till 1947, the system of education in Jharkhand was almost the same as in other states of India. After Independence, Jharkhand became a state itself and adopted its own education policy from time to time. However, the state cannot independently frame rules and regulations, defying the authority of the Union Government, as education is in the concurrent list of our constitution.

### 2. DISCUSSION:

#### Why support on English?

The Anglicists emphasised on imparting education through English language. Not only were the English people in this group, but also a large number of Indian stalwarts supported this idea. There were some reasons for supporting this on the part of the Indians. First, due to the attempt of the missionaries, English, by this time had become popular among the middle-class Indians. Owing to the popularity of English education, some Indian leaders were compelled to demand English, or they wanted to highlight the demand of the public. If the attraction of the people of different regions towards English is reviewed, we can find arguments for this. Secondly, the indigenous leaders thought, Western knowledge and Science are possible only through Science; and with the culture of Western Philosophy and Science, the mentality of Indians would be developed. This change of mentality would be able to disperse the superstitions from the human mind. Thirdly, English was the language of the rulers. Consequently, from the political viewpoint, that language became a language of immense importance. Therefore, Anglicists were for

English. They thought, government jobs of higher status could be obtained if English was learnt, and social status would be higher with the gain of English knowledge. Moreover, among the ordinary Indians the interest to learn English was keen enough. Fourthly, Indian leaders thought with the learning of English it would be easy for the Indians to elevate their culture in the outer world; Indian culture would develop through English education. The Indians would have self-satisfaction in highlighting their culture in the world. For these reasons, up to the middle of the 19th century, various Indian leaders argued for and worked for English and Western education.

### **The Principle of language learning in Education**

After the independence, a problem became conspicuous in our country with regard to the medium of instruction for the learners. Various Education Commissions made various recommendations. They emphasised three languages on three stages of education. Radhakrishnan Commission recommended that the learners would learn three languages in Higher Secondary and Higher Education, although the medium of instruction would be mother tongue or regional language. According to the Mudaliar Commission, the learners would learn three languages in lower Secondary stage mother language, English and Hindi. In Higher Secondary stage they will learn two languages compulsorily and an ancient language would be learnt as an additional subject. In the report of the Kothari Commission it was stated that a principle would be followed cumulatively in respect of language teaching. First in the Lower Primary stage the children would learn only one language - mother language or regional language. Secondly, in the Higher Primary stage the learners would learn two languages - mother tongue and the Govt., language or subsidiary language. Thirdly, in the Primary stage the learners will learn three languages - mother language or regional language, official language or subsidiary language and a modern Indian language. Fourthly, in the Higher Secondary stage there will be only two compulsory languages - one mother language or regional language, another official or subsidiary language and another foreign language. Fifthly, the commission did not dictate to teach any language in the Higher Secondary level. It was told that the knowledge of English was desirable as it was conducive to the learning in higher education.

As a rule for language learning, the Ministry of Education, Govt., of India, have accepted this recommendation of Kothari Commission. As per this principle, up to the Secondary level every learner has to learn those languages. From the Primary stage to the end of the Secondary stage every learner learns mother language or regional language. Apart from this in the lower Secondary stage the learners learn two more languages along with the mother language - a subsidiary language and the other modern Indian language except mother language. Again in the Higher Secondary stage they learn another language apart from the mother language. Therefore, it is being observed that up to Secondary stage in educational sphere most importance was laid on mother language. Moreover, they are learning either Hindi or English for eight years. Above all, mother language is being accepted as the medium of instruction in every stage. This system is introduced to encourage the learners in the learning of that subject. It is found that though in the universities of West Bengal, language teaching is made compulsory, the standard of the learners is not determined by this. So it can be inferred from this that formal language teaching ends in Higher Secondary stage.

### **Argument for language teaching**

The language teaching at the graduation level has been discussed in various phases. Arguments are there both in favour and against. Those, who are for this, argue that this is based on the recommendations of Indian Education Commission. The Commission dictated that language teaching at the university stage would not be compulsory. It put forward the following suggestions: (1) Ancient and modern Indian language and few selected modern languages may be taken as optional subjects in this stage. (2) In modern age the specialized knowledge has been expanded. So in the curriculum of optional subjects addition of ultra-modern information and theories became essential. In this perspective, whereas the aim is to assist in acquisition of specialized knowledge, it is not desirable to load the burden of language teaching. (3) From practical experience it is found that when language was essential then about 50% of the total examinees used to fail in the language. In this new language policy this kind of wastage can be averted. (4) In adopting Compulsory language as optional subject, the learners will be able to acquire some effective knowledge on that subject. This knowledge will help them directly to grasp the optional subjects and they will be encouraged to apply it in day to day life.

From the aforesaid arguments it can be summed up that the policy of language teaching in Jharkhand is scientific. But it needs more analysis of the practical situation. It is being observed that medium of instruction and language teaching is seen in the same light. So the principle of language teaching has to be judged, setting aside the principle of medium of instruction. But there is no controversy regarding the adoption of mother language as the medium of instruction. But in the formal education there should be arrangement of teaching at least one subsidiary language apart from the mother language. Whenever an attempt was sought for to resolve the subsidiary language principle, controversy came forward. Along with the reason, emotion has complicated the problem. If three-language formula is accepted as a consistent solution then a question arises: up to which stage of formal education these languages would remain compulsory. And this has been resolved in the language policy of graduation level. But has

the solution been possible? Why compulsory additional language teaching has been arranged for? In our examination-oriented mentality, it is not difficult to understand the importance of this teaching-learning. Those who think language should not be made compulsory in the graduation level, they too do not believe wholly in this matter. Moreover, it cannot be accepted that in the pretext of failure a language is to be exiled. The failure of the students cannot be an argument in abolishing this subject. Its necessity has to be considered.

It is assumed in this principle that the objects of language teaching will be served by the language learnt by the learners up to the Higher Secondary level. It is a matter of consideration how true this assumption is. Language teaching is the main topic of contention. That a language should be taught at the graduation level is not reasonable. Again, the principle of abolishing it on the former ground is also not tenable. Whether or not we do arrange for the scope of language teaching, it should be taken care of whether it has gained necessary capability at the stage in which it is taught. If the language teaching up to Higher Secondary stage is able to develop the ability of the learners, only then it can be inferred that putting aside language teaching has become reasonable at the graduation level.

### Steps taken for improvement of education from time to time

Various steps have been taken to face the challenges involved in achieving Education for All (EFA) goals in Jharkhand. The process of decentralization in the management of education has been effective in empowering the common man and the student in the school going age through various initiatives of the Government of Jharkhand.

- The education budget of the state in 1976-77 was Rs.114 crores, and in the current year the annual budget of the state on education is estimated at Rs.5000 crores, which is an unprecedented increase of 43 times in 22 years (as in June, 1999).
- In the last decade, about 13000 additional Primary schools have been opened and the number of students has almost been doubled.
- The number of Secondary schools in 1997 was 4595 and in 1999 the number has grown up to 6700.
- The State Govt., has made arrangement for supply of 5.17 crores of free text books in 86 titles and 5 languages (English, Hindi, Urdu, and Santhali ) to all the students of classes I to V in the primary schools.
- To encourage participation of the girls , the State Govt., has spent Rs.22.97 crores for supply of school dress to all girl students in classes I to V irrespective of caste and economic condition.
- Special emphasis has been laid to impart primary education in native language like Santhali language, in terms of the recommendations of Dr. Pabitra Sarkar Committee.
- Mid-day Meal Scheme has been launched in the state from 15th August 1995 to give boost to the process of universalization of primary education. Under this programme 100 gm. of rice per student per day is distributed free of cost to the students in classes I to V. From January 2003, cooked Mid-day Meal is being supplied in 1100 primary schools, covering 176500 students in 5 districts on an experimental basis. The programme may be extended after a review of its performance.
- To encourage participation in primary education, school sports for the students of primary schools are organized every year at the district as well as the state level.

With a view to creating more egalitarian societies in the world by providing Education for All (EFA) some targets were adopted by the World Education Forum at Dakar, Senegal, during 26-28 April 2000, which is known as 'Dakar Framework for Action'. The forum declared various goals like expansion and improvement of childhood care and education, free and compulsory primary education, adult literacy, elimination of gender disparities in primary and secondary education, improving quality of education, appropriate learning and life skill programmes. Long before the Dakar Framework of Action for education for all (EFA) was adopted, the Government of Jharkhand had attempted to determine the priorities in implementing the objectives of education for all, by establishing committees and commissions in the tune with the requirement of the people of the state and the requirement of the Indian Constitution. Eight important committees and commissions have been set up in Jharkhand since independence to provide the policy directive in the field of education.

### 3. CONCLUSION:

Institutional planning is a complex idea to be worked out scientifically. Government should modify the grant-in-aid rules. Each institution must have adequate freedom to pursue its own course of development and encouragement/reward must be given for achieving excellence. Good schools. Should get all the encouragement /privilege to experiment with new ideas. Hence education is required to form a complete man.

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**26 - Feb, 2019**

Adarsh College of Arts and Commerce, Kulgaon – Badlapur, Thane, MH, India

## A Study on Disaster Management with reference to HUDHUD

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**Abstract:** This paper is to highlight the precautionary measures and government approaches towards natural disasters. The disaster management is mainly depends upon efficient capacity building through the educational intervention. In 21st century climate changes and disasters are the emerging challenges. The recent researches indicate there is a increase in global temperature, sea level rise, natural hazards and other climate change may loss of human lives, damage properties and environment. Due to geo-climatic conditions the India has been traditionally vulnerable to natural disasters. In India the challenge of climate change increase in disaster risks posits particular significance. For handling these kind of increasing risk would be consumed valuable time and resources too. Some arguments analyse in India there is an impact of climate change on the risk of natural hazards. Disaster management brings up how to protect maximum number of lives and property during natural disaster. This paper disaster management aimed to address these kinds of issues as floods, fires, hurricanes, natural hazards how rapidly spread diseases, harm human lives and how government holds these issues with fitting steps being taken. The Indian government released disaster management plan that seeks to give a framework and direction to government agencies for prevention and management of disasters.

**Key Words:** Natural hazards, emerging challenges, government approaches, precautionary measures.

### 1. INTRODUCTION:

In 21st century the biggest challenges are climate change and disasters. They are the fast emerging and global risks with impacts far beyond the environment and implications on national security and development. The increase of disaster risks posits particular significance for India it is tackling the challenge of climate change and presently poised as she is an upward development trajectory. While handling the increasing risks the valuable time and resources would be consumed and it will have an effect on its development unless appropriate mitigation measures mechanisms are not put in place now, and policies refined to address the challenge. Impact of climate change on the risk of natural hazards and its implications for national security is an analysis put forth with proposed preparedness strategies and emergent policy imperatives.

### 2. SCOPE OF THE STUDY:

The disaster management holds within the complete field of disaster related activities. The classical people tend to think of disaster management only in terms of the post- disaster actions taken by relief and build officials: The broad scope covers by the disaster management and many modern disaster managers may find themselves far less involved in post-disaster than pre-disaster activities response. The disaster management responsibilities are the persons who work in the development field or the persons who plan a sequence of actions regularly in economic, regional, urban or agricultural development projects. In this paper the scope of the study restricted to the study of HUDHUD, its effect and remedial measures taken by the government for disaster management.

### 3. STUDY OBJECTIVES:

- To know the severity of the Disaster
- To assess the loss
- To understand the Precautionary Measures taken by the Government and Non-Profit Organizations.

#### 4. METHOD:

My study is restricted to the Personal Observation, Discussion with the Voluntary Organizations and Using Secondary data sources like News Paper Articles, Magazines and Internet.

#### 5. DISCUSSION:

##### 5.1 Theoretical Background of the Study:

Disasters aged as human history but the sudden increase and the damage caused by them in the recent past have become a reason of national and international concern. During the previous decade the number of human made disasters has climbed implacable. We need awareness of potential hazards helps to study about the impact, how, when and where they are likely to occur, and the problems which may result of an event. In India land mass is 59 percent susceptible to seismic hazard. The total geographical area is 5 percent is prone to floods. The total land mass is 8 percent prone to cyclones. The total cultivable area is 70 percent vulnerable to drought. A part from the natural hazards, we need to know about the other human made hazards those are frequent and cause huge damage to life and the property. It is therefore important that we are aware of how to manage with their effects. We have seen the extremely large loss to life, property and infrastructure a disaster can cause but let us understand what is a disaster, what are the factors that lead to it and its impact.

- **What disaster is?**

In the world every day so many news papers, television channels, radios carry reports on disasters which strikes so many places. But before that let us know what disaster is? The term disaster is originated from a French a word “desastre” and is a combination of two words ‘des’ means bad and ‘aster’ means star. It refers to “bad or evil star”. The definition for disaster is also termed as “A serious obstacle in the functioning of the society effecting wide spread material, social, economic or environmental loss by affected society to cope using its own resources which exceed the ability. The hazard, insufficient capacity, vulnerability or measures to reduce the potential chance of risk are the combined results of disaster.

- **What is meant by vulnerability?**

The definition for vulnerability is as” The extent to which a community, structure, services or geographic area is likely to be damaged or disrupted by the impact of particular hazard, on account of their nature, construction and proximity to hazardous terrains or a disaster-prone area.” Vulnerabilities can be categorized into physical and socio-economic vulnerability. Physical Vulnerability: It includes notions of who and what may be damaged or destroyed by natural hazard such as earthquakes or floods. It is based on the physical condition of people and elements at risk, such as buildings, infrastructure etc.; and their proximity, location and nature of the hazard. It also relates to the technical capability of building and structures to resist the forces acting upon them during a hazard event.

- **What about disaster management cycle**

The total activities and measures can combine to taken up in disaster management during and after a disaster with the determination to avoid a disaster and minimize its impact or retrieve from its losses. There are 3 stages of activities that can be taken within the disaster management. Those 3 stages are:

- Pre-disaster that means before a disaster: Due to potential hazard there is a human and property loss is caused for this activities are taken to reduce the losses.  
Example: conducting some awareness campaigns, weak structures are strengthened; at house hold and society level the disaster management plans are prepared. In this stage these kind of measures are taken and these are also called as preparedness and mitigation activities.
- Disaster occurrence that means during a disaster:  
Initiatives taken to ensure that the needs and provisions of victims are met and suffering is minimized. Activities taken under this stage are called emergency response activities.
- Post- disaster that means after a disaster:  
Initiatives taken in response to a disaster with a purpose to achieve early recovery and rehabilitation of affected communities, immediately after a disaster strikes. These are called as response and recovery activities.

##### 5.2 Risk Reduction Strategies:

By monitoring, systematically analysing and managing the effects of disasters were reduced the adverse effects of natural hazards and disaster risks. The two main elements that give rise to risk are the hazards – the potential damaging events or phenomenon – and the vulnerability of populations to these hazards. Natural hazards by themselves do not cause disasters; it is the combination of an exposed, vulnerable and ill-prepared population or community with a hazard event that results in a disaster. Human activity, such as land use changes, environmental exploitation and unplanned settlement, often exacerbates the level of disaster risk. Based on these concepts, the Hyogo Framework sets out strategies for reducing disaster risks through the five priorities for action:

- For implementation to ensure the disaster risk reduction is a national and local preference with a powerful institutional basis.

- To enhance early warning identify, assess and monitor the disaster risks.
- At all levels use the innovation, Knowledge and education which build a culture of safety and resilience.
- Underlying risk factors are reduced.
- For effective responses strengthen the disaster preparedness.

In Bali action plan, these kinds of priorities are also relevant, and reduce to advance adaption for disaster risk. Of these priority areas, three immediate and cost-effective areas where action can be taken to advance adaptation to climate change through disaster risk reduction.

## 6. About HUDHUD

Oman contributed by the name HUDHUD. It is an Arabic word. In Arabic HUDHUD is called as Hoopoe.

- **A depression in the Andaman**

On October 7, 2014, a low-pressure area over Andaman Sea was upgraded to a depression by the India Meteorological Department (IMD). On October 8, when it made a landfall over an island in the Andaman, it was classified as a cyclonic storm.

The name Hudhud was given to the cyclone by Oman — in Arabic it refers to the Hoopoe bird. Why Oman? Because a procedure is followed while naming cyclones over this part of the Indian Ocean and countries are allotted turns to name cyclones. Care is taken that no community's sensitivities are hurt while giving names since cyclones are destructive. Accordingly, Oman named it Cyclone Hudhud.

- **A very severe cyclonic storm was upgraded by HUDHUD cyclone**

On October 10, Cyclone Hudhud was upgraded to a "very severe cyclonic storm" in intensity, by the IMD. At 2.30 pm on October 10, it was centered near latitude 15.0° North and longitude 86.8° East, around 470 km east-southeast of the coastal city of Visakhapatnam. From there, the storm system was predicted to move in a direction west-north-westward.

- **Preparing for the cyclone**

In odisha and Andhra Pradesh was underway because of larger scale evaluation of people from coastal areas on the next day October 11. To evaluate a total of 450,000 people the two state governments were planned. For possible rescue missions 4 ships of the Indian Navy were helped. In Visakhapatnam District around 25000 people were moved and in srikakulam 46000 people in Andhra Pradesh. In coastal Andhra more than 140 emergency relief shelters had been opened. In the state there were 19 teams of the National Disaster Response Force (NDRF) were deployed. There is stand of army too.

- **Trains, flights cancelled; people braced themselves**

- 28 trains were cancelled and 13 trains diverted by the South- central railway. And 12 passenger trains were also cancelled.
- In Visakhapatnam all the flights were cancelled.
- To take stock of the preparedness for cyclone Hudhud the Prime Minister Narendra Modi met senior officials.
- The effected states of chief Ministers are having the constant touch with the union home minister Rajnath Singh.

- **Ground zero**

- The cyclone Hudhud made a landfall near Pudimadaka; it is 50 km from Visakhapatnam in Andhra Pradesh at around 11.30 A.M after the next day, October 12.
- Visakhapatnam was hit hard. The roof of the city's airport was blown away; so were the communication services and power supplies. Approximately, 500,000 people had to be evacuated in Andhra Pradesh; 160,000 were evacuated in neighbouring Odisha.
- The Visakhapatnam, East Godavari, Srikakulam and Vijayanagaram in Andhra Pradesh were the worst hit districts.
- In Odisha, Gajapati, Koraput, Malkangiri and Rayagada were among the worst affected. Overall, Andhra Pradesh faced the brunt of the storm.

- **Coping with the disaster**

- There were 46 death count was reported due to cyclone Hudhud up to October 20. Among this in Visakhapatnam district there were 29 deaths. In Vizianagaram 15 people were died. The estimation of loss of food grain production was 2.2 million tons, based on government statistics.
- In Andhra Pradesh there were 135,000 people still in relief camps more a week after the cyclone. Panchayat roads were more than 3176km and municipal roads were 648 to be damaged.
- In Visakhapatnam, Vizianagaram and Srikakulam districts the customers were around 2.4 million without power. The restored supply of electricity was 1.5 million customers according to government statistics.

- By October 15 all the affected train services were restored. The Visakhapatnam airport was the biggest challenge. To carry out restoration work of national tools and the runway the navy and NDRF personnel helped AAI officials.
- According to initial estimates in Odisha crop loss has pegged at Rs. 238 million. In southern Odisha 7, 70,000 consumers were affected. In the districts of Ganjam, Nabarangpur, Gajapati, Rayagada, Kandhamal, Koraput, Kalahandi, and Malkangiri the cultivable area has been hit.

## 7. FINDINGS:

- In National Disaster Response Force (NDRF) there are 42 teams were prepositioned in the unsafe areas of states of A.P and Odisha at required locations 1st early warning is given within hours.
- Before precede to field locations the NDRF conducted coordination meetings with the state and district administration.
- On receipt of early warning the south-central railways cancelled/ diverted many trains by considering the severity.
- After the cyclone within the 3 days majority of the train services are restored in the affected areas.
- For smooth functioning and communication the officials were designated and assigned specific duties and a control room was setup at Visakhapatnam airport.
- Before the cyclone landfall all the flights to/from Visakhapatnam and Bhubaneswar airports were cancelled 24 hrs.
- At airport there was an arrangement of water for drinking and normal use.
- At different endangered locations of the airport there is sufficient sand bags pre-positioned. .
- To avoid accidents there is a stopping of power supply to the building.
- For requirement of responses tarpaulins and ropes were arranged.
- If required after the cyclone excavating machines and manpower were arranged for clearing of approach roads to the airport.
- To run diesel generators sets sufficient quantity of diesel was stored.
- Readily kept the dewatering pumps.
- Airport premises were protected by additional supports and opening of all the doors.

## 8. SUGGESTIONS:

Setting up of community radio centers in different cyclone prone areas may be cheer for spreading of field information. All group radio centers still should be attach either HAM radio or wireless or Digital mobile radio to SEOC (State Emergency Operation Centers)/ DEOC (District Emergency Operation centers).

- Harm radios/ Digital mobile radio availability may be cheer by giving training to person help groups, members of PRIs and NGOs in the rustic areas and district level as a sacking for communication. Still SEOC/ DEOC has adjure and authority for this system and uniform information diffusion.
- The registered mobiles of listed numbers or all the people are receive communication through this system in the danger area of impact of the cyclone.
- A single point should also monitor the spreading of early notice to all the distant areas by SEOS.
- The DEOC/ local level/ Taluka/ Block Emergency operation centers send early caution to SEOC which link the IMD/ other sources to the last mile. This requires to be harmonize through enlarge a web based advanced caution diffusion system based on satellite, internet radio, and mobile technologies. The A.P and Odessa such systems are developed by the National Cyclone risk Mitigation project (NCRMP). At the time of wider dissemination of warning loud speakers and remote based sirens are supplemented by it.

## 9. CONCLUSION:

During the previous decades has seen epidemic increase in the disasters striking different parts of the globe. There is multi hazard profile on account of its distinctive geo-climate conditions for the Indian sub-continent. The composite nature of disasters, metropolitanize and expansion of slums, increased exposure of rural populace to deteriorating ecosystems and related issues like climate change have fuelled the strength of disaster engage. Although hazards are mostly unavoidable, mainly with the get bigger threat of climate change and adjustment in natural environment, they only become disasters when group manage appliance are unable to manage their engage. The latest experiences throughout Uttarakhand, Phailin, Hudhud and Kashmir flood response always remind us of the desperate to invest in improved eventuality planning, emergency communication and coordination and capacity development of closely connected interested party in risk diminution and management.

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## International Interdisciplinary Conference on 'New Pathways to World Development: Opportunities and Challenges' 26 - Feb, 2019

Adarsh College of Arts and Commerce, Kulgaon – Badlapur, Thane, MH, India

### Contribution of Shipping Industries in India and its Opportunities

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**Abstract:** Over the years shipping industries have gone through a revolutionary phase since few years. Its managing systems, operational effectiveness, volume capacity, port and logistics handling have witnessed tremendous change with the support of the government initiatives and foreign direct investments of private stakeholders. It has emerged as the major centre for trade and eventually has made available the employment opportunities due to its widening scope. Freight rates and earnings of the shipping companies are primarily a function of demand and supply in the markets.

On the other hand this sector has contributed in extension of education curriculum apart from Marine Training, evolving itself as one of prominent and respected Educational Institutes.

**Key Words:** Shipping, Marine Training.

#### 1. INTRODUCTION:

India: A peninsula blessed by the Arabian Sea and Bay of Bengal ; became a major hub of trading since the Portuguese explorer Vasco da Gama first discovered it. Being bounded by water boundaries all the way through, its bounties in terms of exotic spices, gems and jewellery, and various clothing materials attracted the world market centres. With a coastline of around 7517 km India has 12 major and around 200 intermediate ports.

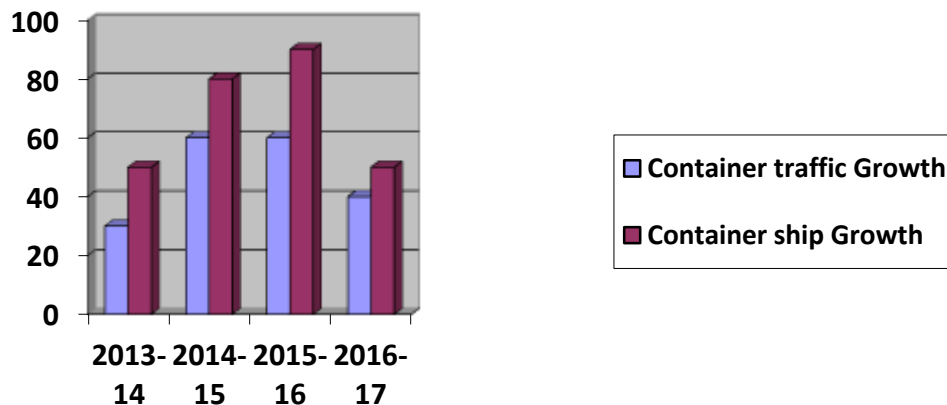
Since then shipping industries had played a vital role in country's GDP by the way of exports and imports. The period of 1497 witnessed the exports and imports which brought the Indian market more closer to the outside world along with the opportunities that were to be unfold yet.

#### 2. DISCUSSION:

This sector provided a boost to the Indian Economy as it resulted in inflow foreign exchange reserves by undertaking exports which are pivotal for any country's growth and development. Also the imports on other hand exposed the Indian markets to new varying products along with new cultures. The new era of after independence saw the new dawn of export and import of technologies.

Shipping Industries share has been increasing since its inception i.e. from around 1.2 % in early 1500 to 9.2 % in current scenario except in the year 2008. The net profit at major ports has increased to around US \$ 529.6 million. This sector is being driven by high growth in external trade. FY18 witnessed traffic of around 680 million tonnes around the ports. Supply is determined by the addition to shipping capacity. Also, factors such as ordering and scrapping influence the supply in this industry. Demand in the shipping industry is largely determined and is closely related to the growth in world trade. Use of sea transport for the bulk cargo transport is the natural advantage of a vast coastline of India. Due to the policy of liberalization, the major ports have been given to the private sector. The categories of ships are crude tanker, product tanker, bulk carrier, etc. All these have brought under the Open General License to facilitate acquisition at competitive price.

## Container and Ship Fleet



### 3. GOVERNMENT INITIATIVES:

100% Foreign Direct Investment have helped to receive a cumulative FDI of US \$ 1.64 billion between April 2000 to June 2018. Shipping industries have even helped in developing Special Economic Zones in areas proximity to ports. These zones would be converted into manufacturing hubs with modernized port infrastructure. Permission has been allowed by the Ministry for using flagships to carry the containers for transshipment. Operations and Maintenance service providers are benefitting a lot from these investments. This industry has grown five times than its estimation.

Ministry of Shipping target of increasing the capacity over 3130 MMT would be achieved by more participation of private sector. The Government have the plan to develop 10 coastal economic regions as port to receive the country's Sagarmala (string of ports) project. It has also facilitated a 10-year tax holiday to enterprises that develop, maintain and operate ports, inland waterways and inland ports. In May 2018, Ministry of Shipping allowed foreign flagged ships to carry containers for transshipment. In March 2018, a revised Model Concession Agreement (MCA) was approved to make port projects more investor-friendly and make investment climate in the sector more attractive. Essar Ports will invest US\$ 70 million in Hazira port by 2020.

### 4. OPPORTUNITIES:

#### 4.1 Investment Opportunities

At the beginning of the financial year (2010-11), the Ministry of Shipping fixed a target of 21 projects under PPP for the major ports out of which two projects have been awarded so far at Tuticorin Port and Ennore Port.

The Government of India is focusing on port infrastructure development in the country and is promoting private participation. The Government has allowed 100 per cent foreign direct investments under the automatic route for leasing of existing assets of ports Construction, creation and maintenance of assets such as container terminals bulk, break bulk multi-purpose and specialised cargo berths, warehousing, container freight stations, storage facilities and tank farms, cranes/ handling equipment, setting up of captive power plants, dry docking and ship repair facilities. Leasing of equipment for port handling and leasing of floating crafts captive facilities for port based industries.

#### 4.2 Employment Opportunities

The 'Make in India' initiative of Prime Minister Narendra Modi offers a plethora of opportunities in the maritime sector, particularly in shipbuilding, with the Shipping Ministry projecting a quantum jump in the volume of cargo and passengers moved through water transport.

The Ministry is aiming to raise cargo and passenger movement through waterways from the current 5 percent to 30 per cent in the next coming years. This means that there will be demand for more coastal ships, barges and passenger vessels, which would offer more opportunities to local shipyards.

Shipping Industry is one of oldest industry offering careers and lifestyle. The jobs are found mainly in major cities nearby ports such as Merchant Navy jobs, Cruise ship jobs, Freight jobs, Bulk carrier jobs and oil tanker jobs. Many International Cruise which are connected to India provide jobs related to cruise nursing, cargo, marine medical and cruise summer ship jobs in India.

Apart from export and import it also accelerated the pace of Logistics, Supply Chain Management, Carrier Agencies, Customs Housing Agents, and Clearing Agencies and even gave the concept of Marketing. These new allied services are a boon as it has made available various opportunities in the market. Every section has the capacity

to convert itself into self-reliant industry. Syllabus is framed for the students to pursue their career not only in Maritime but also in its allied sectors. It employs around 4 million people under its purview. In Mumbai Narottam Morarjee Institute of Shipping is one of the prime institutes offering such courses.

#### **4. CONCLUSION:**

The increase in India's refining capacity will benefit the offshore shipping lines as demand for their services picks up. As a result of the commissioning of large domestic refining capacities, the imports are expected to jump in the future. This would benefit shipping majors operating in India.

On the other hand, there would be a negative impact on the demand for tankers if the OPEC decides to cut output in the future as a result of global supply glut.

The shipping industry is impacted by numerous short term and regional factors such as political fallouts, weather changes, etc. This could result in great amount of volatility in the freight market.

The next two years will be difficult for the shipping industry due to problems of excess capacity. Lastly, china has been the main driving factor of the shipping demand.

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# International Interdisciplinary Conference on 'New Pathways to world development: Opportunities and Challenges' 26 - Feb, 2019

Adarsh College of Arts and Commerce, Kulgaon – Badlapur, Thane, MH, India

## Satyagraha: A Gandhian Perspective for maintaining world Peace

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**Abstract:** We are living in the age where the conflicts are the order of the day and globalization offers more to fear than to hope. War, violence and high levels of crime affect the peoples in the world today, destroying communities and unravelling years of social and economic development. Countries in conflict face far higher levels of undernourishment, educational deficits, child mortality, as well as lack safe drinking water and basic sanitation etc. There is an earnest requirement for an answer to conflicts byways which are constructive and not destructive. A number of schools of thought have emerged that focuses on various means for the promotion of global peace and security. Gandhian model of global peace is one of the viable alternatives. Gandhiji proposed and adopted Satyagraha as a moral equivalent to war and conflict. Philosophy of Satyagraha is a time tested method whose power is more grounded than the forces of military mediation. It is a technique of social activity used to resolve conflict and maintain peace without resorting to violent methods. The two virtues of truth and non-violence are the core of Gandhian Satyagraha. Without truth and non-violence, there cannot be peace and without peace, there cannot be development. Satyagraha is an ideal and a great weapon which will always serve as an inspiration to people of all generations to come. The paper makes an attempt to focus on the relevance and importance of Gandhian philosophy of Satyagraha for the promotion of world peace in the twenty first century.

**Key Words:** Conflicts, Satyagraha, Truth, Non-violence, Global Peace.

### 1. INTRODUCTION:

In the present time entire world is facing a wave of violent forces which in one or other way has made the situation of mankind on earth so pathetic, that to come out of this is a far reaching dream. Especially South Asia along with Middle Asia has become a hub of these pathetic conditions. The entire region is under several crises such as human rights issues, injustice to its masses, environment relating issues, gender issues, religious conflicts and terrorism. Gandhiji teachings and experimentation are more applicable nowadays than ever before, particularly when we are in search to find out the method of the present alarming issues. He not only showed a path for India's autonomy but also provided world a new idea of nonviolence and sustainable living. Initially he called this method as passive resistance but changed it as it was not giving full meaning to his struggle. So he renamed this method Satyagraha. Satyagraha is a technique of action used to maintain peace and harmony. It replace brute force by soul force, also known as love force through self-suffering with the main purpose of changing opponent hatred into inherent capacity, even if muted, to love the 'enemy'.

### 2. STUDY OBJECTIVES:

- To understand meaning and concept of Satyagraha.
- To understand the relevance and importance of Satyagraha for the promotion of world peace in the 21st century.

### 3. METHOD:

Qualitative method is followed in this paper. In qualitative method historical and analytical method are used. Data has been collected through secondary source which include books; Journals, research papers. Moreover, Internet also plays a significant role in collecting data.

### 4. DISCUSSION:

#### 4.1 Meaning of Satyagraha:

The Philosophy of Satyagraha and conflict resolution are linked to each other. Gandhian principle of Satyagraha is based on truth and nonviolence which itself is a conflict resolving method. The word Satyagraha literally means 'agraha' for 'satya'. The word 'Agraha' comes from the root 'grah' which means 'to get hold of', 'to hold fast to' and 'to seize up on'. Agraha for Satya therefore, means holding on to or holding fast to or seizing up on truth." (M.K Gandhi 1928) Satyagraha is the practice of resistance against evil, unjust, impure, untruth and resolving all maladies in human relations by love, self-suffering and self-purification. Even though Satyagraha was originated as a technique to counter social discrimination and injustice, it was effectively implemented by Gandhiji in political, economic and religious fronts. The core concept of truth (Satya) and Non-violence (Ahimsa) revolve round the whole political and social philosophy of Gandhi. He sustained his own vision of the radical change of the current social request and political framework, yet he was significantly more worried to develop a progressive way to deal with political activity and social change. (V.P Verma 1980-81) Truth and nonviolence are used against the system of injustice and oppression and also long term political and social reform. Gandhi's concept of truth, with non-violence determined the theory of Satyagraha or active resistance of authority.

#### **4.2 Philosophy of Satyagraha:**

The philosophy of Satyagraha implies that the injustice and cruel force are required to be resisted passively by following truth and non-violence. Here the opposite force are not to be removed, killed rather they are to be transformed by continuously appealing and insisting their conscience to see, realize and follow truth with a firm conviction. The revolution is not needed to be merely physical i.e. an armed revolution that if followed, would lead the country into hands of military rulers and feudal lords rather the revolution is needed to start from the spiritual base that would transform ideas, individuals, society and finally a nation. Satyagraha implies to accept truth what the reason approved.

#### **4.3 Basic element of Satyagraha:**

Truth, nonviolence and self-suffering are the three basic element of Satyagraha which together explains the technique of Satyagraha. A person is involved in seeking and discovering the pathway of truth. The term truth is relative that is judged in terms of human requirements. The discovery of truth directs to differences of beliefs, which is the central point of the approach of Satyagraha. Differences, according to Satyagraha, can be resolved using nonviolent action. Nonviolent action is based on the concept of refusing to harm the enemy and also undergo self-suffering to morally persuade the opponent to allow justice to be done. As Bondurant explicitly explains "Truth leads to an ethical humanism. It follows that ahimsa (non-violence) which includes the concept of love, leads in turn to Self-suffering . . . to demonstrate sincerity . . . implies sacrifice and preparation." (Bondurant 1958)

#### **4.4 Requirement for staging Satyagraha: A set of rules are given by Gandhiji for launching Satyagraha movement.**

1. Harbour no anger
2. Opponent's anger should be faced.
3. Should be free from fear and not to insult or punished to his opponent
4. Willingly offer to detention or surrender of your own assets.
5. Protect the assets of trustee by non-violently.
6. Don't abuse or insult the opponent
7. Don't salute or abuse the opponent's flag or their leaders
8. As a detainee in jail one should respect and follow the rules of jail.
9. Obey your leaders order happily for Satyagraha action.
10. Pick and choose policy of the orders should not be followed.
11. Don't become a reason of communal riots.
12. Don't take sides of riots, but help that party which is obviously in the right; in case of religious clash, protect your life non-violently in risk on either side.
13. Don't take part in demonstration that would harm the religious emotions of any group of people.

#### **4.5 Satyagraha as a tool of in maintaining world peace:**

Satyagraha as a tool of in maintaining world peace: Satyagraha is one of the most practical tools in maintaining world peace. Gandhian philosophy is based in nonviolent method. The method of Satyagraha can be used to resolve all conflicts at local, national and international level. The main objective is not to harm or destroy the opponent but to change him through love. Satyagraha is considered as powerful instrument for preventing and handling the conflicts and disputes. The term has widely been translated as passive resistance, nonviolent resistance, nonviolent direct action and even militant nonviolence. (Thomas Weber 2001) The vital aim of Satyagraha is to appear at the higher level of truth in a nonviolent manner. The center of nonviolent method is that it seeks to settle aggression but not the enemy. Satyagrahi renounces himself from any kind of aggressive act and discourages violence

in any form. Violence destroy the opponent or at least injury him, and this not the way to change or reform the opponent.

R.R Diwakar (1994:86) stated that Gandhiji visualize and practiced the Satyagraha as a way of life. Satyagraha is a moral weapon that can be used not only by persons but also by groups and masses to fight against corruption, exploitation, imperialism, social, economic and political injustice. It plays a significant role in maintaining peace and securing justice. In conflict situations, Gandhi promotes the adherence to nonviolence in thought, word and deed. The goal here is to arrive at the truth by undergoing self-suffering.

In order to maintain peace and resolve disputes, the Satyagrahi should be free from violence, abhorrence, hostility, mistrust, brutality or other similar disruptive feelings. As regards speech, he should evade all offensive, abusive or unnecessary offensive language. In his dealings he should not rely on brute force, for to do so is to cooperate with the evil doer and provide him support. In spite of all provocation the Satyagrahi should not act against his attacker, and he should not call in stranger to assist him, for either course would mean that he is depending on physical force. A Satyagrahi wear out all other means before he resorts to Satyagraha. Gandhi also used it as his last weapon against injustice, after having exhausted all other possibilities of persuasion and reconciliation. The aim of Satyagrahi is to change the opponent, to change his perceptive and his sense of values so that he will join whole heartedly with the nonviolent resister in seeking an agreement which will be truly satisfying to both the parties. The Satyagrahi seeks a resolution under which both sides can have complete self-respect and mutual respect, a settlement that will execute the new desires and full energies of both parties. (Manish Sharma 2001:69)

A Satyagrahi will constantly try to overcome evil by good, anger by love, untruth by truth, Himsa by Ahimsa. Satyagraha stresses four basic ideas (a) it is essentially the use of soul force (b) it excludes the use of physical force (c) through the suffering of the Satyagrahi it appeals to the heart and thus seeks convert the offender and (d) means and ends are convertible terms "as the means so the end". A good result can be produced only by good means. (Dilip K Chatterjee 2005: 172).

Gandhiji has provided a set of principles necessary for maintaining world peace which are as under:

#### **4.6 Nonviolence is a force:**

Generally we know that there are two types of forces, physical and soul forces. Physical force is based on violence and cannot solve any issue, thus Gandhiji opposes physical force. Gandhian perspective of conflict resolution emphasized spiritual force as it is based on nonviolence. His nonviolence is the message of universal love. Nonviolence is force which begins with the mind; it is practiced only by a strong man. Strong means, the power of the mind, not the power of the body. Coward or weak person is not able to practice nonviolence. (Dilip K. Chatterjee 2005)

#### **4.7 Inner purification:**

When a person practiced nonviolence, his inner purification is necessary. Inner purification means practicing self-discipline in right faith, right speech and right action. Gandhiji intensely expressed his concern that love, friendliness and charity are the essential mechanism of inner purification of human beings. Gandhiji's nonviolence is recognized as inner transformation of man's heart through love. The most important aspect of Gandhi's nonviolence is love and inner feeling in the heart.

#### **4.8 Negotiation:**

Negotiation is the first and foremost step in the Gandhian concept of maintaining peace. In the process of negotiation, Gandhiji had given certain basic principles managing the conflict. He sought to establish mutual values and respect with the opponent because he knew this would go a long way towards a satisfactory resolution of the conflict. Gene sharp articulated that negotiation is one channel for maintaining contacts between two groups, helping the opponent understand the grievances. (Gene Sharp 1973) Dialogue or communication is used for resolving conflict and trying to induce the opponent. Bilateral or multilateral dialogue is the main form of Gandhian Satyagraha. Open communication decreases the negative images of one's opponent and the conflict can be settled easily. In many situations conflict appeared in the lack of information in between the parties. The Gandhian approach to conflict resolution is based on creating the conditions for the establishment of a fruitful dialogue between the parties. As it has been argued, the instant goal of Satyagraha is to reach a synthesis of the opposing claims.

#### **4.9 Persuasion:**

Even if negotiations fail, the Satyagrahi is always willing to use any opening for moral settlement at every stage of conflict. The error of this opponent is either due to ignorance or selfishness. Persuasion is drawing on highly credible supports, public communication, Medias, pressure on individuals, symbolic public acts, public gathering and renunciation soon. It gives rise to public visibility to the conflict and begins to involve others in conflict resolution. It opens the confrontation to other perceptions and other helpful ways of addressing and resolving the issue. An awakened and intelligent public opinion is the most potent weapon of a Satyagraha.

#### 4.10 Conversion:

Conversion is the most important aspect in the Gandhian philosophy in maintaining peace. The main intention of n Satyagraha is to change both contradictory groups so that they both see each other on the same side in a common attempt to solve the conflict. Gene Sharp has pointed out that conversion means that the opponent as a result of action of the nonviolent person or group, comes around to a new point of view which embraces the ends of the nonviolent actor. A Satyagrahi never tries to persuade the “wrong doer” by inducing fear; instead the appeal must always be ‘to his heart’. The Satyagrahi’s object is to change, not coerce the wrong doer. (Gene Sharp 1978)

#### 4.11 Self-Suffering:

Self-suffering is the one of the important way in Satyagraha. In a nonviolent resistance, Satyagraha is not a technique of punishing or inflicting pain on others, but a method of converting them by appealing to their better self through a process involving self-suffering. The Satyagrahi have only a way to determine conflict through self-suffering. Voluntary self-suffering opens the eyes of the evildoer which are otherwise shut to the voice of reason. Thus a Satyagrahi has to appeal continuously to the evil doers head and heart combined.

**4.12 Nonviolent Action:** Nonviolent action is the most important technique in the process of conflict resolution and maintaining peace. It has a long history, it was evolved not by Gandhi but it was widely used by Gandhi in Indian freedom struggle. Nonviolent action is significant method for conducting social, economic and political conflict without the use of physical violence. It served as a tool of empowering parties in conflicts with oppressive and powerful opponents. Famous Salt Satyagraha is the one of the important case in nonviolent action. Satyagraha included numerous forms of nonviolent actions like non-cooperation, boycotts, picketing, strikes, civil disobedience, fasts, mass imprisonments, refusal to pay taxes, and a willingness at all times to be abused by the authorities and to respond non-violently, with politeness, courage and determination.

#### 5. CONCLUSION:

Satyagraha is a technique of maintaining peace which is based on the principles of nonviolence, truth, justice, morality, spirituality and self-suffering. Gandhi dealt with practical problems as they arose and sought solutions for them within the context of these main beliefs. He formulated and demonstrated the major tenets of Satyagraha firstly in South Africa and then in India, during Champaran movement, movement against the Rowlatt Act of 1919, the Non-cooperation Movement, the Civil Disobedience Movement. During these Satyagraha campaigns he used various techniques of Satyagraha such as prayers, fasts, boycotts, strikes, picketing, marches, non-payment of taxes, deliberate defiance of laws and practical programs. Thus, Satyagraha can be used to deal with conflicts in every sphere of life. There may be doubts about the efficiency and applicability of Satyagraha in the present scenario but Gandhi has inspired and continues to inspire the masses and movements fighting against the tyranny of violence, coercion and exploitation. We can say that the fundamental essential of Gandhi’s teaching are Satyagraha, truth and Ahimsa, which are relevant today. There is the need not only to preach and admire but to follow the model of Gandhian values.

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# **International Interdisciplinary Conference on 'New Pathways to World Development: Opportunities and Challenges' 26 - Feb, 2019**

Adarsh College of Arts and Commerce, Kulgaon – Badlapur, Thane, MH, India

## **India's Foreign Policy a Panoramic View**

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### **1. INTRODUCTION:**

The raison d'être of India's foreign policy is to help country in addressing its current and futuristic needs in effective way. Historically India's foreign policy is drawn on high ideals of Panchsheel, non-alignment to any of the two camps of the world namely USA led capitalist group and former USSR led socialist group, to strike a middle path in foreign policy for achieving India's myriad needs. In this paper an attempt has been made to capture the kaleidoscope of events from 1947 to 2014, in the first few chapters. How India shaped, unshaped and reshaped its foreign policy is interesting to read in this part.

Currently India is going through a process of metamorphosis under the regime of BJP LED NDA Govt. with a strong mandate in 16th Lok-Sabha 2014-19. Indian economy is in reform mode. Creating India as a destination for manufacturing which will further create job opportunities, Skill India, Clean India, Digital India, attracting Foreign Direct Investment are the current and future need to mention here a few. This paper has thrown a light on the modus operandi of the current government to achieve these needs.

### **2. STUDY OBJECTIVES:**

- TO HAVE A DEEP INSIGHT INTO INDIA'S FOREIGN POLICY.
- TO STUDY POLICY FORMULATION PROCESS OF GOVERNMENT.
- TO UNDERSTAND CURRENT AND FUTURE NEEDS OF INDIA.
- TO ANALYSE THE WORLD EVENTS AND ITS IMPACT ON INDIA.
- TO ENHANCE KNOWLEDGE ON FOREIGN POLICY.

### **3. METHOD:**

The nature of the research paper is theoretical; hence the data has been collected through secondary sources. For the purpose Printed materials, Reference Books, Research journals, Research Papers and Internet have been widely consulted to develop the plan of the research paper.

### **4. DISCUSSION:**

#### **4.1. 1947 TO 1962 NEHRUVIAN ERA OF IDEALISM & COLD WAR**

"At the stroke of midnight hour when the world sleeps, India will awake to life and freedom" famous statement of Pt. Jawaharlal Nehru is quite vocal about an awareness of a newly Independent Nation that this independence has to be looked in a locus of bipolar world order but India's freedom lies striking the focus of middle path of non-alignment and peaceful co-existence.

This policy of non-alignment advocated by both Mahatma Gandhi and Jawaharlal Nehru on the idea of non-involvement and non-entanglement. It became the corner stone of independent India's foreign policy. This is mainly because India achieved its independence during the time when the Cold War clouds were already looming large on the globe.

It was Jawaharlal Nehru, the architect of India's foreign policy, who continuously held the External Affairs Ministry as well from 1947 to 1964, played a decisive role in shaping the India's post independence foreign policy. His contribution towards India's foreign policy formulation and implementation was memorable and highly appreciable. Nehru's authority on foreign policy matters was all in all and his word in cabinet discussions was final, to which several members of the Congress and his colleagues in the government supported actively. In short, Nehru's role in India's foreign policy matters was a one-man show.

On the eve of independence there were multiple problems in India. food shortage, problem of immigrants due to partition, economic drain of wealth, loss making agriculture and industry there was a need of predictable policy for growth of manufacturing sector. Large number of Indian citizens was illiterate. This was a domestic situation present in India.

Nehru was sceptical towards US but was little inclined towards USSR mainly because of his own social democratic orientations. However, he was also aware of the horrors of Stalin's collectivist enterprise. Nehru was deeply concerned about the opportunity costs of the defense spending. He was aware that involving with any of the two major powers would escalate the defense spending and it would drain substantial resources badly needed for economic development. He had a personal disdain of having too much defense expenditure and he could overcome this only after 1962 conflict. Nehru wanted to maintain the hard earned independence and was aware that involvement with either would somehow compromise freedom.

#### **Achievements of Indian Foreign Policy during 1947-1962:**

##### **During this period, major achievements of India were as follows:**

India played significant role in multilateral institutions and particularly in United Nations peacekeeping operations. India involved in International Control Commission in Vietnam and the Neutral Nations Repatriation Commission in Korea. India also made significant troop contribution to the United Nations Peacekeeping forces in the Belgian Congo. India emerged as major leader of nonaligned movement. India made significant diplomatic efforts toward the process of decolonization. India attempted to defuse the cold war tensions. India was one of the early proponents of nuclear test ban treaty. In 1952, India and Ireland had introduced a draft resolution to bring about a global ban on nuclear test

##### **Failures The major failures in this phase are as follows:**

Firstly, India moved the issue of Kashmir to the UN Security Council. Many leaders including Sheikh Abdullah were not in favour of India seeking UN intervention because they believed that Indian Army was in a position to free entire Kashmir from the Pak army.

Secondly, India faced severe criticism for the way it handled the affairs of Goa with Portugal. The diplomatic talks between Nehru and the Salazar regime in Portugal ended in a deadlock and India used military to expel the Portuguese from Goa in 1960.

Thirdly, one of the tenants of the NAM was that the countries had to reduce their defense expenditures. So, Indian military expenditures were drastically limited even if it was known that the security threat from China was mounting.

But, it was an ill-conceived policy because to achieve the status quo, India sent small units (aka. penny packets in military jargon) of lightly armed poorly equipped and ill soldiers to the high altitudes of mighty Himalayas. The result was that in October 1962, China attacked with considerable force. India lost the war with China because of highly idealistic and own romantic creations.

#### **4.2. 1962 to 1991 shift from idealism to realism.**

##### **Major national and international events during**

- China's Nuclear Explosion 1964
- The 1965 Pakistan War:
- Bangladesh creation.
- Oil shock of 1973
- Detente in the 1970s meaning relaxation of tension of cold war.
- India's nuclear test (buddha laughed)
- Afghanistan issue
- US Arms supply to Pakistan
- 1990 Iraq invaded Kuwait a Gulf country
- Collapse of Germany's wall
- Fall of USSR

##### **Indira Gandhi era**

- Indira Gandhi, a dynamic leader in the world politics, always considered nation's interest but her direction was more than institutional or it is also called as "Modified Structuralism" than the romanticism of her father.
- US realized that India with or without it (US) is emerging a prominent center of power, not only in South Asia but in the Asian region as well. This prompted US to have normal relations with India.

##### **Rajeev Gandhi Era**

Rajiv Gandhi the youngest Prime Minister of India greatly influenced the formulation of foreign policy of India. He followed in the footsteps of his grandfather Jawaharlal Nehru and his mother Indira Gandhi, who were not only the guiding spirits but also leading players on the world stage. Still the approach of Rajiv Gandhi had some differences from that of his predecessors. The inclinations of Rajiv Gandhi towards West to get the technological know how is a classic example for his differences with his predecessors. He being a new comer on the international scene demonstrated a great deal of dynamism and enthusiasm in the formulation of India's foreign policy.

However, the role played by Rajiv Gandhi in formulating India's foreign policy can be studied in the light of some important developments that proved his leadership quality in resolving the intrinsic issues such as

- the terrorist activities along Indian border supported by Pakistan,
- improvement of relations with the Super Powers,
- strained relations between India and China
- And above all the ethnic problem in Sri Lanka.

**The Coalition Era: National Front Government:**

Since it was a coalition Government, the Prime Minister V.P. Singh could not devote much time to the foreign affairs because he was busy in managing the coalition partners and also because his was a weak leadership.

When V.P.Singh lost power due to internal squabbles at the end of 1990, Chandra Sekhar became the Prime Minister of India for a short span. The most controversial decision during the regime of Chandra Sekhar was allowing refueling facilities to the American aircrafts involved in the Gulf war. Commenting on India's stance the then Foreign Secretary, J.N.Dixit said "There has been much ado about India diluting its Non-aligned and neutral position by having allowed this facility to the US. One has to analyse this decision in terms of India's interests and compulsions" Therefore, It was during the regime of National Front government that the foreign policy of India was in great shambles owing to mishandling of the issues.

#### **4.3. From 1991 to 2014 LPG era**

**P.V.Narasimha Rao's Period:**

- The regime of P.V.Narasimha Rao as Prime Minister of India was one of glorious and crucial moments in the history of India's foreign policy.
- It was during this period that he gave much importance to the economic development of the country, which is one of the pre-requisites of sound foreign policy. He was considered as the architect of Indian economic reforms introduced in the 1990s. Therefore, the modern economic boom in India is largely attributed to the fundamental reform started by Prime Minister Rao and Dr. Man Mohan Singh the then Finance Minister. Liberalization, Globalization and Privatization was accepted by India.
- At the same time, he also turned his attention towards bringing the foreign policy back on the track. He made sincere attempts to strengthen India's foreign policy thereby
- Improving India's relations with all countries of the world, including her immediate neighbours.
- The greatest achievement of P.V.Narasimha Rao in the field of country's foreign policy was the signing of the peace talks with China with a view to ending the long-standing border dispute between the two countries

**The United Front Government:**

I.K.Gujral was appointed the Minister for Foreign Affairs of the country. He was an able statesman who could diplomatically handle the River Ganga Sharing water issue and sorted out the Ganga water problem with Bangladesh and also dealt firmly with the issue of signing the Comprehensive Test Ban Treaty (CTBT). In fact, he was given free hand in dealing with external affairs matters during Devegowda's tenure.

**The Foreign Policy of National Democratic Alliance (NDA): 1998-2004**

- The first and foremost development was carrying out of nuclear test in Pokharan.
- Bus Diplomacy with Pakistan: The Bus diplomacy played a significant role in promoting the cordial relations between India and Pakistan. In order to strengthen the people to people contact.
- Active engagement with America by calling USA as a natural ally since both India and USA are larger democracies in world.
- Kargil War
- Kandahar incidence

**Achievements**

- Flow of capital and technology in India increased.
- People to people contact with neighboring countries
- Credible nuclear doctrine post nuclear tests helped India to do away with sanctions lifted by world

**Failures**

- Failed to continue the momentum in India-Pakistan relations.
- Kandahar plane hijack led to release of Masood azar.

**The Foreign Policy of United Progressive Alliance (UPA) Government:** a tilt towards west on account of strategic autonomy.

- These were the crucial years for India because of various domestic issues. Compulsions of coalition politics were huge on Dr. Manmohan Singh, the then Hon. Prime Minister. On economic front Twin deficits namely current account deficit and fiscal deficit, weak Indian rupee and supply side bottlenecks. National security issue, after 26/11 attack in Mumbai, became prominent.

- Internationally also there was turmoil mainly on world economy front e.g. Subprime crisis Eurozone crisis, increased oil prices. On political front there was Arab spring started in Tunisia and spread in Muslim countries. It gave an impetus to terrorism, massacres and ISIS.
- In amidst of all such events Manmohan Singh Government drew a policy of strategic autonomy. It gave India 123 nuclear civilian agreement with USA. India's foreign policy proved beyond doubt that it is not static but adjustable in the case of its tilt towards West
- This naturally created a sense of mistrust in India's relations with Soviet Union. India's tilt towards West was generally understood as deviation from the actual path as set forth by the foreign policy makers. Even, there were also structural changes in the Indian foreign policy when new developments took place in the international situation. Therefore, India's foreign policy is an admixture of both tilt and upright.

#### 4.4. Foreign Policy in Modi's Regime

Modi's policy pillars:

- Growth and Prosperity for all
- Security for all
- Self- Pride

The above mentioned objectives were prefixed by current government. The main intention behind this was to use foreign policy as a tool for national development. And it is statistically proven fact that these objectives are near completion. In the year the flow of foreign direct investment was \$ 0.5 BN. Year on year basis in now \$5.5 bn on year on year basis. The rank in ease of doing business was 142 in the year 2014 in 76 in the year 2018-19. This is because of the shift from Red Taps to Red Carpet treatment to MNCs. International Monetary Fund has vociferously said India is a bright spot in the time when China is slowing, Brexit problem is unsolved and USA is still not on the path of progress and escalation of China – USA trade war. The Brand India is rising in the international arena.

Under defense Diplomacy India has been able to grab Sensitive Dual use Technology from USA, ISRAEL & JAPAN. Joint military exercises with more than 50 countries in bilaterally and multilaterally have been conducted on yearly basis. S-400 anti-ballistic system from Russia, 36 Rafael aero planes from France and logistics exchange memorandum of agreement ( LAMOA) with USA are very important defense and security related agreements have been signed. Surgical strike into Pakistan has shown decisiveness of Indian military to combat terror and maintain peace across Indian border.

Diaspora diplomacy has been effectively used for getting remittances into India. And in the year 2018-19 India is number 1 in receiving remittance which is amounting to \$ 70 bn. India has been able to grab membership of various multilateral institutions such as MTCR, WASENNAR, AUSTRALIA and Shanghai Co-operation Organization.

New trends in Foreign Policy under Modi Government

- Completion of Economic Interests multilaterally
- Democratization of Foreign Policy
- Cultural Route to connect with Buddhist Countries
- Public diplomacy and People to People connect.

#### Redlines in India's Foreign Policy:

In order to protect India's core interests, government of India has drawn some Redlines which are not to be crossed under any circumstances.

- WTO : in WTO India has used veto power during Trade Facilitation Agreement and India's farmers' interest and food security of India has been protected.
- China issue: on one side India is actively engaged in trade with China but on the other side India is developing infrastructure on Indo-china border.
- While buying S400 system from Russia, USA tried to impose sanctions under COMCASA act, but India has taken bold step without any pressure from America.

This clearly shows CARROT & STICK policy of India.

Break-up of Modi Government's Foreign Policy in 5 steps for comprehension.

- 1) South Asia:
  - Neighborhood first
  - India Sri-Lanka nuclear deal.
  - Hydro Electric projects with Bhutan.
  - Quality of deterrence has been increased on Pak border
  - No terror & talk can go on simultaneously on Indo-Pak bilateral issue
- 2) South East Asia & Central Asia:
  - A paradigm shift from look east to act east
  - Connectivity by land with India- Bangladesh-Myanmar-Laos-Cambodia. 2500 km road will be constructed.
  - INDIA-ASEAN Free Trade Agreement

- \$ 100 Mn to Vietnam for defense purpose to counter China.
- On Central Asia front Oil, Gas ,Uranium, Economic integration and Defense agreements. Membership in Shanghai Co-operation Organization.
- 3) Europe & superpowers:
  - Europe is important for Make in India, Clean India, Digital India.
  - France: French army for the first time paraded on RajGhat of Delhi on the occasion of Republic Day. Nuclear power pact, uranium supply and Rafael deal.
  - Positive signals from European Union
  - Canada will supply uranium of 3000 tones over five years.
  - Ireland is important for Education.
- 4) America:
  - Completion of Civil Nuclear Pact
  - National security policy of America will give new opportunities for India.
  - India has been acknowledged as emerging power is Asia.
  - Quadrilateral agreement is in discussion between India, Australia, Japan and America for security purpose and balancing china in South China Sea.
  - India is now strategic defense partner of USA.
- 5) Africa:
  - Agreements with Seychelles and Mauritius for better security of Indian ocean
  - Agreements with South Africa, Mozambique, Tanzania, Kenya for blue ocean economy and energy.
  - India Africa 3rd summit held in the year 2015. All 54 African countries' representatives were present. It gave a positive message to the entire African continent that not only India is important for these countries but these countries are also important for India. This is mainly because issues such as Economy, Defense, Strategic Interest and Environment were focused.
  - From India's point of view Africa is important for natural resources, agriculture, blue ocean economy. Recently the 52nd Annual Meetings of the African Development bank was held in Gandhinagar, Gujarat. The theme was: "Transforming Agriculture for Wealth Creation in Africa."

#### **5. MILITARY EXERCISES held year on year basis**

- Lamitye= India & Seychelles army
- Immsarex= Indian & Chinese Navy
- Yudhabhyas= India & US Military Exercise
- Surya kiran= India Nepal Military exercise
- Ajeya warrior= India & UK Military Exercise
- Sampriti= India & Bangladesh Military Exercise
- Hand in hand =India & China Military Exercise
- Garuda shakti =India & Indonesia Military Exercise
- Prabaldestyk= India & Kazakhstan Military Exercise
- Khanjar= India & Kyrgyzstan Military Exercise
- Nomadic elephant= India & Mongolia Military Exercise
- Indra= India & Russia Military Exercise
- Al nagah= India & Oman military Exercise
- Shakti= India & France Military Exercise
- SIMBEX= India Singapore Navy Exercise
- Varuna= India & France Navy Exercise
- Sundarban Moitri Border Security Force=(BSF) of India & Border Guard Bangladesh (BGB of Bangladesh).
- Exercise KONKAN= Indian Navy and Royal Navy
- VINBAX= India & Vietnam Army
- Malabar Naval Exercise= India, Japan & US
- CORPT= Indian & Indonesian Navy
- SIAM BHARAT= Indian Air Force & Royal Thailand Air Force
- SLINEX= India & Sri lanka Naval Exercise

#### **6. India's foreign policy and India's commitment for environment conservation at world stage**

- Took a stand to come together at the 2015 COP-21 summit in Paris and work towards the common cause of sustaining the planet.
- India was on track to meet the 2030 Intended Nationally Determined Contribution (INDC).
- The UN Sustainable Development Goals put India on the path of equality, equity and climate justice.

- According to the UNEP Gap Report, India is on track to meet its Copenhagen Pledge of reducing the emissions intensity of its GDP by 20 to 25 percent over 2005 levels by 2020.
- For forest clearances, the average rate of forestland diversion has reduced in modi government's era
- Formation of International Solar Alliance.

## 6. CONCLUSION:

This paper is an attempt to give a holistic view of India's foreign policy since 1947 to 2019 in general and Modi's current government from 2014 in particular. It will give an insight in the subject matter.

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# International Interdisciplinary Conference on 'New Pathways to World Development: Opportunities and Challenges' 26 - Feb, 2019

Adarsh College of Arts and Commerce, Kulgaon – Badlapur, Thane, MH, India

## Challenges of start-up ventures in India: Some Observations

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**Abstract:** The paper highlights on few observations based on the on-going major research projects on startup ventures sponsored by ICSSR. In this era of new Industrial Revolution, modern and more efficient methods of production can lead to startups like emerging technology, Block chains and Artificial Intelligence. India is found to be the third largest startup hub in the world. Government of India came out with several catalytic measures to improve the prospects of startup ventures in India from 2015 onwards. Since India leads towards becoming the next prominent startup location in the world, a Think Tank should be set up to deal with day-to-day challenges existing in this regard.

**Key Words-** Startups, Seed Stage, Skill India.

### 1. PREAMBLE:

A startup venture aims to provide innovative products or services. Such ventures are innovative business models. In this era of new Industrial Revolution even modern and more efficient methods of production can lead to startups like emerging technologies, Block chains and Artificial Intelligence. According to U.S. Small Business Administration, startup ventures are generally technology driven with high growth potential in terms of revenues. Unlike traditional approach, maturity of startups can be measured by increased revenue streams and not just by increased employment provided.

Many a times, a startup takes up the form of a temporary organization established to venture into a product / market fit and a business model. So they experiment with different techniques of production. As a result, startups may confront series of failures before establishing themselves as permanent organization reaping success.

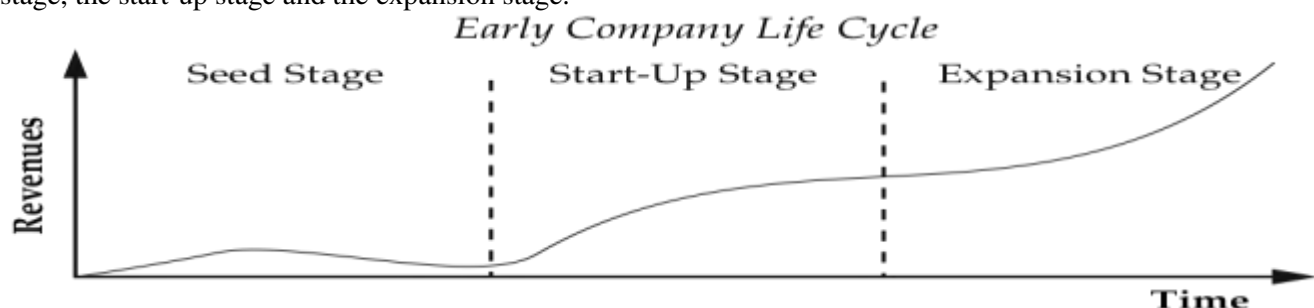
### 2. STUDY OBJECTIVES:

The present research on startup ventures undertaken by the researcher is an on-going one, sponsored by ICSSR that aimed to undertake a detailed study on the genesis and the scope of growth of startup ventures. It is also proposed to highlight the problems confronted by the startup ventures. This paper highlights on few observations in light of on-going research.

### 3. DISCUSSION:

#### 3.1 Stages of Startup Life cycle:

It could be interesting to infer the varied stages of the startup life-cycle. Mukherjee, (1992) quotes organizational life cycle theories to prove that business ventures generally pass through three successive phases. They are the seed stage, the start-up stage and the expansion stage.



Source: Mukherjee (1992), Financing the three stages the small business life cycle: A survey, Journal of Business and Entrepreneurship, 4, 33-43

The preliminary stage of a startup venture can be titled as seed stage. This stage involves the conception of the idea or its introduction and varied process related to its identification. The second stage can be termed as the startup stage where it starts defining the business model. From now, the entrepreneur looks forward to establish contacts with potential customers or at least get to know about the potential customers. During the third stage and last stage of expansion, the startup ventures reach up to the level of maximization of profits. At this juncture startup would feel either the necessity to expand and take up the role as a growing venture.

### **3.2 The Case of India:**

World Bank (2016) finds India is ranked as 155th as far as starting a business venture is concerned. It further observed that Indian businessmen spend several hours by way of tax payments. Indian businesses need to make 33 tax payments with around 243 hours spend to prepare and pay taxes annually. The approach of China and USA are very encouraging in this regard. China restricted tax payments to just 9 times annually whereas maximum ceiling of 11 times tax payments is stipulated by USA.

India is found to be the third largest Startup hub in the world. A startup is a business venture which has not completed three years after its inception. The number of employees in such institution is generally less than 50, which earns maximum revenue of Rs.5 crore.

The average age of startup founder is estimated to be 28 years. It is interesting to know that around 10 percent of ventures are established by women, according to NASSCOM (2015). The participation of rural counterparts in startup ventures is found to be quite insignificant obviously due to lack of accessibility to cities where there exists umpteen opportunities. According to Government of India (2016), India had more than 19,000 technology-enabled start-ups and financial services start-ups in 2015. Indian start-ups raised \$3.5 billion in funding in the first half of 2015, and the number of active investors in India increased from 220 in 2014 to 490 in 2015.

### **3.3 Programmes initiated by Government of India to promote startup ventures:**

In order to catalyse the country's start-up ventures, the government came out with a number of ambitious projects namely Start-up India, Make in India, Digital India and Skill India. These schemes are expected to promote economic growth and generate large-scale employment in the country.

An innovative programme called 'Make in India' is devised by the Government to promote investment in the manufacturing sector. This was done with the aim of creating business environment favourable enough to attract increased investment through FDI. Several measures were done to acquire industrial licenses at ease and to protect the Intellectual Property Rights of entrepreneurs.

The scheme 'Standup India' is devised in 2016 to aid startup ventures vide, bank funding so that young innovators would be inspired to invest. The scheme also aims at providing tax incentives.

'Digital India' is yet another measure designed to make available government services online to young innovators.

Many approvals and regulatory processes have been implemented through single online clearance system. As per this, online approval window provides over 200 permits required by different industries from various government divisions.

## **4. CHALLENGES:**

Entrepreneurship being risky, the investors cannot ensure that the startup venture will be successful. At times, failure happens and one should gather confidence to overcome that. There are also tough tasks to be performed like arranging finance, securing labour, technical know-how, clearances, licenses and necessary approvals.

The entrepreneurs of start-up which failed believe that they would not have met with failure, if adequate guidance would have been given to them. Varying or unpredictable consumer behaviour of India poses yet another challenge. Many a times, start-up ventures closed down due to the slow progress associated with it.

It was also noticed that the startup ventures are inextricably correlated with locational benefits. As a result, startup ventures in rural areas were found to have not gathered momentum. Right now, it is very hard for investors and start-ups to get listed in India. It forces them to relocate outside the country's borders.

There are host of financial issues associated with startup ventures. Starved of finance, most startups functioned with entrepreneurs own money and even labour power was observed to be scanty which created hurdles in the functioning.

## **5. CONCLUSION:**

It is essential for the startup ventures to provide necessary training to their employees so as to deal with day-to-day challenges. They should be aware of the financial, political and cyber-related risks and should acquire sufficient expertise to deal with them. They should be efficient cash managers too. In order to sustain in business, these aspects are inevitable. Since startup ventures take time and effort to mature, extreme caution is needed. Since India leads towards becoming the next prominent start up destination in the world, extreme care has to be done. Automation,

Artificial Intelligence and Robots can act as workforce accelerators or decelerators in start-ups. There exists need for a Think Tank that deals with analysis of various aspects existing in the entrepreneurial world. This will aid in better inputs to policy makers.

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**International Interdisciplinary Conference on**  
**‘New Pathways to World Development: Opportunities and Challenges’**  
**26 - Feb, 2019**

Adarsh College of Arts and Commerce, Kulgaon – Badlapur, Thane, MH, India

## Natural Hindrances in the Pathway of Development of Developing Countries

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**Abstract:** *Natural calamities are the phenomenon in which there are damages done to the biodiversity, environment and on human life due to floods, earthquake, tsunami and cyclones. The devastation of natural resources and domestic life are the impacts of natural calamities. The communication setup and infrastructure gets damaged. Migration takes place which leads to cultural and political conflicts. The capacity of the country for urbanization and technological development gets negatively affected.*

*Taking into consideration the above negative impacts of natural disasters, we come to the conclusion that strong positive steps must be taken to maintain the positive balance of the environment. The entire humanity can sustain its economic activities, cultural and socio-political activities only if there is all round co-operation and collaboration of different countries at the time of natural calamities.*

**Key Words:** *Topography, Calamities, tsunami, Earthquake, Floods.*

### 1. INTRODUCTION:

The damage to the topography of a geographical territory and its adverse effects on vegetation, climatic conditions, urbanization, biodiversity and domestic dwellings are called as impact of natural calamities or natural disasters. The natural calamities are of various intensities, enveloping large areas. The natural calamities are impartial in the destruction, irrespective of any cultural and political boundaries. It has a short span and a long span impact. The human and the animals experiences struggle in survival during the impact of natural calamities.

### 2. DISCUSSION:

**Types of natural calamities:** Earthquake, floods, tsunami & Cyclones.

**Earthquake:** A sudden violent shaking of the ground, typically causing great destruction, as a result of movements within the earth's crust or volcanic action are known as earthquake.

#### Earthquake in Nepal and its impact (25th April 2015)

With 8.1 Magnitude this earthquake devastated Nepal and affected India, China and Bangladesh. Nearly 9000 people killed and 22000 people were injured. Not only Nepalese citizens, but foreign nationals also lost their lives in this earthquake. The government statistics show that tourist flow decreased by over 72% after the 2015 Earthquake. It devastated the Nepalese economy and also affected the neighbouring countries economy. Countries such as India, Pakistan, Venezuela, France & USA took part in the rescue operation and helped Nepal by providing medical camps, relief goods, funds for rehabilitation and by deploying more doctors and nurses in the medical camps and thus showed the international brotherhood.

**Floods:** It's a temporary overflow of water over a normally dry area, unusual build up, run off of surface waters, or abnormal erosion or undermining of shoreline.

#### Floods in Maharashtra and its Impact (26<sup>th</sup> July 2005)

The floods were caused by the eighth heaviest-ever recorded 24-hour rainfall figure of 944 mm (37.17 inches) which lashed the metropolis on 26<sup>th</sup> July 2005, and intermittently continued for the next day. 644mm (25.35 inches) was received within the 12-hour period between 8 am and 8 pm. It paralyzed the lifeline of Mumbai (Local Trains). People were stranded on roads, lost their home. While many walked long distances back home from work. The main

threat was sewers and overflowing gutters. The flow of water on roads was so strong that it carried vehicles and people too with it. Approximately 1100 people lost their life.

The banking transactions across the counters were adversely affected and many branches and commercial establishments were unable to function from late evening of 26 July 2005. The state government declared 27 and 28 July as public holidays. ATM networks of several banks, which included the State Bank of India, the nation's largest national bank; ICICI Bank, HDFC Bank, and several foreign banks like Citibank and HSBC, stopped functioning from afternoon of 26<sup>th</sup> July 2005. At all the centers of Mumbai. ATM transactions could not be carried out and in several parts of India on 26<sup>th</sup> July and 27<sup>th</sup> July due to failure of the connectivity with their central systems located in Mumbai.

The Bombay Stock Exchange and the National Stock Exchange of India, the premier stock exchanges of India could function only partially. As most of the trading are e-Trading, The trading terminals of the brokerage houses across the country remained largely inoperative. The Exchanges, however, remained closed for the following days.

For the first time ever, Mumbai's airports (Chhatrapati Shivaji Maharaj International Airport and Juhu aerodrome) were shut for more than 30 hours due to heavy flooding of the runways, submerged Instrument Landing System equipment and extremely poor visibility. Over 700 flights were cancelled or delayed. The airports reopened on the morning of 28<sup>th</sup> July 2005. Within 24 hours of the airports becoming operational, there were 185 departures and 184 arrivals, including international flights. Again from early morning of 31<sup>st</sup> July, with increase in water logging of the runways and different parts of Mumbai, most of the flights were indefinitely cancelled.

Rail links were disrupted, and reports on late evening of 30<sup>th</sup> July indicated cancellation of several long distance trains till 6<sup>th</sup> August 2005.

The Mumbai-Pune Expressway, which witnessed a number of landslides, was closed the first time ever in its history, for 24 hours.

According to the Hindustan Times, an unprecedented 5 million mobile and 2.3 million MTNL landline users were hit for over four hours.

According to the .in registrar (personal communication), servers in Mumbai had to be reconfigured because the servers were not operational.

### **Floods in Kerala and its Impact:**

From 9<sup>th</sup> August 2018, severe floods affected the south Indian state of Kerala, due to unusually high rainfall during the monsoon season. It was the worst flood in Kerala in nearly a century. Over 483 people died, and several hundreds are missing. Medical camps were installed on almost every possible place; doctors were called and deployed from various renowned hospitals and medical colleges. Indian Army, Navy and Air force carried successful rescue operation and saved people's life. Cochin International Airport one of the busiest airport of India was shut down for several days.

**Tsunami:** An unusually large sea wave produced by a seaquake or undersea volcanic eruption.

### **Tsunami in Indian Ocean and its Impact (26<sup>th</sup> December 2004):**

On 26<sup>th</sup> December 2004, an earthquake under the Indian Ocean caused a massive tsunami to strike southern Asia and affected 13 countries, eventually claiming the lives of over 2,30,000 people.

The earthquake, measuring at least 9.1 on the Richter scale, occurred at 7.58am local time off the west coast of Indonesia. It is now believed to have lifted the sea floor by as much as 10 meters, displacing hundreds of cubic kilometres of sea water away from its epicentre.

The resulting tsunami formed waves as high as 100ft, which travelled at speeds of up to 500mph before slowing as they slammed into the surrounding land masses. Whole towns and settlements were washed away by the force of water. It lead to death of an estimated 2, 30,000 people in 13 countries and more than 1, 28,000 in hardest hit Indonesia, alone.

**Cyclone:** A large-scale, atmospheric wind-and-pressure system characterized by low pressure at its center and by circular wind motion, counters clockwise in the Northern Hemisphere and clockwise in the Southern Hemisphere.

### **Cyclone Gaja and its Impact (10th November 2018):**

It was the fifth cyclone of the year 2018 after cyclones Sagar, Mekunu, Luban and Titli. Forming on November 5<sup>th</sup> as a low pressure system over the Gulf of Thailand, The system crossed through Southern Thailand and the Malay Peninsula and eventually crossed into the Andaman Sea. The weak system intensified into a depression over the Bay of Bengal on November 10<sup>th</sup> and further intensified to a cyclonic storm on November 11<sup>th</sup> and affected the coastal region of Tamil Nadu and Puducherry, It made lakhs of people homeless and devastated the home, electricity and paralyzed the transport facility. Indian Army evacuated people from low lying and affected areas, Government is restoring the administrative system and delivering the services in affected areas.

**Opportunities:** Even in scenario of natural calamities, one can find opportunity for improvement. The natural calamities are the consequences many a times due to human mistakes and activities. Now such anti-natural activities can be rectified and worked upon to prevent further devastation due to natural calamities. It is also an opportunity to the entire mankind to come together at the time of natural calamities to help each other beyond the parameters of caste, religion, language, culture and political ideologies. The natural calamity can also be looked upon as an alarm from the nature, reminder from the nature or healthy warning from the nature that humans should not overexploit natural resources which are non-renewable.

### **Overall Common Impact:**

Natural calamities give rise in unemployment because the basic economic infrastructures get devastated. When the large proportion of population becomes unemployed especially the under-skilled and the non-skilled it then leads to poverty. Unemployment and poverty leads to psychological problems and then to depression. Due to depression and negative impacts of natural calamities some proportion of population walks on the path of crime and involves in anti-social activities. Thus there is a rise in crime. The unavoidable migrations due to natural calamities lead to social economic and political conflicts which may lead to national crisis too. Due to contamination of drinking water and other related problems, the basic health of the general public is at high risk.

These natural calamities eats away, takes away whatever opportunity least available for the development. Due to the natural calamities the developmental projects in India are suffering from shortage of funds, the projects are delayed and the developmental projects are crossing deadline dates. The foreign investor shows least interest in investment. Thus great collaboration at international levels are avoided and dissolved. As a result, the capacity of the countries to contribute to the world development gets adversely affected and gets limited.

The military force and the other forces of the defense army including navy and air force is utilized for rescue operations, this reduces the army strength at the borders. Heavy cost is involved in the mobility of the army. Many a times the life of the army soldier is at high risk.

### **3. CONCLUSION:**

Taking into consideration the above negative impacts of natural disasters, we come to the conclusion that strong positive steps must be taken to maintain the positive balance of the environment. The entire humanity can sustain its economic activities, cultural and socio-political activities only if there is all round co-operation and collaboration of different countries at the time of natural calamities. It shall be the moral responsibility of every country, especially the developed ones to use its all technological advancement to help the suffering countries to come out of the negative impact of natural calamities and disasters.

Research work and projects related to awareness about tackling natural calamities and learning its cause factors should be promoted in the entire learning institute. Through which the society will get experts on solving the problems. All the international organizations should have good co-ordination for solving the problems due to natural calamities. Thereby enabling and helping almost all countries to contribute in its participation towards the pathways to world development.

Natural calamities weaken the powers and the resources of the affected country to fight the social evils such as poverty, unemployment, good health for all, and the formation of basic infrastructure.

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# International Interdisciplinary Conference on 'New Pathways to World Development: Opportunities and Challenges' 26 - Feb, 2019

Adarsh College of Arts and Commerce, Kulgaon – Badlapur, Thane, MH, India

## Globalization: Socio-Cultural Impact on India

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**Abstract:** Globalization at present times is an important factor which mobilizes and integrates socio-cultural values of people at global level. Many countries throughout world in the age of rapid technological growth are unified and transformed due to the process of globalization. Globalization has a huge effect not only on economic and political life of countries but the process effects and threatens us at our home, it effects our life style such as what we drink, eat, wear and even what we think. Culture in its broad sense is the sum total of beliefs, values, life style and behavior, etc. of the people of a particular society. However, it is noticed that it is being replaced quickly due to advancement in technology and also through activities of movement of people without any kind of restrictions from one place to another since recent few decades. Globalization also mightily impacts the social partner's attitudes since old labor relations have to cope with totally new and very dynamic situations. The socio-cultural structure and construction has been changing very fast due to globalization led all-round development. Globalization and Industrialization are always focusing on economic growth and industrial investment process. The world today is a global world. Globalization is process of country progress and prosperity according to the present trend. Globalization is a series of economic, social, technological, cultural, and political changes occur in all the stages of society. The present paper in this context is an attempt to examine the socio-cultural impact of globalization in India.

**Key Words:** Globalization, Impacts, Indian Society.

### 1. INTRODUCTION:

The word globalization has become a new term to describe and signify the changes in the world economy and societies that result from greatly enlarged international trade and investment due to the falling of barriers, advancement in technology particularly in communication and transport as well as cultural exchange. It describes the intensification of the worldwide social relations and the increase in the interdependence of countries. In other words it is a process by which the world is considered a single unit, in which economic and social interaction among the countries of the world taken place.

The globalization process has no doubt raised new hopes and created new opportunities in the world through the growth in increasing exchange of the cross-border movement of goods, services, people, ideas and financial resources between developed and developing nations of the world which could potentially solve a number of the old bottlenecks of developing countries like India. The new emerged global system has rapidly blurred boundaries between domestic and international politics as well as between economies and national security and would invariably generate new challenges for the traditional bound societies of the world particularly the developing ones. It is the defining trend in the world today and its outcomes are not accidental, but are the result of the economic, political and technological changes that have removed barriers to contact across national border.<sup>1</sup> Thus, it is clear that globalization is a process which dramatically reshapes the policy landscapes, thereby creating new opportunities and challenges for governments of the countries of the world as well as firms. Everyone does not benefit from this new trend of economic integration; obviously there are losers and winners of the process. Globalization according to Brittan, "as a whirlwind of relentless and disruptive change which leaves governments of the different countries of the world helpless and leaves a trail of economic, social, environmental and cultural problems in its wake".<sup>2</sup>

### 2. STUDY OBJECTIVES:

- To examine the social-cultural effects of globalization to India.
- To examine the influence of western culture on traditional Indian rituals, values, life style, etc.

### 3. METHOD:

The nature of the research paper is theoretical; hence the data has been collected through secondary sources. For the purpose Printed materials, Reference Books, Research journals, Research Papers and Internet have been widely consulted to develop the plan of the research paper.

### 4. DISCUSSION:

The effects of globalization are not only confined to economic, political and environmental, but the process effects and threatens us at our home, it effects our life style such as what we drink, eat, wear and indeed what we think. Clearly, culture in its broad sense is the sum total of beliefs, values, life style and behavior, etc. of the masses of a particular society. It is noticed that it is being replaced quickly as the result of globalization forces, advancement in technology and also through activities of migration of people in India since recent few decades. The critics of globalization argued that the impact of western lifestyle on the people of India has continued increased and expanded. It is generally believed by them that the process of globalization leads destruction of local cultural identities, many local norms and rituals and social practices like marriage, parent-child relationship and the submission of women, etc. in its wake. Following are some noteworthy socio-cultural effects to India:

- No doubt Indian culture is diverse, but it is rich and unique in its own way. Indian culture which basically means Hindu-Culture, civilization, society and Hindu way of life are today in a great threat under the forces of globalization.<sup>3</sup> Today the elements of Western culture such as their life style, values, behavior, etc. occupy a large space in the cultural life of the Indian people, particularly of the youth. It is noticed that since the reforms period the Indian people, especially the youth welcomed and accepted the Western culture like western food, their life style, music, dance and cosmetics, etc. increasingly. Now people in India are more addicted to buying latest branded and fashionable cloths, electronic goods, etc. from MNCs, which replaced the traditional Indian sari, doti and locally made products at the expense of Western products. In this way, globalization not only diminished our traditional cultural values but also threaten the locally made products and the people who make them.
- The 21<sup>st</sup> century witnessed the dominance of Western culture all over the world including India. The western culture symbols such as coca cola, blue jeans, rock music, McDonald's Golden Arches, and other prominent popular American culture's symbols are getting spread in India. In this sense, Indian culture especially the Indian youth culture has been replaced by western culture and occupied a large space. Today in India, the lifestyles and behavior pattern of the Indian people under the influence of Western culture gets a new shape. The traditional India witnessed a district patterns of dress, manner, customs, cuisine, and value have changed now under the forces of globalization. Soft drinks, junk food, fast food, T. shirts, jeans, etc. are now the new pattern of lifestyles of Indian people.
- Globalization led technological development has no doubt made life more comfortable, enjoyable and fast but it is quite shocking to see in our country were have not only opened its doors for MNCs but also to availability of cheap and filthy material such as foreign channels like MTV, MGM, compact discs of Hollywood movies, sex toys, porn movies, etc. in the name of globalization and liberalization. As a result, it completely destroyed the traditional socio-cultural values and beliefs.<sup>4</sup>
- There is remarkable growth in global media like television, internet, etc. during the period of globalization which shaped new cultural values of people all over the world including India. The responsibility of social associations like family, tribe, and the state which was playing an important role in shaping the attitude, values and behavior pattern of people are declining very fast. Global media programs are largely dominated by the Western Countries. Now-a-days it is noticed that TV and cell phones are the main entertaining devices of all the masses. Most of the western broadcasts are based on the story of meaningless relationship, love, romanticism and sex which negatively make the personality or character of the new generation causing crimes like rape, acid throwing, violence, etc. Thus in this way, globalization through global digital media erode moral values of traditional culture.<sup>5</sup>
- The contemporary India has witnessed large number of changes in their marriage values also. It is noticed that presently marriage in India have lost their values. Life partners that traditionally were searched by parents form their communities and within the same caste, but in the era of globalization inter-caste marriage and live-in-relationships are now common. It is very much evident today that there are an increasing number of extra-marital affairs and divorce cases in India. Traditionally, marriage was generally considered the bond of two souls who bound them even after death, but presently it remains only a commitment or engagement to share life without jeopardizing their interests.
- The joint family system in India is no more, has become a strange surprise especially for those people of India who reside in big towns and cities. Most of the people in India under the influence of Western culture have

forgotten the fortitude to get adapted into the joint family, imbibing the morals of their seniors and getting the young ones brought up under the influence of their elder members of family. New generation, now are treating their elder members of family like visitors or guests and their own parents are considered by them as burden in their state of adulthood.<sup>6</sup>

- Indian festivals are also badly affected by the spread of the process of globalization. Traditionally, all Indian's celebrate their festivals such as Holi, Diwali, Ganesh Chaturthi, etc. every year and enjoy them very much, but today most people especially young boys and girls are not celebrating their festivals, but instead, they celebrate several more foreign festivals such as Friendship Day, Christmas, Valentine's Day, and even Mother's Day and Father's Day.<sup>7</sup>
- The teenage pregnancy a major social problem is no doubt today promoted by globalization led global media growth. Today, most young boys and girls desire to practice the sexual scenes as they read in romantic novels as well as see on TV. The judgments of most teenagers are colored and influenced by the effects of the westernization in the sense as they today don't distinguish what is right and wrong and transmitted themselves in the sexual stimuli covered by the global media.<sup>8</sup> In this sense, the role played by the social institutions like family in shaping moral codes and values, attitudes, character, and building relations are declining very fast as a result not only teenage pregnancies are rise, but it negatively build the character of the teenagers which causes the crimes like rape, acid throwing and violence, etc.
- The critics of globalization asserted that globalization increases exploitation of child labour. For example, due to globalization forces every country is experiencing an increase in labour requirement and an increase in the requirement of goods made by children, as a result it experience higher need for child labour.
- With the breaking down of joint family system in India, particularly in urban areas, where nuclear families are the new trend now, the elderly members of family are becoming unwelcome in their own families. The young generation under the influence of westernization treated them as visitors or guests, and that kind of treatment is one of the primary causes behind the increase of old age homes in India.

## 5. CONCLUSION:

From the above discussion it is clear that globalization has not only impacted India at economic, political and environmental level but it at cultural level too. The process of globalization leads destruction of local cultural identities many local norms and rituals and social practices like marriage, parent-child relationship, the submission of women, etc. in its wake. Now people in India are more addicted to buying latest branded and fashionable cloths, electronic goods, etc. from MNCs, which replaced the traditional Indian Sari, Doti and locally made products at the expense of western products. In this way, globalization not only diminished cultural values but also threatens the locally made products and the people who make them. Marriages in India also came under the bad influence of globalization. Life partners that traditionally were searched by parents from their communities or within the same cast but in the era of globalization inter-caste marriage and live-in-relationship are now common. Extra-marital affairs and divorce cases in India got increased due to globalization. The joint family system came to an end in India especially in the urban areas like western countries. Age old values of respecting elders came to an end; new generation now are treating their elder member of family visitors or guests and their own parents are considered by them as burden in their state of adulthood. Young boys and girls in India instead of their own festivals are celebrating the foreign festivals. The life styles, ideologies, living standards and identities have undergone a sea change. Luxurious life styles are desperately performed at the cost of honest hard work, thereby giving boost to corruption and other malpractices in order to turn into overnight multi-millionaires.

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## International Interdisciplinary Conference on 'New Pathways to World Development: Opportunities and Challenges' 26 - Feb, 2019

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### Reforming Future of Tax Structure – VAT and GST

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**Abstract:** Taxes are as old as civilization. The structure of taxation has changed throughout the world based on time factor. In 1960, there were hardly 10 Countries following indirect tax structure. But since 1960 -2016 nearly 170 Countries of World are following this system as 'Consumption Tax'. The percentage of revenue collected by way of VAT/GST is 24% of Total Tax Revenue. With introduction of GST in India in 2017, a new era of 'Co-operative federalism' perceived to have begun. While framing tax structure many aspects such as nature of commodity, ITC, threshold limit, exemptions were the biggest 'let-down' to the GST portal. The system should be supported by simplicity of its operations. Demonetization and GST have some common attributes like 'Short Term Pain and Long Term Gain'. If the reforms are drafted with cumbersome compliance, then it can prove a counter productive and will push small businesses towards tax evasions and increasing corruption. In spite of above fact it will be termed as fourth industrial revolution and dominant form of taxation of 21st Century and it will be a system for swiping the taxation landscape.

**Key Words:** VAT-Vat Added Tax, GST-Goods & Services Tax, ITC – Input Tax Credit, GDP- Gross Domestic Product, GSTN – Goods & Services Tax Network, MSME – Micro, Small and Medium Enterprises.

#### 1. INTRODUCTION:

Taxes are as old as civilization, so the 'value Added Tax' (VAT), hardly 63 years old, may seem to be relatively young in the history of tax. For India, that embraced this fundamental 'Indirect Tax Reforms' in the form of 'Goods and services Tax' (GST) only in July, 2017, it may even resemble a 'New-born Baby' that has just arrived in the world from the mother's womb!

#### 2. DISCUSSION:

The spread of VAT/GST has been the most important development in taxation over last half-century. Since 1960 to 2016 almost 170 countries of the world adopted the VAT/GST System i.e. over a period of 56 years 'Consumption Tax' reform took place all over the world. Mainly Organization of Economic Corporation & Development (OECD) countries are members and followers of this VAT/GST system. As mentioned in Graph 1 as appearing hereunder.

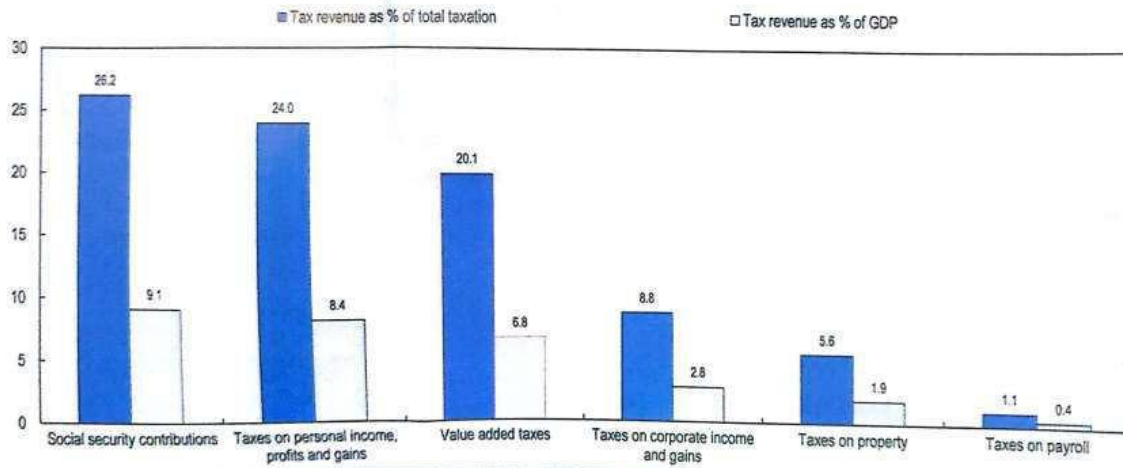
Up to 1960 not a single country of world was following VAT/GST but since 1964 till 2016 nearly 170 countries implemented this tax structure. In terms of Tax as a revenue as 'Compare to GDP it was 1.1% of total tax revenue when tax revenue was 0.4% of GDP. Presently total tax Revenue to GDP % is 8.4% but out of Total tax Revenue the % of VAT/GST Revenue is 24%. Which is shown in the Graph 2 as mentioned herein below. Significantly, UAE and Saudi Arabia have also implemented VAT from January 1, 2018, whereas, other Gulf Cooperation Council (GCC) Countries – Kuwait, Qatar, Bahrain and Oman – are expected to levy VAT from 2019.



Graph 2

## VAT is a key source of revenue for OECD countries

20.1% of total tax revenues - 6.8% as a share of GDP (on average)



It indicates the quantum of VAT/GST to the total tax revenue as dominating contribution to the GDP. GST was launched from the central Hall of Parliament with effect from midnight of June 30, 2017, marking an opening of a new chapter in the indirect tax history of the country. What was equally significant was the fact that with the introduction of GST, a new era of 'Cooperative Federalism' was perceived to have begun! However, the fault lines inherent in the design and structure of the country's GST system soon became visible! Exclusion of several key commodities from GST and resultant distortion of credit chain, significant restrictions placed on the entitlement of input Tax Credit resulting into cascading effect of tax, multiple rates and long list of exemptions, low threshold and ill-conceived business processes are but only a few ills that plagued the Indian GST design from its inception. The biggest 'let-down' turned out to be the GSTN Portal! Multiple and complicated returns, cumbersome Return-filling process, ill-conceived statutory requirements reflecting revenue-oriented, rigid and 'i-don't-trust-you' attitude coupled with hopelessly ill-prepared GSTN portal have ensured that GST implementation and compliance by 'more-than-willing' taxpayers are anything but smooth! The poorly drafted, hastily implemented and badly administered GST laws have only added to the woes of the taxpayers. The situation has reached such an impasse that the whole system appears to be running on extensions, promises and assurances.

### A. Indian GST Design – Future

GST has a potential and the intrinsic characteristics to be 'a blessing' – instead of 'a curse' as being perceived by many today – provided it is designed and structured intelligently and diligently. The system should be supported by sub-systems such as minimalist number of rates; moderate tax rate; minimum exemption; high exemption threshold; neatly defined key expressions; minimal and clear classification; simple provisions; seamless credit chain; clean and clutter-free business processes; robust, insightful and forward-looking 'dispute redressed machinery' and many more. Anything contrary to this would be a humungous curse for the economy.

### B. Demonetization and GST

Demonetization and GST have several common attributes. The most striking one is the discourse of short-term pain and long-term gain. However, the latter can be enjoyed only if one does not succumb to the former. The objective to plug the informal economy- mainly prevalent in MSME Sector- into formal set-up may have benefits. But the cost can outweigh the benefits if done forcefully through radical reforms. Moreover, the decision to grow competitive should be a matter of choice and not compulsion. Presently, lower exemption threshold coupled with cumbersome compliance can prove to be counter-productive and push small businesses towards new ways of tax evasion, thereby breeding corruption.

### 3. CONCLUSION:

After more than 60 years, VAT may now be at a turning point in its life. At this juncture, the rapidly changing climate poses serious challenges for the policymakers, lawmakers, economists and the tax experts the GST Council in India. The challenge lies in predicting the intersection of two key developments – the first being the profound changes

we are witnessing to the economy itself through technological developments that have been labelled as the ‘fourth industrial revolution’; and the second being an increasing reliance on indirect taxes as they mature into a dominant form of taxation in the 21st Century.

For Indian GST system, the frequent changes so far made post introduction of GST indicate that the government is learning by its mistakes. In the words of Deng Xiaoping, it is ‘crossing the river by feeling the stones’. But let us not lose sight of the above formidable challenges that lie over the taxation horizon even while we shape (or re-shape) our own GST design and structure! The GST Council, led by the Union Finance Minister, seems to be working only on the immediate challenges confronting the system. However, the world is changing in the way and at the speed which we cannot comprehend. What, therefore is required for the council is to establish, even while fixing the short term challenges, a mechanism that starts working on identifying the long term challenges with the aim of enabling the country’s tax systems to keep pace with the seismic-level changes sweeping the taxation landscape.

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# International Interdisciplinary Conference on 'New Pathways to World Development: Opportunities and Challenges' 26 - Feb, 2019

Adarsh College of Arts and Commerce, Kulgaon – Badlapur, Thane, MH, India

## Moral and Philosophical Perspective of Biotechnology

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**Abstract:** *Biotechnology is growing and expanding its field. The paper mainly discusses the questions raised due to development of genetically modified food. Despite the benefits that are derived from this technology the possibilities of hazards have given rise to a great deal of fear and suspicion. Biotechnology raises several moral issues. This paper aims at studying ethical issues that arises due to this technology. This paper deals with these issues from three standpoints namely religious, reductionist and environmental philosophy.*

**Key Words:** *Biotechnology, Genetically Modified Food.*

### 1. INTRODUCTION:

Biotechnology has wide applications in various fields such as health care, agriculture, crop production, industry, environment etc. This technology is based on biology. In this technology the living organisms or their products are used for various purposes. It is defined as 'that aspect of technology, which is primarily concerned with the application of biological and engineering data to problems relating to man'. The United Nations Convention on Biological Diversity defines biotechnology as "any technological application that uses biological systems, living organism, or derivatives thereof, to make or modify products or processes for specific use" it is interdisciplinary science which combines various disciplines like genetics, molecular biology, biochemistry, cell biology etc. with chemical engineering and information technology.

Development in the genetic engineering has given mankind a tool for changing the characteristics of living organisms. Genetic modification involves altering the natural structure of DNA coding by bringing DNA from another living organism. Genetic engineering begins with the identification and isolation of a gene which expresses a desirable trait. Then a recipient plant or animal is selected, and the gene is inserted and incorporated into its genome through vector.

There are various aspects of biotechnology like

- Microbial biotechnology-this involves genetic testing. These tests are used to detect hereditary diseases.
- Medicine production- Pharmaceutical companies produce drugs and medicines based on the proteins, enzymes that are associated with specific genes.
- Animal- animals are genetically modified for various purposes. e.g. transgenic research animals.
- Xenotransplants- introducing human genes into animals to render their organs immunocompatible for human transplants.
- Agricultural and plant-it involves crop, plant modification. Here genes from plants are inserted into crops for some specific purpose like producing resistance to insects. These plants have been modified in the laboratory to enhance desired traits such as increased resistance, improved nutritional content. For example, a scientist can isolate a gene responsible for drought tolerance and insert that gene into a different plant. The new genetically-modified plant will gain drought tolerance as well.
- Food Production- Here the structure of genes is altered in order to get the desired result thus we get genetically modified food (GM food), its quality is different from natural food. Typically, genetically modified foods are: soybean, corn, and cotton seed oil. In GM food the gene may not come from the plant but it may come from any living organism including virus, bacteria, animal or completely different plant. Potato may receive genes from tomato, pig may receive genes from spinach or fish may receive genes from pigs.

### 2. GENETICALLY MODIFIED FOODS (GM Food):

GM foods were first introduced in the market in early 1990s the first commercially grown GM crop was tomato (called flavrsavr). It was made more resistant to rotting. It was brought into market by Californian Company Cal Gene. The next GM food crop released in the market was soybean. Presently many types of GM food are available in the market. There is a controversy with regard to use of GM food. The supporters of GM food claim that it can

solve the food scarcity problem of the world. However according to new researches some of the GM food is causing allergy and there are also harmful effects of it.

### 3. ADVANTAGES OF GM FOOD (GM food):

- a) Pesticide Resistance and increase in Yield. – Some of the GM food crop contains pesticides resistant hence farmers do not have to spray pesticides so they can save the money.
- b) Herbicide Tolerance- with the help of Genetic Engineering crops are genetically engineered to be resistant to one very powerful herbicide and this could help in reducing the use of herbicide so the environmental damage cause by herbicide can be prevented.
- c) Disease resistance- Scientists are working to create plants with genetically engineered resistance to the diseases.
- d) Nutrition – GM food can be engineered in such a way that it can contain the required vitamins, minerals, proteins, vaccines etc. so that it will be helpful to solve the problems of malnutrition.
- e) Improved taste, texture and appearance of food- Modern Bio-technology can be helpful by increasing the shelf life of consumables products with the help of slowing down the process of spoilage so that fruit can ripen no longer on the plant. This process alters the taste, texture and appearance of the food.

### Environmental and Health Hazards

Many people including scientists, environmental activist, and religious organization have criticized GM food. It may lead to following environmental hazards,

- Unintended harm to other organization- There is a fear that GM food crop may spread to other non-genetic crop through wind, bird or insect it may cause harm to them
  - Reduce effectiveness of pesticide- The scientists feared that insects could become resistance to genetically modified crops.
  - Gene transfer to non-target species – There are chances that crop plants engineered for herbicide tolerance and weeds will cross breed with the non GM crops resulting in the transfer of the herbicides resistance genes from the crops into the weeds. These ‘super weeds’ would then be herbicide tolerant as well.
  - Endangering the biodiversity-it is said that genetic engineering has replaced the nature’s role in creating the hybrid crops. The natural crops has broad genetic base whereas GM crops has shrinking genetic pool. When the invasion of the pest is reduced, the possibility of birds and other predators getting attracted is also reduced. It may affect the biodiversity. Whether this effect is lesser or more than the pesticide sprayed on crops, is a matter of further investigation. The possible effect on soil microorganisms, on other species through diffusion of Bt gene including weeds are other environmental implications.
  - Genetically engineered plant may contain a new protein or a particular nutrient may change to form which cannot be metabolized or absorbed properly. There is also fear that the uncharacterized DNA introduced in gene may result in unknown protein or side effects.
  - There is a growing concern that introducing foreign genes into food plants may have an unexpected and negative impact on human health. Since GM foods are completely new, hence it is not possible to know all the effects on human health and environment.

### 4. MORAL AND PHILOSOPHICAL ISSUES :

Biotechnology is causing lot of controversies. Supporters of biotechnology claim that it can solve human problems like scarcity of food, finding cure for some of the diseases etc. Many people including scientists, environmental activists, religious organizations, have criticized biotechnology, according to them it may lead to hazards. It may lead to harmful effects on environment, public health; hence there is a problem of judging what is right or wrong. Some of the ethical questions that are raised with reference to biotechnology are as follows:

Is it intrinsically wrong for any reason? Will this technology promote justice or injustice? Will things be better or worse in virtue of its existence?

Whether it is intrinsically wrong, according to some there is nothing wrong with biotechnology. With the help of biotechnology human beings can create new organisms with the manipulation of matter and there is nothing wrong in it. Human beings can change the nature. The institution of civil engineers (England) defines technology as “the harnessing of the forces of the nature for man’s convenience and use”. According to other view it is intrinsically wrong to mess with nature.

Now there are three arguments which we can consider first is theological argument.

### Theological Perspective

According to theological view point genetic engineering is inherently wrong. Religious people believe that god is creator of everything. He created everything out of some fundamental stuff according to some basic laws. God has created this in the best possible way. Human being should not interfere in god’s working. He should preserve this

world and should not tamper. Change in basic structure of animal or a plant is considered by religious people as violating God's will.

### **Reductionist Perspective**

Jeremy Rifkin, one of the secular critics of genetic engineering opposes it as intrinsically wrong. According to him "genetic engineers increasingly view life from vantage point of chemical composition at the genetic level. From this reductionist perspective, life is merely the aggregate representation of chemical that gives rise to it and therefore they see no ethical problem what so ever in transferring one, five, or hundred genes from one species into the hereditary blue print of another species. For they truly believe that they are only transferring chemicals coded in the genes and not anything unique to a specific animal. By this kind of reasoning, all of life becomes desacralized. All of life becomes reduced to a chemical level and becomes available for manipulation".

According to Rifkin it is not intrinsically wrong to genetically engineer animals or plants. His above argument is based on reductionism. This view emphasize that all natural objects are bundles of chemicals (metaphysical view) or that all phenomena can be explain the things in terms of many other ways (for example purpose) hence his argument is not fully satisfactory.

### **Environmental Philosophical view**

It is generally accepted that there is natural ecological balance between the living entities and non-living beings; however rapid industrialization has laid to major imbalance, various environmental problems have increased. Some of the environmental philosophers argued that natural objects (concrete and abstract) eco-systems, rivers, species, and nature itself-possess intrinsic or inherent moral value. This value believes that "nature is perfect as it is" so an interference with the nature will not be acceptable to them hence genetically engineering is intrinsically wrong. Any effort to make changes in our life is treated as immoral.

According to environmental philosophers man is not the conqueror of land community but he is one of the members who are living with his other fellow members including trees and non-human animals, "It implies respect for his fellow members, and also respect for the community as such."

It is unethical to manipulate and reconstruction of genetic make-up of microorganism. Scientists are altering the fundamental properties of living organism which is morally wrong. Every living organism however small it may be, has a specific place and specific role in the universe. Human beings should not interfere or bring changes in the original nature of organisms there by disturbing the natural order of the universe. By disturbing this natural order harmful consequences may arise. It is said that genetic engineering has replaced the nature's role in creating hybrid crops. The natural crops has broad genetic base where as GM crops has shrinking genetic pool. Dr. John Hagelin says "when genetic engineers disregard the reproductive boundaries set by natural law, they run the risk of destroying our genetic encyclopaedia, compromising the richness of our natural biodiversity".

Bio- technology or genetic engineering is having lots of effects on human life, animal life, plant life, and environment and hence we have to think whether extrinsically it is wrong? (or thinking about intrinsically wrong is not enough) we have to examine it in the light of its consequences. Is it causing benefits or dangers? Will benefits outweigh costs? Harms outweigh good? Supporters of biotechnology claim that it is useful in various ways. If something is considered as useful then one is ready to take risk. Usefulness acts as precondition for support. However if this usefulness turns out to be hazard in the long term future, then definitely it is of great concern. If the benefits derived from it are comparatively very less as compared to the damage that is caused by it then it becomes morally unacceptable.

Is it ethical to treat animals/any living organisms as commodities? Is it causing any harm to sentient creature? Biotechnology deals with animals, animals are genetically modified to get the desired result, these animal products are used for treating human diseases, they are also used for research purposes. Transgenic animals are deliberately breed for research, they contain elements of two different species they are creatures that blur the barrier between species. Sometimes genetic engineering may cause painful side effects on those animals, they may develop genetic defects. Sometimes animals are deliberately created with certain genetic defects; as a result they may not be able to live a good quality life. Genetic engineering violates animal rights. Here animals are used for fulfilling certain ends as if they are human property. Do we have the right to play with the life of an animal or plant?

### **5. CONCLUSIONS:**

Biotechnology reduced the status of any living organism e.g. animal, human being to a 'thing'. A 'thing' which can be manipulated and used just like a machine. It does not take into account that every organism has its own life.

Biotechnology is guided by only Utilitarian value. Every living organism, plants, animal, nature has particular place in the natural order which has to be respected. Nature, plants and non –human animals have an inherent value or worth. Every living being must be treated respectfully. Tom Regan writes "All have an equal right to be treated with respect, to be treated in ways that do not reduce them to the status of things as if they existed as resources for others"

Technological Development aims at human welfare, but if this development is adversely affecting the human beings then there is a need to evaluate it. Its ethical perspective will help in deciding the direction in which the development should aim at.

It is most important that proper precaution has to be taken to find out its side effects or long term effects. The biotechnological products deals with completely new type of organisms hence the complete information about its effects may not be available. It may affect the health of people. In the absence of complete information the product should not be marketed. There is a need that biotechnological corporation must acknowledge the fact that they have social responsibilities. When the technological activities are affecting the lives of others then the companies which are involved must think carefully about the ethical issues that are involved. Organizations related to biotechnology need to be trustworthy and operate with integrity. Every institution undertaking research must spend some amount of money for examining social and ethical issues raised by Biotechnology.

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**"Need for world financial structure and role of Global financial institutions-  
Role of BASEL Norms in the Indian context"**

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**Abstract:** *The reforms in the Indian financial sector supplemented the structural changes in the real economy reflecting a paradigm shift towards increased market orientation. Another major transformation is the global scenario was the emergence of international Banking norms (BASEL). Reserve Bank of India (RBI) implemented Basel I norms from 1992 onwards. Basel I was followed by Basel II, Basel III. Thus, the banking sector was ushered in the era of both economic reforms in India and the emerging global regulations (Basel) in the nineties. Hence, the basic intention of this paper was to present the Role played by BASEL norms overall and progress and preparedness of Indian banks overall and in specific Urban Cooperative Banks (UCB's) in the context of economic reforms, recent policy developments.*

**Key Words:** BASEL, RBI, UCB's, Credit Risk, CRAR.

## 1. INTRODUCTION:

The Basel Accords refer to the banking supervision Accords (recommendations on banking laws and regulations), Basel I, Basel II and Basel III issued by the Basel Committee on Banking Supervision (BCBS). The Basel Committee formulates broad supervisory standards and guidelines and recommends statements of best practice in banking supervision in the expectation that member authorities and other nation's authorities will take steps to implement them through their own national systems, whether in statutory form or otherwise. The purpose of the committee is to encourage convergence toward common approaches and standards.

## 2. LITERATURE REVIEW:

Deolalkar G. H., (2008), conducted a study on 'The Indian Banking Sector, On the Road to Progress' revealed that cooperative banks emulated the changing structure and practices of the commercial banking sector in revamping their internal systems, ensuring in the process timely completion of audit and upgrading their financial architecture. Further it stated that, in various regions there is a differing pattern of cooperative banking, determined according to the strength of the cooperative movement.

Dr. Vaidehi Daptardar and M. Guruprasad (2018) made an attempt to understand the trend in these key parameters with respect to Urban Cooperative Banks in recent times in general and a few selected in particular in post economic reform period after initiation of Basel norms. The study analysed the performance of UCBs overall and also with respect to selected Scheduled Urban Cooperative Banks having existence for over three decades and more. Their analysis revealed that many UCBs at the National level and the selected UCBs have kept up with the proposed national and the Basel norms. The authors also suggested the need for policy for improving financial health of Grade III and IV UCBs and the suggested need for implementation of the concept of Umbrella organization mooted by the RBI committees.

According to the report Basel III: A Global regulatory Framework for more resilient banks & banking Systems ((2010). The Basel Committee is raising the resilience of the banking sector by strengthening the regulatory capital framework, building on the three pillars of the Basel II framework. The reforms raise both the quality and quantity of the regulatory capital base and enhance the risk coverage of the capital framework.

A study by Neelam Dhanda and Shalu Rani (2010) on Basel I and Basel II Norms found empirical evidence for the Banks in India; based on a comparative analysis of Capital Adequacy Ratio (CAR) for the financial year 2008-09 of the selected banks under different categories. It indicated improved CAR with Basel II as compared to Basel I.

According to 'Proposed Basel III Guidelines (2010): A Credit Positive for Indian Banks'. Report, Indian banks would find it easier to make the transition to a stricter capital requirement regime than some of their international counterparts since the regulatory norms on capital adequacy in India are already more stringent, and also because most Indian banks have historically maintained their core and overall capital well in excess of the regulatory minimum.

Gurcharan Singh and Sukhmani (2011), analysed the efficiency of cooperative banks in their study 'An analytical study of productivity and profitability of district central cooperative banks in Punjab'. The authors observed that, the new economic environment has compelled the cooperative banks to reposition themselves, to become market oriented for their survival, growth and development.

### 3. STUDY OBJECTIVES:

- To understand the evolution and progress of Global BASEL norms
- To understand the policy initiatives by the Indian Banking regulators in general and specific to Urban Cooperative Banking (UCB's) since economic reforms 1991.
- To understand the progress of the Indian Banks post the Government Initiatives.

### 4. METHOD:

In keeping with the objectives, the sample target group consisted of the Indian Banks Nationalized and UCB sector overall. The analysis included doing the trends in performance of the banks overall in India and on specific parameters over a period of time. The present study is based on secondary data. The relevant data have been collected from the RBI publications like "Annual Report on Trends and Progress of Banking in India", 'Annual Report of RBI', various publications of RBI websites and annual report publications of the various Urban Cooperative Banks (UCB's)

### 5. ANALYSIS:

#### 5.1 BASEL norms evolution and progress:

##### Features of Basel I

The Basel I Accord attempted to create a cushion against credit risk. The norm comprised of four pillars, namely Constituents of Capital, Risk Weighting, Target Standard Ratio, and Transitional and implementing arrangements.

##### Transition to Basel II

Basel II was fundamentally conceived as a result of two triggers – the banking crises of the 1990s on the one hand, and the criticisms of Basel I itself on the other. Formally, the accord was known as A Revised Framework on International Convergence of Capital Measurement and Capital Standards (hereinafter referred to as Basel II). The new framework was designed to improve the way regulatory capital requirements reflect the underlying risks for addressing the recent financial innovation.

Basel III guidelines were released in December 2010. The financial crisis of 2008 was the main reason behind the introduction of these norms. A need was felt to further strengthen the system and also the quantity and quality of capital under Basel II were deemed insufficient to contain any further risk.

##### Basel II and Basel III

Overall, Basel III an improvement over Basel II in the following areas

The enhancements of Basel III over Basel II come primarily in four areas: (i) augmentation in the level and quality of capital; (ii) introduction of liquidity standards; (iii) modifications in provisioning norms; and (iv) better and more comprehensive disclosures.

##### Progress and Problem areas

Like any global regulatory standards the BASEL Norms during this period of evolution received praise and criticisms To summarise some of the key progress or achievements of BASEL

- The Basel Committee on Banking Supervision (BCBS) has been instrumental in standardizing bank regulations across jurisdictions with special emphasis on defining the roles of regulators in cross-jurisdictional situations.
- Basel I It set the benchmark for worldwide banks. Globally banks have same set of rules of capital requirement. Along with it the accord also provided equal opportunities to all the banks competing with each other.
- Provides banks freedom to decide on their own the method of calculation they wish to use.
- Pillar two and pillar three of this accord provided the regulators enough power to make changes in the supervision of banking making the regulators stronger.
- The Basel accords have made the financial institutions and banks enough strong and stable to bear any kind of risk.
- According to the monitoring report issued by BIS in October 2016. It shows that member jurisdictions have made good progress in adopting the Basel III standards and are generally on track to implement these standards

following the agreed timeline. According to Basel III monitoring report (2017) released by BCBS, which covers 210 banks (consisting of 100 internationally active banks categorised as group-1 and 110 banks categorised as group-2), all banks meet the risk based minimum capital requirements.

#### **The norms were also critically evaluated by experts due to the following reasons**

- The accord was basically for developed nations
- Its reliance on rating agencies to decide the quantum of risk may cause an unfavourable situation in industrializing economy as compared to industrialized economy.
- May not be favourable for small borrowers.
- The higher capital requirements may impact the lending capacity and overall business of the banking sector.

#### **5.2 Banking Sector policy regulations in India and Basel norms:**

In India, the Reserve Bank of India (RBI) implemented Basel I norms from 1992 onwards and subsequently, in 2004 comprehensive framework of capital regulation popularly known as Basel II. India responded to the 1996 amendment to the Basel I framework, which required banks to maintain capital for market risk exposures. The RBI further in 1998, raised the minimum regulatory CRAR requirement to 9 per cent, and banks were advised to attain this level by March 31, 2009. Consistent with this approach, for Basel II also, all commercial banks in India are implementing Basel II with effect from March 31, 2007. It now aims to get all commercial banks BASEL III-compliant by March 2019. So far,

Indian banks are compliant with the capital needs. To understand this analysis of the performance of the Capital Adequacy Ratio (CAR) was conducted. Capital Adequacy ratio (CAR) is the risk weighted capital the banks need to maintain. Capital enhancement became the core policy of many new financial sector regulation measures including Basel I, II, and III. The RBI uses CRAR to track whether a bank is meeting its statutory capital requirements and is capable of absorbing a reasonable amount of loss. The higher the CRAR, the stronger the bank.

Overall, it has been observed that the Indian banks have managed to maintain CRAR above the stipulated minimum ratio with respect all the Basel norms (I, II, III)

#### **CRAR of Public sector banks**

Year	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
All banks	11.15	12.52	12.53	13.37	12.5	11.99	13.11	13.62	12.96	12.83	11.03

#### **Urban Commercial Banks (UCBs) in India: Policy Initiatives and Performance**

Since the inception of the economic reforms, the Government of India has made many initiatives to reform the Cooperative Banking Sector.

The Narasimham Committee (1998) recommended that duality of control be done away with and the responsibility of regulation of UCBs be placed on the Board for Financial Supervision. The Marathe committee (1991) recommendations were related to new bank licensing, branch licensing and area of operation etc. RBI had also appointed a Working Group under the Chairmanship of Shri Uday M. Chitale in December 1995 to review the existing audit systems of Urban Cooperative Banks. The Madhavarao Committee (1999) focused on consolidation, control of sickness, and better professional standards in UCBs. As per the recommendations of the Committee, Reserve Bank introduced CRAR norms to urban cooperative banks in a phased manner with effect from 31 March 2002. The Working Group (Vishwanathan Committee, 2006), while suggesting new instruments for raising of capital by UCBs, had observed that creating a legal framework for facilitating the emergence of umbrella organization(s) like those prevalent in many European countries. The RBI in 2011 appointed an Expert Committee on Licensing of New Urban Co-operative Banks under the Chairmanship of Mr. Y.H.Malegam. The regulatory approach to UCBs has been tailored recognising their role and mandate for providing financial services to the less privileged sections of the population. UCBs are, therefore, regulated under the less stringent BASEL I norms as opposed to BASEL II and III norms applicable to commercial banks.

As on March 31, 2017, there were 1562 UCBs with deposits aggregating ` 443,468 crore and advances totalling ` 261,225 crore. On an aggregate, deposits clocked a growth of 13.1 per cent and advances grew by 6.6 per cent year-on-year during 2016-17.

#### **Performance of UCBs: Analysis of trends**

Despite the fall in the number of UCBs, there was a massive expansion in their balance sheets underscoring the effectiveness of the consolidation drive. The success of the consolidation drive of the UCBs is visible in other parameters as well. Along with consolidation, a significant development has been the expansion of total deposits and Advances of the UCBs to larger size buckets. This is indicative of the expansion and diversification of their customer base.

## Deposits and Advances of Urban Co-operative Banks (End-March 2017)

<i>Year ended March 31,</i>	<i>Number of UCBs</i>	<i>Deposits</i>	<i>Advances</i>
1991	1307	10157	8003
2014	1589	3155.03	1996.51

Source: Report on trend and progress of Banking in India, RBI.

### CRAR Distribution of UCB's

Basel I norms have been made applicable to UCBs in so far as it relates to credit risk. As per the existing norms, UCBs are required to maintain capital charge for credit risk based on 1988 capital accord and surrogate capital charge on market risk through an additional risk weight of 2.5 percent. The CRAR position of banks is given in the Table. It is observed that, over 92 percent of the all UCB's have maintained a statutory requirement of above 9 percent.

### CRAR-wise Distribution of UCBs: CRAR-wise Distribution of UCBs (End-March 2017)

CRAR (in Per cent)	CRAR < 3	3 <= CRAR < 6	6 <= CRAR < 9	9 <= CRAR < 12	12 <= CRAR	Total
All UCBs	114	9	9	154	1,276	1562

### Performance under CAMEL rating

The financial strength of an UCB is adjudged by the CAMELS rating assigned to it. Capital is a critical criterion for determining the business model of the UCBs given their permissible activities. It is also an important parameter in the CAMELS rating. It is observed that, over 78 percent of the all UCB's have maintained a higher rating of A and B.

### Rating-wise Distribution of UCBs (End-March 2017)

Rating		A	B	C	D	Total
	Banks	397	828	274	63	1562
Numbers	% Share in Total	25.4	53.0	17.6	4.0	100.0

## 6. RECOMMENDATIONS & CONCLUSION:

An observation of the above data analysis of most of the shows the following

- Various policy changes were initiated by the Indian policy makers and regulators for strengthening the Indian banking sector in general and the UCB sector.
- Overall the banks are progressive as indicated by their business growth over a period of time.
- It has been found that overall; UCB's performance has increased as measured by their CAMEL ratings and their CRAR measurement where majority of the banks comply with the norms prescribed by RBI as a part of strengthening the banks and BASEL norms preparedness.

A further analysis of the sustainability of the UCB's on various other performances at the overall and at the individual banks level would reveal a clear picture of the progress and preparedness of the UCB's. The concept of Umbrella organization mooted by the Malegaon Committee need to be considered to strengthen the UCB's. This can improve their resilience with respect to the growing competition and adherence to the national regulatory norms and better preparedness for global norms.

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**E-Way Bill**  
**A challenge to revolutionize Business Culture in India**

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**Abstract:** E-Way Bill is the short form of Electronic Way Bill. It is a unique document/bill, which is electronically generated for the specific consignment/movement of goods from one place to another, either inter-state or intra-state and of value more than INR 50,000, required under the current GST regime.

As per the update on 23rd Mar 2018, Generation of the e-Way Bill has been made compulsory from 1st April 2018. Inter-state implementation of e-way bill is notified to be implemented from 1st April 2018.

When e-Way Bill is generated, a unique e-Way Bill Number (EBN) is made available to the supplier, recipient and the transporter.

The e-Way Bill replaces the Way Bill, which was a physical document and existed during the VAT regime for the movement of goods.

One of the key achievements of the e-way bill will surely be the effective dissolution of state borders. The amount of time wasted at state borders to validate documents with regards to inter-state movements of goods was a hindrance to any business which dared to spread its wings, beyond its home state.

This research paper attempts to discuss few e-way bill compliance highlights and also its impact on the logistic operators to deal with practical issues around managing e-way bills. Further it also assesses the effectiveness of this provision in Indian logistic industry.

**Key Words:** e-way bill, logistic industry, transport operator, GST regime.

## 1. INTRODUCTION:

E-Way Bill is the short form of Electronic Way Bill. It is a unique document/bill, which is electronically generated for the specific consignment/movement of goods from one place to another, either inter-state or intra-state and of value more than INR 50,000, required under the current GST regime.

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The e-Way Bill replaces the Way Bill, which was a physical document and existed during the VAT regime for the movement of goods.

One of the key achievements of the e-way bill is that it is proved to be surely be the effective dissolution of state borders. The amount of time wasted at state borders to validate documents with regards to inter-state movements of goods was a hindrance to any business which dared to spread its wings, beyond its home state.

In this research paper highlights the few E-way bill compliance and also understands how a transporter should deal with practical issues around managing e-way bills on case-to-case basis along with the overall impact on transport & logistics operators.

## 2. STUDY OBJECTIVES:

- The primary goal of this study is to examine the GST provisions of e-way bill and its impact on logistic industry.
- The secondary objectives are
  - To study the need of e- way bills for overall control in the GST Act.
  - To study in detail the barriers faced by the transporters in compliance of these new provisions.

- To create awareness amongst various stakeholders about the benefits of the e-way bills.

### 3. LIMITATIONS:

This is a conceptual study. It is supported more by facts than by numerical data. The study is further limited to the discussion of the e-way bills provisions to logistic industry in India.

### 4. HYPOTHESIS:

The e-way bill provision has proved to be a best solution to ease the operations of logistic industry.

### 5. METHOD:

This study is based on secondary data's. The information has been collected from books, journals, magazines, newspaper and websites.

### 6. DISCUSSION:

#### Some facts about logistics industry in India

Given the complex structure the transport industry ends up spending 30-64% of its time and resources on tax compliance, out of which nearly 16% of its time is spent by the trucks queuing up at interstate check points for tracking and inspection according to a report by ministry of road transport and highways.

A truck in India covers an annual average distance of 85,000 km as compared to 1, 50,000 to 2, 00,000 km in advanced countries which pose a clear indication that our logistics industry needs some reforms. Now the introduction of GST is expected to increase the need for integrated logistics arrangements as companies decrease the number of warehouses they keep up in different states. The changes achieved by GST are likewise expected to solve one of the significant problems this sector faces the inter-state transport of goods without the hassle of documentation and long holding up queues at check posts. The GST Council and CBEC's answer to this problem is the GST E way Bills which has replaced the waybills and transport bills that transport companies use today.

#### Compliance related to E-Way bill

Compliance has been the bane of the Indian logistics industry for some time now. The waybills obtained currently from VAT authorities are famous for restricting movement of goods crosswise over states. While e-way bills should help in free-stream of goods, it does not mean that transporters don't need to take after rules anymore. The CBEC has already released a detailed guideline on the use of e-way bills which drill down the accompanying compliances:

- Whenever the mode of transport of a consignment is changed, the transporter or the generator of E-way bill has to update the changed vehicle number.
- In case the transporter, carrying the multiple consignments of various consignors and consignees in one vehicle he is required to carry one consolidated e-way bill instead of carrying multiple e-way bills for those consignments.
- E-way bills generated for goods not transported must be cancelled inside 24 hours. They can't be cancelled if verified amid travel.
- Recipient of the consignment must accept or reject the bills. The system will assume the bill has been accepted if no alternate correspondence is provided inside 72 hours.
- The person-in-charge of the conveyance must convey certain documents, for example, the invoice or bill of supply for verification.
- The transporter can likewise convey the details of the e-way bill on a RFID device (Radio Frequency Identification Device).
- Physical verification of the consignment should be possible if there is any 'specific data' relating to tax avoidance or some other malpractice. Otherwise, goods once verified can continue unimpeded through the rest of the journey.
- Verifying officers would need to present a rundown of inspection inside 3 days of verifying a consignment.
- Transporters will have the privilege to transfer queries on the GSTN entrance if their vehicle is detained for more than 30 minutes without substantial reason.
- E-way bills will be substantial just for certain period of time.

#### Impact of E-Way Bill on Logistics Industry

Let us toss some light on the effect of e-way bill on the logistics industry. The e-way bill recording promises better revenue utilizing the benefits of Information Technology. It is additionally expected that the E-way bill mechanism would be an effective instrument to track movement of goods and check tax avoidance and will ensure that goods being transported follow the GST Law.

The E-Way Bill promises multiple benefits for the transporters. The advantages of E-Way Billing can be summarized along these lines:

### **Reduced Documentation**

All the existing state-wise documentation required for movement of goods will never again be required. Another beneficial alternative that is available for the transporters is the establishment of RFID device in the vehicle used to transport consignments on a regular premise. The person in charge of the vehicle never again needs to convey physical copies as the device is attached to the vehicle and the e-way bill can be mapped and verified through the device itself.

### **Quicker movement of Consignment**

Another huge advantage of E-Way Billing will be the removal of the large number of check-posts crosswise over state borders and national highways, resulting in ease of movement of goods.

### **Reduced Logistics Cost**

E-Way Bill would reinforce proper invoicing and along these lines would reduce tax avoidance. In the longer run this bill is expected to reduce our Logistic cost to GDP proportion, which is currently very high when compared to other countries.

### **Consolidated warehouses**

Prior to GST, companies often had warehouses in nearly every state to avoid triggering a new tax every time their goods crossed state lines. Now, with GST enabling goods to flow more freely from state to state, companies can place larger warehouses in more strategic locations, further reducing costs.

### **Disadvantage of E-way Bill**

However there are some bottlenecks which are issues of concern for the logistics industry. Putting the disadvantages of E-Way Billing in a nutshell we have:

### **Accessibility to IT Infrastructure**

Small transporters especially from provincial areas will face trouble in securing access to GSTN gateway for generating the e-way bill. The government now faces the mammoth assignment of ensuring that all transporters enormous or little from country or urban areas do have access to internet even in a hurry. Unless an organization has the IT system to help and generate e-way bills in real time, it will be a huge issue. We have very less time to get the necessary infrastructure up.

### **Different implementation timelines in states**

Industry analyst and businesses are confused state as currently 15 states have notified the implementation of e-way bill from February 1, 2018 but some states like Maharashtra and West Bengal have decided to defer it which is creating confusion for the businesses which have inter-state operations, as there is no clarity over this situation from CBEC as of now.

### **Keeping up multiple bills**

E-commerce retailers use several modes of transport to ensure that goods reach the customers from the warehouse or the manufacturer's area on time. Since a fresh e-way bill must be generated every time the mode of transport is changed E-com will definitely end up generating a large number of bills for every shipment.

### **Potential delays in generating e-way bills**

Many a times customers end up cancelling orders even while the goods are in travel, or return goods already purchased. Fresh e-way bills have to be generated each time this happens. This poses an issue for E-com retailers who use outsider logistics. They will be able to generate e-way bills simply after the transporter additionally transfers details on the GSTN, which can cause potential delays in shipment.

### **Downsides of the e-way bill for the logistics Industry**

#### **IT infrastructure**

Because the entire e-way bill mechanism is technology driven, small transporters may not have the requisite IT infrastructure to generate e-way bills. There may be challenges pertaining to internet connectivity, especially in tier-three cities and rural areas.

In addition, as many people in India experienced during the e-way bill's first implementation on 1 February, 2018, any technical problems with the GST Network could cause complete stoppage of business, as no movement of goods above Rs. 50,000 can take place without a corresponding e-way bill.

### **Increased costs for smaller transporters**

Smaller transporters may actually see an increase in costs as they gear up to invest in proper IT infrastructure and employ personnel capable of generating e-way bills.

### **Multiple bills**

Every time the mode of transport changes, a new e-way bill must be generated. This could lead to the need to generate multiple bills for a single consignment. This would be more applicable to ecommerce retailers and the courier industry, where there are often multiple changes in the mode of transport for a single consignment.

Since the e-way bill is still in its nascent stage, the government will likely take the steps necessary to eliminate shortcomings and ensure that the logistics industry can achieve its full potential with the aid of the e-way bill mechanism.

One of the key achievements of the e-way bill will surely be the effective dissolution of state borders. The amount of time wasted at state borders to validate documents with regards to inter-state movements of goods was a hindrance to any business which dared to spread its wings, beyond its home state.

## **7. CONCLUSION:**

Summing up, we find that there are expected positive effect of e-way bill and furthermore visible loopholes in the realization of the vision of the bill. At this juncture when the e-bill is in the genesis stage, it will be too soon to reach a determination with reference to whether the advantages of e-way bill outweigh disadvantages or vice-versa. Implementation is the key and that would decide what e-way bill would end up being like!!

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# International Interdisciplinary Conference on 'New Pathways to World Development: Opportunities and Challenges' 26 - Feb, 2019

Adarsh College of Arts and Commerce, Kulgaon – Badlapur, Thane, MH, India

## Need for World Financial Structure & Role of Global Financial Institutions

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**Abstract:** The global financial system is the worldwide framework of legal agreements, institutions, and both formal and informal economic factors that together facilitate international flows of financial capital for purposes of investment and trade financing. The world in today's modern era is integrated between the countries and the trade is not confined to a particular area but in fact it can get extended to across all countries. Therefore, it is necessary to have integrated approach while framing policies of the business and accordingly the financial products should be designed for world culture and for development across the different economies. The smooth flow of finance is a pre requisite for growth and development of trade and commerce the financial institutions therefore play a pivotal role in global trade and commerce. The appropriate and time tested system can only protect and improve the flow of resources across the globe.

**Key Words:** GATT Agreement, Capital Circulation, Balance of Payment.

### 1. INTRODUCTION:

In today's world there is flow of funds from various countries due to trade and commerce. The policies of liberalization and globalisation have converted the entire world into a global village. No country in this world can thrive in isolation. The GATT agreement and creation of trading blocs have given rise to flow of money capital from one country to another in the world and thus creation of international financial flows. International financial flows are a set of financial transactions, performed by various countries the object of which is the money capital circulation for the purpose of trade and commerce. These flows serve both international trade in goods and services and reallocation of capital between various countries. The international flow of finance depends upon where it is required and where is the highest rate of return.

### 2. STUDY OBJECTIVES:

The objective is to study the of financial structure and role of global financial institutions.

The trade and commerce in today's world in multinational and the funds get reallocated between from the prosperous countries to emerging and developing economies. The volume and direction of financial flows is determined by various factors. Such as:

- The state of the world economy. The economic boom in the industrialized countries usually cause increase in the growth rate of world trade, and decline during recession.
- The of trade barriers more the barriers lesser will be the flow and vice versa.
- The rates of economic development higher the growth rate, greater is the flow and vice versa.
- The restructuring of the economy of a country, the countries going for liberalization and privation will see greater inflow of foreign exchange and the countries becoming more controlled will see lower intake of foreign exchange.
- Differential gap in inflation and interest rates, the developing countries keep higher interest rates and subsequently the inflation also tends to get higher such countries see higher inflow of foreign exchange.
- The transition of industrialized countries from labour-intensive to knowledge-intensive production the knowledge based economies will see higher inflow of foreign exchange.
- The expansion of the diversification activity of multinational companies, including international investment in joint ventures. Joint ventures reduce the need to send the products from one country to another. This reduces

the volume of international trade, but increasing international investment. In addition, multinational companies carry out the massive transfer of technology and productions abroad;

- The balance of payment deficits as a result of the imbalance of international payments the countries have to adopt suitable economic policies to attract foreign exchange and accordingly the foreign exchange flow changes accordingly.

### 3. DISCUSSION:

The purpose of financial markets is to ensure the efficient allocation of the available spare capital between final consumers (investors). Financial markets are the mechanism that drives for transactions of those who offer money and to those who are looking for them. To increase the efficiency of allocation of available funds, there are financial institutions - the intermediaries between lenders and end-use borrowers. They offer a professional service based on the supply and demand for capital to firms, citizens and governments and operate in the particular legal and tax framework. The main channels of financial flows movement are:

- The monetary and settlement services for trading in goods and services;
- Foreign investment in the form of fixed and circulating capital (FDI);
- Transactions in securities and different financial instruments;
- Currency transactions for meeting the financial requirements.
- The assistance to the developing countries for achieving their economic goals.

Feature of international financial markets.

- A significant amount of financial resources and the transactions carried out all through the day.
- Reduction in transaction costs due to the abolition of restrictions on financial flows between the countries,
- Use of variety of financial instruments.

It is observed that the international capital flows is approx. 5 times higher than the international flows of goods and services. Due to this the monetary means are moving faster in relation to changes in interest rates and foreign exchange rates, the international mobility of capital contributes to the instability of exchange rates. Foreign exchange rates as on date have become more volatile in the national macroeconomic policies. The high mobility of capital has led to increased interdependence of national economies; it weakened the autonomy of national policies, despite the existence of floating exchange rates.

The main trends in world financial markets:

- The creation of currency blocs around the major currencies of the world. Such as Euro market
- Changes in the structure of financial market instruments in favour of instruments of the real sector.
- The stock markets are the main structural element of the financial sector. The banking sector plays a role of a redistribution mechanism of financial assets to the stock market.
- Growth of the interrelation of the financial and real sectors of the economy.
- The growth in technological modernization of financial markets based on the Internet technology.
- Changes in the ideologies/strategies of the international financial institutions. The financial institutions are now focusing on the responsibilities of developing countries for the stability of the national markets so that the financial objectives are achieved.
- The sharp increase and dominance in global financial markets of speculative transactions, which account for over 95% of all financial transactions.

### Future of global finance

The future is challenge: to create a resilient, accessible financial system that people will trust. so that the savings, investments and other financial products are essential for long-term economic growth and development.

### Financial crisis in USA and its impact

The collapse of Lehman Brothers, the fourth-largest investment bank in the United States was a setback to not only U.S. economy but the world at large due to subprime lending crisis. It was the trigger factor that pushed the U.S. economy into the Great Recession and the worst economic crisis since the 1930s. The global financial crisis revealed significant weaknesses in the financial system and some of the vulnerabilities that can result from having such an interconnected global market. Several years after the crisis, the world economy is still struggling with slow growth, unconventional monetary policy in major economies, and constrained government budgets. Therefore, it is necessary that the strong institutional system be built to absolve the crisis.

### Need for international financial structure

The interdependence of countries on each other for trade, commerce, exchange and capital flows demands an integral financial system all through the different countries. The data of Cap Gemini/RBS World Payments Report 2015 shows that the, total non-cash payments globally, including all wholesale and retail electronic payments, amount to 389 billion per year, equivalent to 1.06 billion movements per day.

#### **4. CONCLUSION:**

The globalisation and consequent interdependence of countries has awakened the global financial lenders and investors to restructure and rebuilt the financial intuitions it is necessary to safeguard the funds of the investors and maintain smooth flow of resources between different countries.

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## Declining Importance of Regional Languages as Purveyors of Knowledge: A Case Study of Economics Literature in Marathi

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**Abstract:** Globalization, as a policy instrument, has led to massive socio-cultural transformations in the society. The world of literature has also undergone a revolution. English has become not just a popular medium of instruction, but also the means of knowledge production and distribution. This rising popularity of English language has hampered the use of regional languages in general. Books written in English are gaining more popularity among the masses as compared to the regional languages. As a result of which more books- both fiction and non-fiction are being written in English as compared to the regional languages. This has great implications for people who are not conversant with English and still find it comfortable to read in their own regional languages. A vast source of information is simply not available to them because most of it is not available in the regional language. Knowledge of economics, for example, is absolutely essential for people to help make informed decisions, not just in personal life, but also as a responsible citizen. But works related to economics are rare in regional languages especially in the Marathi literature. The theme of personal finance, banks and insurance is covered in this literature. But the core economic models and theories which have an impact on policy making at local and global level do not find their place in Marathi literature more often. This paper deals with questions like whether people prefer Marathi or English language to read economics and the reasons behind their preference. It also focuses on the difficulties that people face while reading economics in Marathi and tries to give out the possible solutions to help economics find its well- deserved place in Marathi literature.

**Key Words:** Globalization, Languages, Economic Literature.

### 1. INTRODUCTION:

Globalization has expanded choices of people as consumers. It has changed preferences of people in not just their consumption of goods and services, but also in their consumption of literature. The post reform era has witnessed a rising inclination towards English as a popular medium of instruction and communication. This has proven detrimental to the popularity and acceptance to the literature in regional languages. Since, English has wide acceptance, knowledge production and distribution happens more in English as compared to other regional languages. This is not conducive for people who still prefer to read, and find more comfort in their respective regional language. This paper attempts to develop a deeper insight about this issue. In this paper, attempt is made to understand repercussions of unavailability of adequate literature in regional languages. As a case study, we have taken Marathi as the regional language and Economics as the subject matter. We attempt to find out the extent of availability, or lack of, adequate literature in Economics in Marathi.

When we look at Marathi literature, we find that the field of economics is not fully explored. The theme of personal finance, banks and insurance under economics is still covered in Marathi newspapers and articles, but the other core economic concepts and theories which are important from the viewpoint of national and international economy are not getting a center stage in Marathi literature. There are various books related to economics in English language which are translated in Marathi as well but other than that there are very few books which cover core economic concepts. The books which are translated from English to Marathi have technical terms which are difficult to understand and make the subject dry. People feel that enough material is not available hence they do not read the subject in Marathi and authors don't write it because they feel people won't read it hence there is no point in writing leading to the chicken and egg problem. The paper tries to investigate the hurdles that people face whilst reading Economics in Marathi and tries to come up with a few suggestions based on the analysis.

### 2. STUDY OBJECTIVES:

- To find out whether people prefer English or Marathi language to read Economics.

- To find out the difficulties that people face while reading Economics in Marathi language.
- To find out possible solutions in this regard.

### 3. METHOD:

Survey method was used to gather responses from respondents. 80 people were surveyed for the purpose of study. A questionnaire was prepared and the responses were collected with the help of Google forms. Convenience sampling method was used to select respondents for survey. Analysis was done on the basis of the responses and conclusions were drawn.

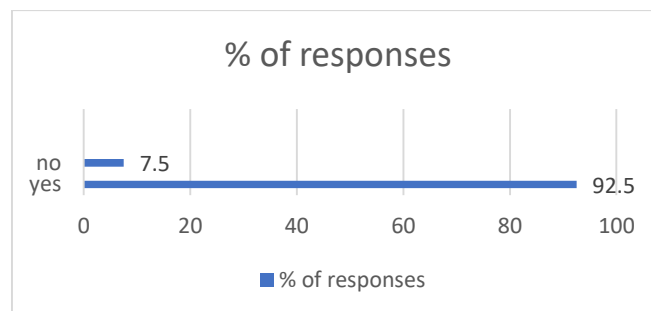
### 4. FINDINGS:

From the analysis, we got the following results:

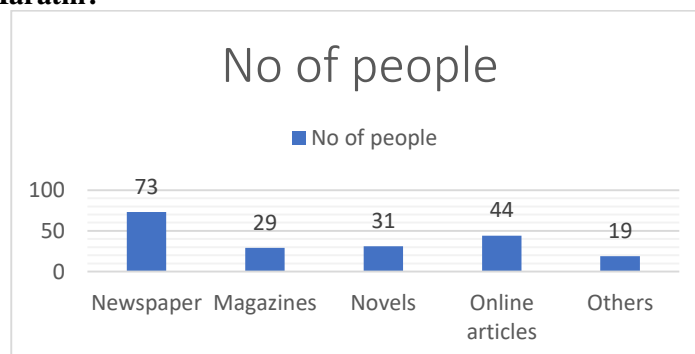
The amount that people spent on Marathi literature was as follows:

Expenditure	Responses (%)
0-100	47.5
100-300	22.5
300-500	8.75
500 & above	21.25

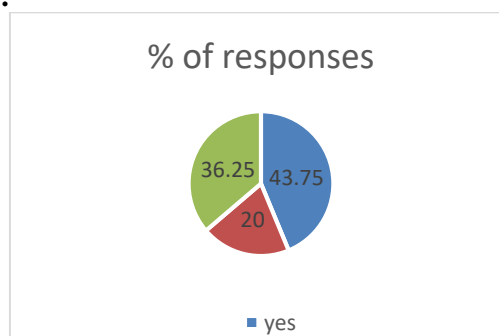
#### Q1) Do you read anything in Marathi?



#### Q2) What do you read in Marathi?

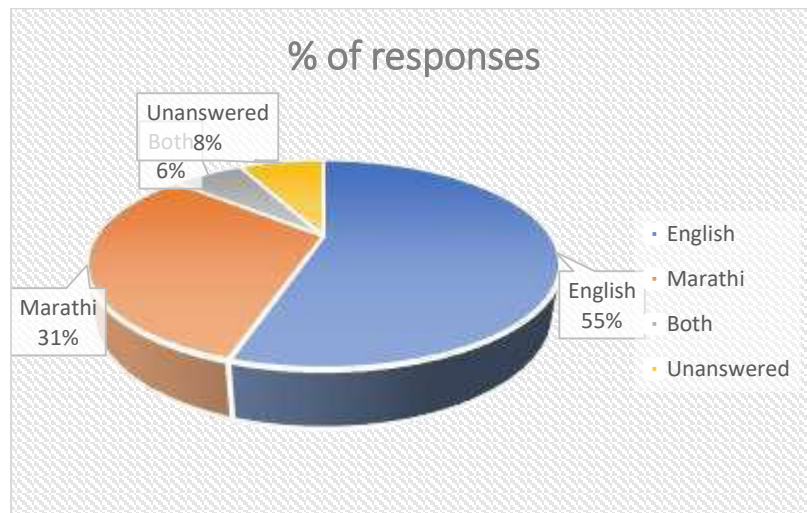


#### Q3) Do you like to read Economics?



The source of information for most people is newspaper and then followed by online articles. As most of the people use mobiles, they have access to information and hence online articles come after newspaper.

#### Q4) which language do you prefer to read Economics?



It is evident from the pie chart that despite being their mother tongue, a large proportion (nearly 55%) of the respondents, prefer to read Economics in Marathi.

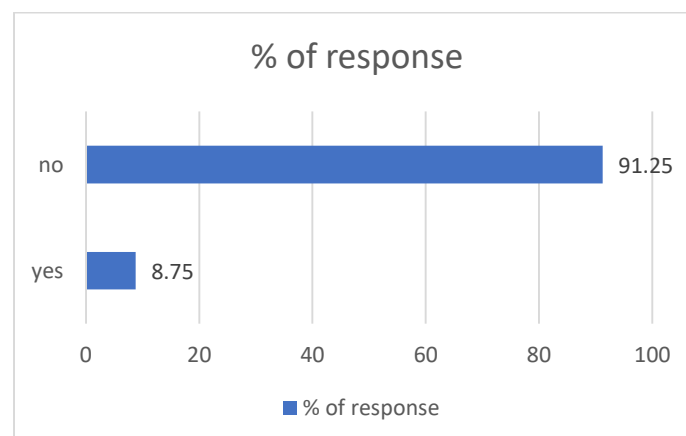
#### Q5) which forms do you like to read Economics?

Form	No of responses
Novels	16
Articles	53
Series	14
Video	42

#### Q6) what content of economics do you read in Marathi?

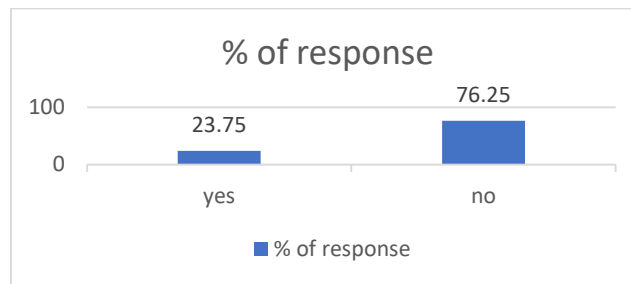
Content	No of responses
Finance	31
Current affairs	57
Theories	12
Development policies	29
Indian economy trends	29
Business	29

#### Q7) Have you read any of the books related to economics in Marathi?



The data that we gathered revealed that only 8.75% of people have read a book related to Economics in Marathi and that to because either they teach economics or are graduated in Marathi literature. The people who said “yes” have read books like Arthaat, BharatiyaArthavyavastha, Economics of Modern India by B.R.Ambedkar.

## 8) Do you think enough material is available to read economics in Marathi?



## Q9) what are the difficulties that people face while reading Economics in Marathi?

Difficulties faced	No of responses
Illustrations	38.94
Language	46.31
Diagrams	14.73

Major difficulty is faced because of the technical terms used. Already economics consists of a lot of jargons and when these terms are translated in Marathi, they become all the more difficult.

## Q10) what are the benefits that you would get if enough material is available in Marathi?

Benefits	% of responses
Helps to manage personal finance better	24.12
Helps to understand national and international finance in better fashion	15.57
Helps to have awareness about development policies and theories	18.09
Helps to understand the economic condition of India vis a vis world	12.06
To understand past and present trends in economic thinking	13.06
Impact of economics and development policies on my life	17.08

From the survey conducted, it was found that readers do not find the available literature in Economics adequate. The reason could be either that they are not aware about the existing literature, or that they find the existing literature difficult to understand and internalize. In order to make Economics literature in Marathi more palatable to readers and to help Economics reach the masses, we have listed a few recommendations:

- Videos related to economics should be made available to people in Marathi language also on social media so that more and more people can have access to economic theories and models and they will be able to understand better as it will be in their mother tongue.
- Economists fluent with Marathi should write more on economic theories and not only about finance in the form of newspaper and online articles. As mentioned before, most people use newspaper and online articles as source of information. This will help generate awareness about Economic theories among masses.
- Glossary of similar simpler terms should be used along with the technical terms so that people can refer to simpler terms if they do not understand the technical terms.

## 5. CONCLUSIONS:

More literature should be made available in Marathi language for that matter in any regional language related to economics so that more people can have access to information and language doesn't become a barrier in attaining knowledge. If enough material is available in Marathi language and as more and more people have knowledge about the subject it will help in breaking the notion that economics is a dry or boring subject. If more people read about economic theories, they will be able to participate and contribute to policy and decision making of the country. Hence experts should make an attempt to make Economics understandable to the masses.

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# International Interdisciplinary Conference on 'New Pathways to World Development: Opportunities and Challenges' 26 - Feb, 2019

Adarsh College of Arts and Commerce, Kulgaon – Badlapur, Thane, MH, India

## Educational Expenditure & Rising Stress Level OF Poor Women

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**Abstract:** Education is the basic right of every individual, but not everybody in the society is able to acquire quality education. Hence, the government has created public schools, but it has been observed that, public school are not serving the purpose, as the people at whom government intends to aim through these public schools, are admitting their children to the private schools.

Due to this particular phenomenon, the poor women in the informal sector face stress and consequently, they have to undertake extra work as the liabilities from the income of the men of the family are fixed. This paper emphasizes on finding the burden on the women working in the informal sector, due to shift in the preference of the parents from the public schools to the private schools.

**Key Words:** Education, women, stress level, private schools, poor families.

### 1. INTRODUCTION:

Between 2010-11 and 2015-16, the student enrolment in government schools across 20 states fell by 13 million, while private schools acquired 17.5 million new students, according to a new study that offers insights into India's public-school education crisis.

Out of the 65 per cent children who have access to school education in the 20 states, about 113 million continue to get their education from government schools, according to District Information System for Education (DISE) and Ministry of Education data. (saha, 2017)

Why are student opting out of government schools, which educate the poorest and most vulnerable student until the age of 14 for free, and migrating to fee-charging private institutions in such large numbers?

Due to this particular phenomenon, the women in the informal sector face stress and have to undertake extra work, as the salary of the men and the consequent liabilities are fixed. This research is mainly based on the major factors that lead to change in the attitude of the parents enabling them to move towards burden on the household, especially the women, due to this particular shift. Also, the discrimination between girls and boys in case of the admissions has to be analyzed efficiently for efficient national development.

### 2. STUDY OBJECTIVES:

- To study the major factors behind change in the attitude of the parents enabling them to move towards the private schools.
- To study the burden on the household, especially the women, due to this particular shift in the attitude.
- To understand whether there is any discrimination between girls and boys while enrolling in private schools.
- To suggest measures to improve the condition of government school and consequently reduce the burden of the downtrodden.

### 3. METHOD:

The methodology consisted of a mix of primary as well as secondary techniques to collect data.

On secondary level: Various spending of government and the respective year's enrolment are correlated. Also various reports are considered.

On primary level:

- A survey of 50 poor women working as domestic help known as and called as ‘Kamwali Bai’ living in slums and chawls of Mulund east and Dombivali east, suburban areas of Mumbai was conducted through the questionnaire method to understand the mindset and the motive behind this transition.
- The housing condition, their immediate reaction, income, expenses, including school fees, tuition fees, uniform expenses, etc. were taken into consideration to analyse the topic properly. The responses collected through the questionnaire method. Convenience sampling method was used to select respondent for survey. Analysis was done on the basis of the responses that we got and conclusion was drawn. All the above steps constituted to the final suggestions that are capable of changing the current condition.

The nature of the research paper is theoretical; hence the data has been collected through secondary sources. For the purpose Printed materials, Reference Books, Research journals, Research Papers and Internet have been widely consulted to develop the plan of the research paper.

#### 4. FINDING:

##### 4. 1: Government spending on education

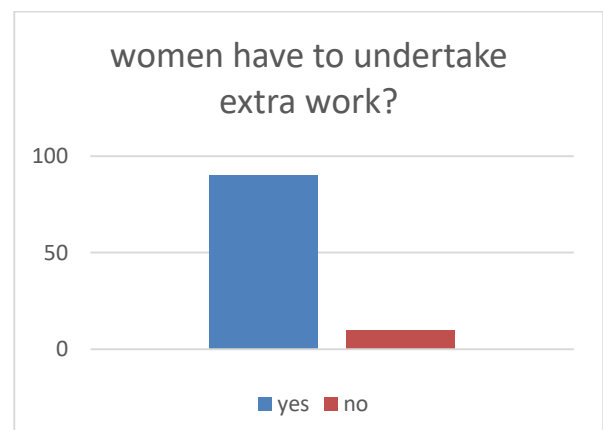
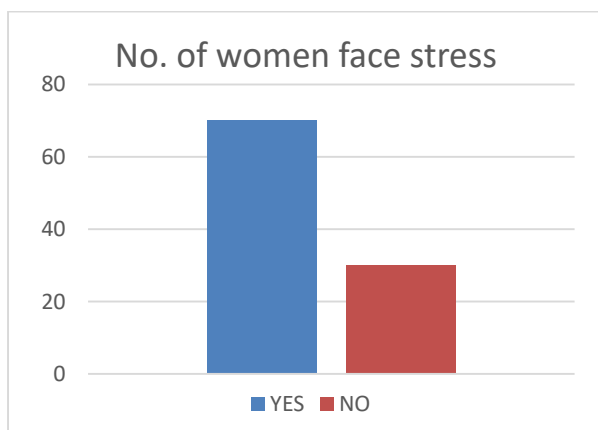
A specific portion of the budget of the government is allotted for education. The grant provided to the government schools is essentially from this amount. The government makes certain provisions to spend on the primary, secondary and tertiary education.

Year	Primary	Secondary	Tertiary
1999	30.5	37.80	17.54
2000	37.56	40.09	20.30
2003	36.08	41.67	20.09
2004	36.38	41.62	19.55
2005	35.59	42.89	20.28
2006	35.38	42.50	36.45
2009	26.68	34.92	36.08
2010	25.21	36.99	36.08
2011	26.55	36.96	34.68
2012	27.21	38.73	32.17
2013	28.40	41.35	28.53

(Source: <https://www.indexmundi.com/facts/india/public-spending-on-education>)

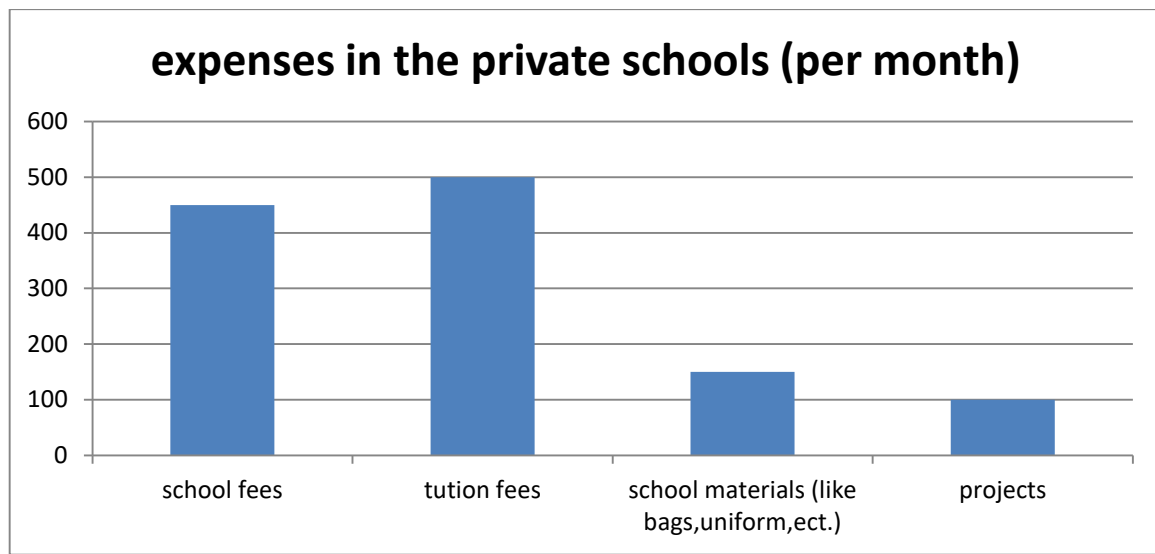
From the above table, it can be seen that, the government is spending the maximum part of the total GDP spent on education the primary as well as the secondary education i.e. on the school education whereas, it is spending comparatively less on the higher education as compared to what is being spent on the schooling.

##### 4.2: Women facing stress and undertaking more jobs



Even though 30% of the women said no to stress because of the education expenditure, 20% of them said yes for taking extra work. This shows that women are not ready to accept that they are facing stress because of education expenditure.

#### 4.3: expenses in the private schools (per month)

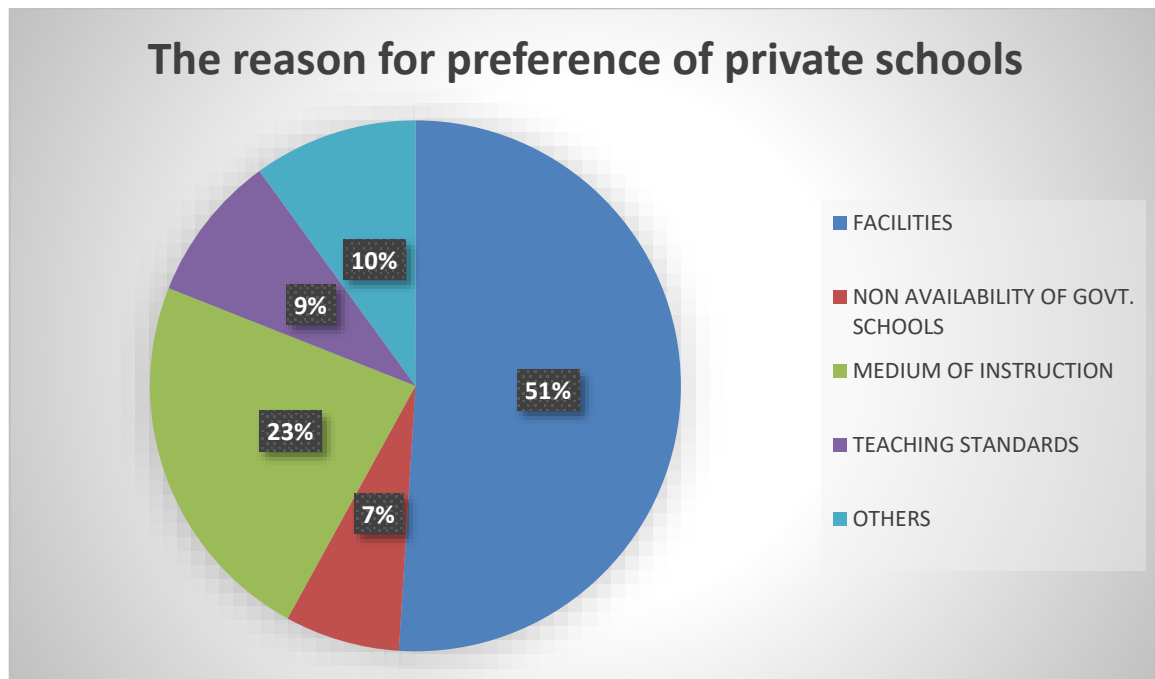


The above bar diagram, explains the expenses incurred by admitting a child in private school. The maximum pressure is generated by the tuition fees followed by school fees.

#### 4.4: The reason for preference of private schools

There is a general opinion of people that public schools are of substandard in nature. This perception is even appearing in news. and research (Puranik, 2013).

In case of surveyed families it is observed that the insufficient facilities and the absence of specialized teaching standards stand to be the core reasons for the transition. The people do not refer to the advanced facilities but the basic ones which are lacking and which restrict the growth of a child as a mature human-being.



#### 4.5: Peculiar observations of poor families relied with children's schooling

- People already have certain perceptions in their minds regarding the government schools. Hence, they have certain things fixed in their minds against the government schools.
- Even though school fees of the student are not very high the family faces burden and stress because of the fees paid to the tutor.

- We found out that the families that we surveyed did not differentiate between the girl and boy while putting them in private schools. But a few families took the admission of their girl child in the private school that had lower fees so this shows that these families were not ready to incur more expenditure on their girl child.
- In most of the families it was even seen that even though they admit their children in good private school with good facilities the children were not able to perform good in their academics. So in spite of putting so much money for education of children they did not get the desired result.

## 5. SUGGESTIONS:

- **Creation of awareness:**  
According to the analysis, the people have lost the faith in the functioning of the government schools. Hence, the improvement in terms of facilities alone won't help. The government has to create awareness regarding the different provisions of the public schools thus highlighting the benefits of the same.
- **Education in native language:**  
Those who learn in English medium, but don't have the same educational culture at home face difficulties to understand the concepts. So if the medium of language is converted into native language it would be easy for them to understand the same.
- **Direct transfer of educational grant:**  
There is a dire need to eliminate the intermediaries. The government should make certain provision for the direct transfer for grant. Through this the school authorities can certainly inculcate certain provisions according to the priorities.
- **Proper recruitment mechanism:**  
The element of job security has to be altered up to a considerable level to inculcate discipline among the teaching staff. Also, proper recruitment mechanism has to be set up for appointment of proper teaching staff.
- **Exclusion of private sector:**  
In spite of all these problems, private sector should not be involved because it would bring in the profit motives.

## 6. CONCLUSION:

There is a dire need to create good infrastructure facilities, efficient teaching standards, a good number of government schools to avoid the unavailability of the same to bring about the actual purpose for which the public schools were created.

"There is no tool for development more effective than the empowerment of women"-Kofi Annan. Therefore, government should take measure in favor of effective education of children, thereby improving human capital resource which is necessary for overall development of economy as proposed by economist Schultz and Gary Becker. As Hillary Clinton says, when women participate in the economy, everyone benefits. But rising stress on women due to rising educational cost can lead to early breakdown of women and eventually family and society

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**Financial Damages & Recovery during Natural Calamities with  
Special Reference to ‘Comparison between India & Japan’**

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**Abstract:** Most of the countries of the world has suffered from natural calamities. There is not a single country that is immune from disaster, whether they are developed, developing or under developed countries. All are same for in front of nature. Flood, Earthquake, tsunami, Avalanches and landslides, hurricanes, tornadoes, Cyclonic storms, droughts this natural calamities which are adversely affected on globe. But at same time some calamities are manmade like technological or industrial accidents, use or transportation of hazardous material, forest fires caused by humans etc. Disaster can interrupt essential services, i.e., electricity, water, health care, sewage/garbage removal, transportation and communications etc. The interruption can affect the social, health and economic networks of local communities and countries. Disasters have a major and long lasting impact on human even long after the immediate effect has been mitigated. Mostly these disasters reduce the economic and financial growth of the countries. All local, regional, national and international organizations are involved in mounting a humanitarian response to disasters. Each will have a well-developed disaster management plan. These plans cover prevention, preparedness, relief and recovery. In the same view we can compare two countries like Japan and India because both countries are facing maximum number of natural disasters. These two countries have set their footsteps very strongly in global development by remarkable contribution by way of technology, culture etc. We have to understand their geographical parameters, which kinds of natural disasters they had mostly face, and their financial and socio-economic damages, recovery from disaster, and preventive measures.

**Key Words:** Disaster, global development, economic and financial growth, preventive measures.

## 1. INTRODUCTION:

A natural disaster is a major adverse event resulting from natural processes of the Earth. Basically There are two types of disaster one is natural disaster which include rain and wind storm, flood, earthquakes, tsunami, Avalanches and landslides, hurricanes, tornadoes, Cyclonic storms etc. on the other side manmade disasters like act of war and terrorism, explosion , leakage of toxic gas etc. Each and every country faces natural disaster. South Asia is one of the most vulnerable regions of the world with respect to natural disaster and man-made catastrophe. Some dangerous disasters face by Asian countries in the year 2018 like flood in India , North Korea; heat wave in Pakistan, earthquake and tsunami in Indonesia and Japan. Asian countries are High in population densities, rampant and unplanned urbanization, widespread poverty and malnutrition's are all further aggravating factor that make the population even more vulnerable to the disaster that be fall them on regular basis.

All of these characteristics apply fully to India, which with more than 355(approximately) disasters reported in last three decades. These all disasters adversely effected on human, physical, financial as well as natural resources of India. On the other hand Japan have also the same problem. But developed countries like Japan immediately recovered from all types of disasters because they are well equipped and to survive with them through well-functioning of managing the disaster, attentiveness and response mechanisms; the developing countries, poorly equipped in terms of each of the above mentioned considerations, suffer most because of natural disasters. The emergency management program chooses to focus on preparation initiatives rather than mitigation directly.

Organizing administrative mechanism and dealing with disasters, is an important responsibility of the government. Government is also responsible for Strong and effective emergency management system they must be ready for all kinds of disaster. In developing countries mostly weaker section of the society more adversely affected. Not only they face financial and wealth loss due to disaster but also their ability to recover from the shock brought by a disaster is also the lowest. After disaster developing country face scarcity of resources, mostly lose their contact to livelihood in many cases.

As compared to other continents, Asian countries accounted near by 83 % of the population affected by disasters globally. India has experienced different types of natural disasters which adversely affected different part of the country. The Latur earthquake of 1993-94, the Orissa super cyclone of 1999, the Bhuj earthquake of 2001, and the Tsunami of December 2004, Kashmir Earthquake of 2005, Mumbai Floods of 2005, Uttarakhand Cloud Burst of 2013, Kerala flood in 2018 are some of the most severe natural disasters that have struck the country in the recent past. On other hand, Japan has had a long history of earthquake catastrophe and seismic activity. But Japan is developed country and their government is always ready to face all kinds of disaster but at the end they have also suffered from financial damages reducing economic growth. Sakurajima Volcano, 1999, Miyagi earthquake, 2005, Sea of Japan, 1983, Great Hanshin earthquake, 1995 Tōhoku earthquake and tsunami, 2011 these are some dangerous natural disasters face by japan.

## 2. STUDY OBJECTIVES:

- To review the previous damages happened in India and Japan because of natural disasters.
- Comparison between India and Japan for recovery speed after the disasters.
- Policies adopted and implemented by India and Japan to reduce and recover from the financial and economic as well as social damages.
- Challenges in the future about disaster management especially in front of developing countries like India.

## 3. METHOD:

To meet the above objectives of the study the required data have been collected from secondary sources, such as Internet, websites, and referred journals, author's books and newspapers. The relation between natural disasters, financial damages and reduction in the economic development of any country which are examined by using different data. It may help to create preparedness and alertness in the mind of people's which reduce financial damages.

## 4. REVIEW OF LITERATURE:

Dr S.L Goyal 2010 in the book of management of natural disaster deals with natural disasters like earthquake, cyclone, flood, landslide, avalanches etc. A characteristic feature of natural disasters is that they take a large toll in developing countries due to poor preparedness, lack of Advance warning system, lack of well-trained manpower Coupled with corruption until and unless the government is sincere the natural disaster Would Result in large scale damages it is good that the government has enacted disaster act 2005 but action is more important Which require hard work dedication and sufficient equipment in addition people education and participation are key to control The impact of disaster it help to reduce financial social and environmental damages.

Dr Shirish Patel 2010 in the post-independence Period the country developed and integrated administrative machinery for disaster management at the national, state, district, and blocks level .the responsibility of carrying out rescue and the relief operation in the event of natural calamities lies with the concerned state government the union government supplements.

The state relief efforts by initiating Supportive action elaborate procedural mechanism outline in relief manual and codes And are reinforced by contingency action Plans that facilitate emergency management operation however this effort Remained primarily relief oriented With little effort put into disaster mitigation prevention and preparedness .

## 5. DISCUSSION:

Review of damages in India and Japan due to natural disaster.

According to World Meteorological Organization (WMO) reports that around 3,192 extreme events have occurred in Asia during 1970-2018, resulting in 1.62 million deaths and US\$ 936.8 billion (adjusted at 2018 prices) of economic damages. Most of these disasters were attributed to incidence of floods and cyclonic storms, i.e., 45% and 35%, respectively.

### Damages in India:

Natural disasters are adversely affected human resources, financial resources and natural resources. Recently in India southern state Kerala faces Deadly floods have caused an estimated \$2.7bn worth of damages, destroying homes, roads and huge tracts of farmland, just ahead of the region's lucrative tourist season. Flood has killed 324

people so far and displaced more than 700,000. The floods have destroyed 27,000 houses, submerged 45,000 hectares of farmland. Officials said 134 bridges and 16,000 km of Public Works Department roads and 82,000 km of local roads were completely destroyed.

Another example of damages due to natural disaster, In June 2013, a multi-day cloudburst centered on the North Indian state of Uttarakhand caused devastating floods and landslides becoming the country's worst natural disaster since the 2004 tsunami. The reason the floods occurred was that the rainfall received was on a larger scale than the regular rainfall the state usually received. The debris blocked up the rivers, causing major overflow. There has been huge infrastructural damage caused by the catastrophe. Continuous rains and landslides damaged over 1500 roads and 154 bridges, while over 2,000 houses were destroyed. According to Government reports 18,228 cattle have now been killed and 20,000 hectares of agricultural land was severely damaged.

The Indian Ocean tsunami in the year 2004; area affected by this disaster 2,200 km of coastal land; 300 m to 3 km inland; 3million people, damages done by this tsunami 897 villages; 157,393 dwelling units; 11,827 hectares of cropland; US\$1.56 billion in assets, numbers of peoples displaced 647,556, deaths 10,872, and missing peoples 5,551.

In the year 1993 Latur earthquake struck India Fifty-two villages were demolished in the interpolate earthquake. It measured 6.2 on the moment magnitude scale, and approximately 10,000 people died, whilst another 30,000 were injured. The earthquake's hypocentre was around 10 km deep relatively shallow allowing shock waves to cause more damage.

### **Damages in Japan:**

On March 11, 2011, a 9.1 magnitude earthquake occurred 231 miles northeast of Tokyo. It was the fifth most powerful earthquake ever recorded. Within 30 minutes, a 132-foot high tsunami pummelled Japan's northeaster shoreline. At least 20,000 people died and 2,500 went missing. Around 18,000 people drowned during the tsunami. Over 465,000 were displaced. This disaster destroyed 138,000 buildings and cost \$360 billion in economic damage. The tsunami swept 5 million tons of debris out into the ocean. About 70 percent sank, leaving 1.5 million tons floating in the ocean. The destruction cost more than the \$250 billion cost estimate for Hurricane Katrina. The quake hit northeast Japan. This region was responsible for 6 to 8 percent of the country's total production. That made it worse than the 1995 Great Hanshin earthquake near Kobe, which cost over 6,000 lives and \$100 billion. There, rebuilding took seven years.

In the year 2005 Miyagi earthquake struck the east coast of the Japanese island of Honshu on August 16, causing casualties, building collapses and power outages. The event registered 7.2 on the moment magnitude scale. Initial reports indicated 80 people were injured, but it was later reported by state broadcaster NHK that one person was seriously hurt and thirteen were slightly injured. Seventeen thousand people lost power.

These are the some deadliest disasters happened in last two decade in India as well as Japan which help us to understand the intensity of damages done by natural calamities. Apart from these natural disasters there are so many medium and large scale disasters happened in past. Still we not recovered from these disasters.

### **Recovery from natural calamities:**

Basically we never expect the victims of natural disasters to face losses. But as a country, due to natural disaster, we always calculate financial losses caused by disaster but not the cost on recovery of financial losses. All important costs are applicable to recovery from disaster like medical and health aids, reconstruction of infrastructure, food and shelter to affected and total rehabilitation to all affected etc. basically after natural disaster there are many peoples who have to survive under unemployment, home less life, some of them live without any relatives and without any emotional support. So it is quite adverse situation for recovery.

### **In case of Japan:**

Japan geographically located along the north western Pacific Rim and the so called —Ring of Fire where many volcanoes and active earthquakes are frequently encountered. Japan generally stuck because of earthquake and tsunami. Japan were lost many parts of the urban infrastructure such as express way, bridges, port, and railway facilities were heavily damaged. Recovery of life line and other urban functions was accomplished relatively quickly like electricity and telephone connections, gas and water supply, sewers reconstruction etc. But reconstruction of industry and housing took longer. For example, the Chuetsu Earthquake that occurred after the floods of July 13 and the heavy rain of Typhoon no. 23. This has worsened the conditions. This had loosened the ground, and aftershocks continued for a long time afterwards. Immediately after the earthquake, some communities were cut off due to damaged roads. Evacuation of victims was therefore difficult and delivery of emergency supplies and life line services were delayed. Repair of roads used to supply daily necessities was therefore prioritized in order to quickly re-establish life lines.

Japan is "open for business" and "recovering at surprising speed," from the earthquake that devastated the country, Takeaki Matsumoto, the country's foreign minister, wrote in International Herald Tribune, "If you imagine that the whole of Japan is covered by debris that is completely wrong. Most of Japan remains unharmed by the

disaster, and the streets have leapt back to life. The major highway that runs through the most affected Tohoku region was reopened only two weeks after the earthquake. The bullet train that connects Tokyo and Tohoku region became fully operational again immediately.

As we would expect, rich countries with high-quality institutions and populations with high levels of human and social capital recover more quickly, and are most likely to intelligently allocate resources toward improvements over lost capital stock and infrastructure. Currently in the month of February 2019 Japan's cabinet passes ¥3 trillion supplementary budget, much of which will go toward disaster-proofing measures. Of the budget, ¥1.07 trillion will be spent on projects to prevent and manage disasters, including shoring up roads and levees, after catastrophes such as a powerful typhoon and earthquakes devastated parts of the country.

#### **In case of India:**

Developing countries like India take lots of time to recover from any kinds of natural disaster because of lack of technological development, lack of education and knowledge among the peoples, lots of political interference, lack of sincerity among government officials etc. for example, the 2004 Indian Ocean Tsunami, heavy rain fall and cloud busted in 2013 in Uttarakhand were far behind but still we continued to struggle and recovery will still take many years.

Especially In case of Indian ocean tsunami, Some observers say that only about one third of the reconstruction aid that was promised after the tsunami which took place in December 2004 has actually been distributed, and a large portion of the amount has been wasted due to corruption, mismanagement and unnecessary duplication of aid efforts. As a result, hundreds of tsunami survivors continue to wait for permanent homes.

Now a day's Indian government also spend lots of finance on immediate recovery from all kinds of natural disaster. In 12th five year plan Indian government Setting up of disaster identification and mitigation centers which helped in development of a cadre of professionals well-trained to take disaster mitigation activities disaster recovery management by aiding in search and rescue to locate the disaster zone accurately. And also improve A dedicated communication link needs to be given to disaster management agencies by every service provider to receive guaranteed service during disasters. It helps to speedy recovery from disasters especially to lower income group society.

#### **Measures to be taken:**

In any kinds of disaster two types of measures must be taken first on pre- disaster measures and second post disasters measures. Maximum finance must be provided for the pre disaster measure because it helps to reduce financial and economic damages and quick recovery in the post disaster.

##### **A. Pre disaster measures**

- Prevention – Identify the intensity of any kinds of disaster and minimize the risks, continuous audit of infrastructure required, everywhere must Installed automatic fire detection and extinguishing systems, and water-sensing alarms.,
- Preparedness – most important part to face all kinds of disasters is to develop a written preparedness, response and recovery plan, Keep together supplies and equipment's required in a disaster and maintain them.
- Awareness – generally developed countries like India these natural disasters are crisis for poor section of society, who are least equipped to cope with the situation. So all the peoples in the society must be educated and aware about how to survive and how to face the disaster situation.
- Technology – proper utilization of technology is most important factor in disaster management. It help us to get early warning of natural disaster than we can get enough time for preparation before disaster.

##### **B. Post disaster measures:**

- Coordination – after disaster each and every part of the society and basic facilities like health and medical services, power supply and water supply, food grains supply, telecommunication services must be coordinated properly.
- Recovery and rehabilitation – after disaster government or other disaster management agencies must try to recover from disaster as early as possible. All resources must be properly utilized. Communities and stakeholders must recognize that rehabilitation is a long-term process, rehabilitation activities are integrated with risk management and sustainable development.
- Response - The response of an emergency may commence with Search and Rescue but in all cases the focus will quickly turn to fulfilling the basic humanitarian needs of the affected population. This assistance may be provided by national or international agencies and organizations.

#### **Challenges for the future:**

Prevention, mitigation, preparedness and relief are four elements, which add to and gain from the accomplishment of sustainable development policies. The Government of India has considered mitigation and

prevention as fundamental components of its development strategy. The Five Year Plans which prepare by Indian government emphasizes the fact that development cannot be sustainable without mitigation being built into the development process. A realistic attitude to reduce the effect of disasters in the country requires a more extensive approach that comprises both pre-disaster risk reduction and post-disaster recovery. It is framed by new policies and institutional arrangements that support effective action.

- Upgraded Technology – technology up gradation is most challenging task in front of developing countries like India, all developed countries like Japan and USA must share their upgraded technology with developing as well as under developed countries to give early warning about all kinds of natural disasters which help to reduce financial damages of affected countries.
- Practical training and spread awareness about disaster – all the countries whether they are developed and developing and under developed they must give proper theoretical and practical training to all common people to fight against disaster. All the peoples must have knowledge about disaster management. Disaster is a curse which cannot be ignored. But knowledge is the medicine to help ourselves to reduce its effect. Formal education for professionals and capacity building or training for other target groups are explored here as a means for disaster risk reduction. This will help the society to be aware of the uncertainties.
- Need of designing the culture of preparedness – the increasing awareness about the consequences of disaster is raising about the massive cost of disaster, relevance of disaster reduction and eliciting participation from different stakeholders. There is a paradigm shift disaster emergency response to prevention.
- Effective, transparent and accountable administration – administration is the heart of development. Any systematic effort towards disaster management must be preceded by, or coupled with efforts, to make the functioning of governmental machinery more effective. No system of government can survive without good system of administration. Due to good administration we can reduce the impact of disaster.
- Mobilization and utilization of financial resources: finance is the fuel of administration. Finance is required to provide relief and rehabilitation to the victims of disaster. We can tap financial resources from the various sources such as union government, state government, industrialist, NGO's, people in general, multilateral agencies, private institutions etc. the most serious problem in developing countries like India is not as much of resources mobilization as that resources utilization.

## 6. CONCLUSION:

In natural calamities there will always be damage, deaths, grief and terrors. That no one can prevent. But it can be minimize. In the last two decades US\$ 2,908 billion of losses faced around the globe. "Without question Japan is the best in this area of expertise. Learning from Japan's effective and contextualized Disaster Management System is important for all countries to see how theory is put into practice. "

Now in India, PM Narendra Modi released the first Disaster Management Plan of India on 1 June 2016 that seeks to provide a framework and direction to government agencies for prevention, mitigation and management of disasters. This is the first national plan since enactment of the Disaster Management Act of 2005. So developing country like India continuously improving and try to get ready against natural disaster. So it helps to manage and minimize financial losses. Precaution is always better than cure.

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