

Economic Development: A Challenge with Sustainability

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Abstract

The fast pace of Economic Development is the need and expectation of every economy but it must fine tune with sustainability is an urgent need considering the present situation. Developmental matters should be managed in such a way that it can be fruitful for the generation to come. The way we are moving in building infrastructure for the comforts and better living or to put the benchmark with the competitive world, we are moving away with the sustainability in the same. For a country the economic growth is essential but the growth should be organized in such a way that environment can be protected at the required level, it means the growth concept should be fairly sustainable. If increasing the initial cost of a product can benefit future generations by preserving the natural environment, this should be taken seriously and pursued diligently by every business organization. The concept will be really useful for the firm in the long run even for gaining maximum profit for the firm and to distribute dividend to the shareholders. Investors will also be interested to invest in such project which has longer future. The concept of sustainable development will also be useful to firm to remain transparent and genuine in the eyes of the authority which increases the cooperation and smooth working of the firm. The present paper has conducted research work in the reference of sustainability with economic development with its objective, challenges, current scenario, golden rules, etc. so that the development of the country becomes the development of each and every person and even for the generations to come.

Keyword: Sustainable development, golden rules, natural environment, future generation, ecofriendly

INTRODUCTION

Economic Development has become imperative for every country of the world but together with the same it must be sustainable is urgent need. In fast moving world, the pace of economic development should pace with various challenges for the country like India. As the development is imperative because we have to cope with various challenges of our country like unemployment, poverty, expanding education, providing better infrastructure that can match the developed economy but for all such aspects above all betterment should be provided in such a way that it does not harm the future generation to come. To fulfill this requirement the concept of sustainable development is imperative. The development will lead towards depletion without which development is incomplete. Therefore, while considering the developmental aspects one should think about reducing the emission in the environment which is very hazardous for the generation to come [1]. Development will lead towards various threats in terms of pollution like water, air, noise, etc. The development will surely bring the

above all threats but how to minimize the adverse impact of above all threats should be taken into consideration while forming the developmental policy is the immediate requirement. In short the opportunity cost of development should be taken into consideration while framing policy and implementing it.

Objectives of the Study

- To identify the importance of sustainable development in India from different perspectives.

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Received Date: February 22, 2024

Accepted Date: April 05, 2024

Published Date: April 10, 2024

Citation: Sameer Shamaljibhai Manek. Economic Development: A Challenge with Sustainability. OmniScience: A Multi-disciplinary Journal. 2024; 14(1): 89–93p.

- To understand the golden rule/strategy needed for successful sustainable development.
- To study the present scenario and potential of sustainable development with its challenges.
- To study the problems faced by all the three producing sectors of the country.

Importance of Sustainable Development

Sustainable development is indicating the overall development of the business from forward and backward linkage. If a business unit wants to go for sustainability aspect than needs to incur extra cost for the same. The increased cost in the present will give more profit in the long run. If a firm is installing solar energy plant than the cost in the initial will increase but in the later period it will save cost considerably. The brand image of the such companies which are using sustainable aspect will be benefited in the future in terms of market share and profit maximization too. If this concept will be useful to companies to stay strongly in the competition especially against those companies which are not using the sustainable production process [2]. There are various reasons for the firm to use the sustainable aspects which can be listed as follows:

1. Those companies which are considering the environmental cost are planning to achieve their long term goals.
2. It is moral duty for the organization to give something back to the society which has bestowed everything to them.
3. Rules and regulation are getting stringent to adhere to the standard.
4. Sometimes competitors forced the organization to be environmentally equipped so that the organic objectives of the firm can be fulfilled.
5. The cost of waste disposal is also inspiring the organization to go for the environmental-friendly practices.
6. The competition at international level after fast globalization process also insists businesses to go for the sustainable development aspect.

Benefits of Sustainable Development

It has become the responsibility for the organization to provide eco-friendly products to the consumer so that the consumer's patronage can be gained and can be sustained for a longer period. Business organization should be the first mover in this direction so that the company gets the follower instead of, it becomes the followers of the other company [3]. The organic objective can be easily gained with the help of the sustainable development which is the urgent need of the present time in the competitive environment. Some of the advantages of sustainable development are as follows:

- Organic objective can be fulfilled with the economic objective.
- Initially increased cost will be benefited in the long run in terms of huge profit.
- Market share can be easily enhanced with the concept as the patronage of the consumer will last long with such practices.
- To stand erected in the competitive world the concept is primary now.
- The confidence of the employees can also be gained with the help of the aspects of sustainable development as they feel secured to work for such company which follows the practice of sustainable aspects.
- Sustainability will provide a better environment for the years to come whereby the future generation can enjoy the quality of life.
- The cost incurred for the development aspects will be fruitful and worth for the long term and to the next generations too.

Challenges of Sustainable Development

The concept of sustainable development is very important for the long term survival but in the implementation of the same there are various threats that have to be faced by the businesses, government and lobbying group which are as follows:

1. Environmental damage cost by the company individually is difficult to compute so the concept is bit challenging from this aspect.

2. Environment is being harmed by the excess emission of the toxins caused by the industrialization but the actual damaged cannot be known so how it can be compensated from the polluter is a big challenge.
3. The business has to keep the prices higher if they have to follow the sustainable concept and in the competitive market it is difficult for business to keep the prices at that level where they can recover the social cost.
4. It is very difficult for the government to pursue such a big population of India the importance of sustainable development as they have their own severe problems like poverty, unemployment, inflation, etc.
5. From the perspective of the investors the concept is not readily digestible as the cost incurred for the environmental protection will be benefited in the long run while the investors are expecting to get early return from the investment they invest. No doubt the profit will be high but in future. If all investors are expecting to invest for the long term only then the concept is worth otherwise it will demotivate investors to invest in such project which are viable in the long run only [4].

Current Scenario in India

Presently all over the globe the importance of sustainable development is getting momentum. Even in India, the authority has focused and designed policies with respect to sustainable aspects but yet a lot is there to accomplish. The rank of our country is improving day by day in comparison to the other country in terms of sustainable development aspects. According to the United Nations SDG Index and Dashboards Report 2023, India ranked 112 out of 166 countries, with an overall index score of 63.5 percent and spill-over score of 99.4 percent. India is importantly determining the progress of SDGs globally. At the UN sustainable development summit in 2015, Prime Minister Narendra Modi stated, “Sustainable development of one-sixth of humanity will be of great consequence to the world and our beautiful planet. It will be a world of fewer challenge and greater hope, and more confident of its success.” India is going to be a 5 trillion economy and in the pursuit of this objective, the government is focusing and giving more and more importance to the sustainable aspects as the GDP is increasing too fast and with the same the environmental challenges are also equally important therefore, the important thing is that whether both the concepts can be parallelly fulfilled like development and sustainable development [5].

- Organization should be provided motivation to go for sustainable development aspect and thereby increasing the viability of the business.
- The awareness should be provided to the consumer at the root level and should be explained the importance of ecofriendly product and use of it will be helpful to protect the future generation by paying little more in the present.
- Mindset of the consumers should be framed in such a way so that they get motivated to buy the ecofriendly products only.
- The companies should be rewarded and appreciated which are taking care and using the production method which are environmentally sustainable.
- The other important things are that the organization should try to use such practice which fulfills the philanthropic objective of the business for the betterment of the society as a whole.

Golden Rule for Sustainable Development

Convince Consumer the Importance of Social Cost

It is very imperative to convince the consumer about the concept of social cost. What consumers are paying in general is the market price which includes only direct and indirect cost plus taxes and factors cost in the product but in actual practice in today's scenario the consumer should be ready to pay the social cost which includes the cost of environment that has to be faced by the manufacturer while making the product like pollution, externalities, etc. Actual the Social Cost = Market Price + External Cost.

Identifying the Externalities

There are various externalities that are associated in the process of production. Externalities are of two types like positive externalities and negative externalities. So, the negative externalities should be curtailed and on the other hand positive externalities should be expanded. There are negative production and consumption externalities which includes pollution, toxin waste, hazardous chemical emission, smoke emission, etc. These negative externalities must be curbed and on the other hand positive externalities should be promoted like education, health, sanitization, etc.

Considering the Importance of Pricing

The consumer should be convinced about the higher pricing of the products which are ecofriendly and environmentally approved. They are not paying higher pricing; they are going to protect themselves by protecting the future generation to come by paying a little extra cost in the present time [6].

Consumer Value Positioning

The awareness among the consumer should be provided by highlighting the importance of environmental equipped products and the benefit associated with the same so that the importance of the product can be realized to the consumer and they can buy the product and motivate others to buy the same and a value chain can be enlarged with the same.

Calibration of Consumer Knowledge

With various means the consumer should be aware about the importance of sustainable development like advertisement, seminar, education, conferences and by way of marketing. The consumer's knowledge will lead the faster development of sustainability as they will demand the ecofriendly product and will force the companies to produce the same [7].

Being Genuine and Transparent

The market practices should be genuine and transparent about environmental sustainability so that the confidence of the consumer, government, competitors and the society as a whole can be won. The practice of sustainable development should be done for the sake of responsibility towards the society and for the sake of doing.

Giving your Consumers an Opportunity to Participate

To consider the suggestions of the consumer if genuine for the practice of the sustainable aspects. It will increase the creditability of the organization and can fulfill the real requirement of the society as a whole [8].

Credibility of Product Claim

The organization should get the certification and mark from the authority to prove it as actual. It will enhance the creditability in the mind of consumer as well as in the mind of the authority about the action you are taking for the generation to come.

Paths to Sustainable Development

Sustainable development involves focusing on promoting the consumption and production of ecofriendly products. The importance of the same should be highlighted so that the use of it will become fruitful to the society and the goal of the business organization to produce the ecofriendly product can be materialized in real words. The benefit the sustainable aspect will be emerged in the long run and will benefit the organization in terms of sustaining the long last future for the business and growth with higher profit. Companies which embark on sustainable development should adopt the following principles in their path towards 'greenness'.

- To reduce the environmental impact in terms of various types of pollution, better technology can be adopted by the organization.

- Separate department for the purpose should be created by the management so that the continuous appraisal and monitoring can be possible.
- New sources of input should be invented to reduce the emission in the environment.
- The concept of recycling and down cycling should be activated wherever possible so that the environmental degradation can be curbed [9, 10].

CONCLUSION

Economic development with sustainability is a challenge. It is urgent need for the future generation but the implementation of the same has many limitations. For the purpose of feasibility of the project the proper evaluation and research should be conducted by the organization. Sustainable development, though not easy but can be implemented with certain stringent rules by the government and informative guidelines for the rest of the populations. Being a huge market, India has lots of potential in this sphere to work for. Customers are also getting aware about the importance of the green product and they are ready to pay more price for the same. Considering the need and demand of the customers about the ecofriendly products, the corporates are also forced to adhere to the standard and to produce only such products which are environmental approved. Nowadays, the concept is emerging too fast with the spread of education since last two decades. The sustainable development is not an activity that should be done for the sake of marketing only; it should be given importance considering the need of the present time so that the future generation can be protected.

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