

ECONOMIC VALUE ADDITION IN SUSTAINABILITY

Ms. G.Nithya¹

Assistant Professor

Department of Commerce,

Nallamuthu Gounder Mahalingam College,

Pollachi-642001

Ms. K. Vani²

Assistant Professor

Department of Commerce-BPS

Nallamuthu Gounder Mahalingam College,

Pollachi-642001

INTRODUCTION

Sustainability is simply everything that we need for our survival and well-being, either directly or indirectly from our environment. Sustainability creates and maintains the conditions under which humans and nature can exist in productive harmony, that permit fulfilling the social, economic and other requirements of present and future generations. Basically, sustainable development is a long-term solution to how we plan our indefinite progress in the future without causing damage to the environment. So, to guarantee a safe habitat for the next generations, who will continue to develop their economies, societies, and care for the environment with a similar ideal in mind. It satisfies our needs without spoiling the opportunities of others. The concept covers a broad scope of matters such as environmental, social, and economic development which continues to prove its importance in our lives as it affects all aspects of them.

WHY SUSTAINABLE DEVELOPMENT IS IMPORTANT?

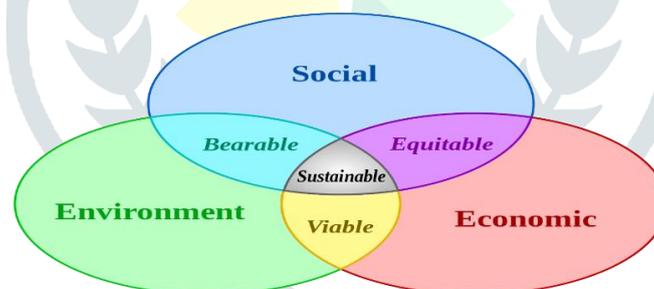
Owing to our rapidly growing population, in the future more resources will be needed in order to accommodate for it and, unfortunately, the resources that we take benefit of now are not at all renewable. Taking this into consideration, the tech industry will have to adapt to future conditions as of now the rare metals and minerals used in the industry, such as Palladium – a metal widely used in the production of consumer electronics, are becoming increasingly scarce. Another factor to take into consideration is the fact that China currently produces 97% of the world's rare earth materials and were it to, hypothetically, place a blockade on its exports, production of technological goods would become incredibly difficult. Seeing as our industries are investing and relying more and more on technology if rare earth metals were to slowly disappear, prices would rocket, and so would inflation rates, making it impossible to function for, at least, a prolonged period. For this reason, new alternatives and innovations in the tech industry are essential to sustainable development in order to secure steady development in this field without relying on an excessive amount on exhaustible materials.

CAN WE ACHIEVE SUSTAINABLE DEVELOPMENT?

Despite the very difficult circumstances in which many developing countries currently find themselves in, sustainable development is achievable, however, it would require a lot of concentrated and coordinated effort. If appropriate supply-side policies, such as education and vocational programmes, were to be implemented, illiteracy rates would drop, and people would be made more aware about the environment surrounding them which would contribute greatly to a rise in environmental awareness. In addition, an appropriate government, which prioritized the growth of green GDP instead of GDP measured by the usual methods, would have to come into power and use its budget efficiently in order to invest in green energies, health services, and benefits systems, amongst others. Of course, this is only touching the tip of the iceberg, nevertheless, it illustrates very well that sustainable development is achievable and straightforward, however, each of the steps above are incredibly hard to achieve.

SUSTAINABLE DEVELOPMENT IN DEVELOPED COUNTRIES

Having highlighted the importance of sustainable development, it is also important to understand that it does need a lot of concentrated effort and, like many things in life, it does have many challenges ahead of itself. It is also important to note that sustainable development is equally valid in developing and developed countries, despite them dealing with polarly opposite sides of the spectrum. Developed countries may be developed but that doesn't necessarily imply that they are sustainable and for these countries, the main goal is to rid their society of issues such as social inequalities, waste management, and environmental responsibility.



CHALLENGES FOR SUSTAINABLE DEVELOPMENT

The biggest 'challenge' for Sustainable Development is the 'dilemma' of developing nations who seek a faster economic growth for the elimination of poverty, hunger, inequality, unemployment and social injustice without impacting the global environment further.

The dilemma of sustainable development lies in the challenges for economic growth and development that are directly linked to the immense risk of climate change.

The challenges for development are multiple and complex. The global economy is changing; it will experience a structural transformation in next 10-15 years. It is likely to grow by more than half by then. One billion people globally are targeted to be released from extreme poverty. More people will migrate to live in cities.

Technology advancements will continue to impact business and lifestyles. Further, it is estimated that approximately US\$90 trillion will be invested by 2030 in infrastructure in the world's urban, land use and energy systems. It means; therefore, the mother earth has to bear the burdens of a huge consumption of its natural and mineral reserves to meet the increasing demands for food, energy, and water.

Another crucial issue are the potential food shortages in the future, in the face of our growing population which is estimated to hit a little under 10 billion by 2050. According to Nafis Sadik: "A country's ability to feed itself very much depends on three factors: availability of arable land, accessible water and population pressures". The area of arable land currently available is diminishing due to deforestation which limits the availability of local food for people inhabiting areas near to the forests, especially for the peoples of Southeast Asia and South America. Due to the soil erosion, which usually occurs following the conversion of forest land into agricultural land for growing cash crops such as coffee, tobacco or cotton, formerly fertile land is unable to be used for agricultural purposes and often morphs into desert lands.

On current trends, we need 1.6 planet earths now and would need twice the size by 2030 to meet our consumption demands of resources; warming could exceed 4°C by the end of the century, with extreme and potentially irreversible impacts due to an exponential rise in Co₂ emission. Every action initiated now and in next 15 years will, therefore, determine the future of the world's climate system.

Now the dilemma is, "What is the priority". Is it development and economic growth? Or, is it a reduction of Co₂ emissions for protecting humanity from the destructive consequences of climate change? We are living in a critical time.

We stand today at a crossroad. While the developed nations are responsible for this situation, developing nations have been left to act responsibly and find solutions to come out of this dilemma of sustainable development.

India, as the fastest growing economy, is undergoing this dilemma of sustainable development too. India's immediate priority is to provide livelihoods and employment to its population besides creating sustainable economic opportunities at both- micro & macro – levels to keep its promises to take the GDP growth of the country to an ambitious double-digit target of 10 percent.

SUSTAINABLE DEVELOPMENT IN INDIA

India has played an important role in shaping the Sustainable Development Goals (SDGs). Therefore, it is no surprise that the country's national development goals are mirrored in the SDGs. As such, India has been effectively committed to achieving the SDGs even before they were fully crystallized.

To fast track this agenda, the Government of India has just released a draft Three-Year Action Agenda covering years 2017-18 to 2019-20. In parallel, work is in advance stages on a 15-Year Vision, which will also include a 7-year Strategy

India must provide houses to millions, ensure food & nutritional security, and make health services accessible & affordable. For the sustainable inclusive growth, jobs must be created. In order to tackle its developmental challenges, and to push the economic growth further, India, apart from conventional development programs, plans to set up smart cities, construction of roads, railways, and other large infrastructure projects.

SUSTAINABLE DEVELOPMENT POLICIES

Under 'Make in India' mission, it lays emphasis on manufacturing sector which will help create jobs. But all these actions put together will increase India's cumulative as well as per capita Co2 emission rate which will potentially weaken India's global position on responses to climate change.

The current political dispensation in India has shown the 'will' and accordingly decided to go on the path of growth without compromising its commitment to global action on climate change. As a result, despite several challenges, India has proactively ratified the Paris Agreement on Climate Action.

India's Nationally Determined Contribution (NDC) targets to lower the emissions intensity of GDP by 33%–35% by 2030 below 2005 levels, to increase the share of non-fossil-based power generation capacity to 40 percent of installed electric power capacity by 2030.

Business, as usual, will not help us to get the future we want. It is therefore critical for companies to change the 'purpose of doing business' which expects them to make profits with a greater social and environmental responsibility than ever before.

Sustainable Development is, therefore, a historic opportunity for the world communities to deliver inclusive growth, eliminate poverty and reduce the risk of climate change by changing perspectives and approaches to economic development. It entails everyone to participate in making efforts to achieve sustainable development.

So, policies will make growth and climate objectives mutually reinforcing in the short and long term, businesses will be required to make investments in the drive to low carbon economy. And, we as individuals also must grow into responsible consumers by committing to a changed lifestyle. If we do not act now, we will be delayed reversing the impact.

CONCLUSION

To conclude, sustainable development an issue which should be treated very seriously as it affects everyone, as illustrated by the scenarios above. If the world were to continue functioning as it is currently, many do not predict it a stable future. In order to secure a secure environment for our future generations, every single person and corporation needs to start reconsidering their own lifestyle choices and spreading awareness about the issues that plague this planet so that we can slowly begin to enforce actual changes.