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# Perspectives

# Debunking Opposition Propaganda on Indian Constitution, Castes, and Friendly Capitalists

# Srirang K Jha<sup>\*</sup>

# ABSTRACT

Slugfest is a scenario in which the opponents indulge in uncivilized and rude argumentations, at times using falsehood as a weapon. Unfortunately, Indian political leaders in the opposition camp often instigate the ruling dispensation with untrue and unfounded accusations which catch the popular imagination. The ruling dispensation then reacts even more vigorously, leading political discourse towards the lowest ebb. However, at times, opposition propaganda succeeds beyond measure. This editorial piece examines the political slugfest in India in recent times, especially after PM Modi took charge of the country for the second time in 2019 and its fallout for various stakeholders. This write-up provides food for thought for all political leaders, political activists and their followers to watch out for falsehood in the propagandist communication in the interest of the common people.

**KEYWORDS:** Slugfest, Political Discourse, Propaganda, Political Communication, Democracy, India

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It is sad but true that political discourse in India is touching its lowest ebb in recent times. We are witnessing intense political slugfest in the holy democratic arena of Bharat known for its core spirit of *'Vasudav Kutumbkam'*. The opposition parties leave no stone unturned to raise propaganda pitch based on falsehood. Likewise, the ruling dispensation also tries their best to react in a befitting manner –making the canvas murkier.

Indian National Congress has successfully raised the fear of 'Constitution at Risk' in the minds of the electorate through their smart communication capabilities. And they have made significant gains in the bargain in the recently concluded general elections. Another Congress pitch regarding Adani-Ambani being the largest beneficiaries of Modi government is also gaining ground. The spokespersons of the ruling dispensation have failed to address the issues raised in opposition propaganda, instead, they have indulged more vigorously in personal attacks and retaliatory raids by enforcement agencies, giving credence to the false narratives of the opposition leaders.

First, the narrative of 'Constitution being at Risk'. The opposition leaders have been able to convince the masses that the Bhartiya Janata Party would change the Constitution authored by Dr Bhim Rao Ambedkar. Interestingly, nature of Indian constitution is dynamic. It has been framed in a manner that amendments can be made from time to time to keep it relevant. The very first amendment in Indian constitution was carried out in 1951 during the tenure of Dr Ambedkar as Law Minister of the country. During the Congress regime, Indian constitution have been amended for 75 times, while the non-Congress governments have been able to make 31 amendments out of which eight is credited to PM Modi. Atal Behari Vajpayee whose tenure as PM was shorter than PM Modi, carried out 14 amendments to the constitution.

Severest blow to the Indian constitution was engineered by Indira Gandhi as Prime Minister who imposed emergency during the peace time in country just to safeguard her own interest. Many of the opposition leaders who were oppressed during emergency, or their descendants are now siding with the Indian National Congress. Hence, the Bhartiya Janata Party is the only non-

Congress political formation that is isolated on the pretext of its majoritarian outlook. Hence falsehood in the propaganda regarding constitution at risk sounds louder. Can the ruling party do something about it? Of course, counter-propaganda by the Bhartiya Janata Party can reassure the masses that the Indian constitution is safe and changes in the same can be brough about for the benefit of people as per the due processes. The Modi government did not engineer any drastic change in the constitution during the first ten years despite having an absolute majority on its own. The government has a more forward-looking agenda like Viksit Bharat by 2047, 5-trillion economy and a strong image in world politics. Unfortunately, people tend to believe more in the artificially created scary future due to possible changes in constitution including its replacement with new one rather than the golden days ahead based on better infrastructure, improved education and technology-driven industrial ecosystems with new-age job opportunities.

Another narrative put forth by the Congress is that the Bhartiya Janata Party overlooks the interests on non-Brahmin and non-Baniya communities. And hence, the ruling party is not agreeing to the Caste Census. The truth is that the Bhartiya Janata Party is more inclusive both in terms of party bureaucracy as well as the government so far as the communities within the larger Hindu fold in line with its nature as a majoritarian party. It also accommodates Buddhists, Jains, Sikhs, tribals, and to some extent other backward castes among the Muslims like Pasmandas. On the contrary, for long, Congress neglected the intermediate castes as their main voters came from amongst the Brahmins, Dalits and Muslims who were also their largest beneficiaries.

One can do quick research to find out how many non-Brahmin, non-Muslim and non-Dalits were the Central Ministers, Chief Ministers, state Ministers, Governors, Vice-Chancellors, and members as well as chairpersons of various autonomous institutions of the government were there during the various Congress regimes under Jawaharlal Nehru, Lal Bahadur Shashtri, Indira Gandhi, Rajiv Gandhi, P V Narsimha Rao, and Manmohan Singh. The Bhartiya Janata Party needs to call out the bluff of the Congress by counter-propagand backed by fresh research.

Most alarming propaganda of the Congress is that the Bhartiya Janata Party is working for Adanis and Ambanis and dolling out tax-payers money in their pockets. Absolute rubbish. It is true that the current government is trying its best to augment ease of doing business for all by investing heavily on infrastructure, improving processes, bringing in more transparency in approval and compliances and attracting both foreign direct investments and foreign institutional investments. But how all these initiatives are filling the pockets of Adanis and Ambanis with tax-payers money? In the post-Covid phase, government liberally doled out taxpayers' money to enable the MSME sector survive. How that would have helped Adanis and Ambani. Further, Global Capability Centres are now new growth engines of Indian economy. One should check what are the stakes of Adanis and Ambanis in the fast-emerging Global Capability Centres flourishing in various technological parks in the country to give an appropriate rebuttal to the Congress leaders.

Now the functionaries of the Bhartiya Janata Party need to re-examine their strategies while taking on the opposition parties, especially the Indian National Congress. Besides, more broad-based debates in academic and non-academic circles (community organizations) on the three issues viz. constitution at risk, caste census and friendly capitalists are required instead of indulging in personal attack on the opposition leaders or exposing their weak spots. Merely calling out someone as Shahzade (privileged/entitled) has lost its appeal. Propaganda needs counter-propaganda and not rhetoric. Also, propaganda is not a bad word –it was widely used by the Indian National Congress to raise its mass appeal. Hence, the Bhartiya Janata Party needs to tread a bit cautiously. It has worked for Congress now. It might as well work in future.

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# Bank Market Discipline: An Overview and the Way Forward

# Varda Sardana<sup>\*</sup>

#### ABSTRACT

Market discipline has been regarded as a popular tool to help supervisors safeguard the wellbeing of the banking as well as the financial sector. Research on market discipline has picked pace over the years and has covered all types of banking institutions. This paper aims to provide an overview of the recent and lesser-known aspects of market discipline in the banking sector. In doing so, this paper also provides directions for future research in this domain. The overview, classified into three categories, that is, drivers of market discipline, monitoring agents and outcomes of market discipline, attempts to provide an understanding of the recent literature. The study holds relevance for scholars, practitioners, bank managers and various bank stakeholders. It also has implications for policymakers and regulators, since this study shall help them gather an understanding of the recent developments in the arena of bank market discipline.

KEYWORDS: Market discipline, Banking, Review, Depositor discipline

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## INTRODUCTION

Banking firms, in their simplest sense, can be perceived as institutions whose primary responsibility is accepting deposits and advancing credit. It follows rather naturally for banks to be susceptible to the risks of insolvency, bankruptcy, or bank runs, leading to failures. Reasons and situations leading to failure of banks are myriad, including but not limited to, asset shortages, questionable lending practices, risky lending via indulging in non-credible borrowers and unfamiliar territory (Cullen, 2011). As a result, high levels of bank risks may create panic and even distrust among depositors regarding their savings and deposits in banks. In such a situation, a variety of undesired and ancillary outcomes might assume silhouette, such as depositors withdrawing their savings, dwindling reputation of the bank, decreased borrower confidence, overall decline in macroeconomic saving/expenditure activity, thereby worsening the economic and financial atmosphere (Sardana et al., 2024a).

Systemic bank insolvencies, in essence, are sources of exceptional costs to the banking institutions, its customers and the government (Demirgüc-Kunt et al., 2005). Bank failures might destroy the brand legacy of a bank and sever the relationship with its customers. Contractions in bank lending activity can subsequently conceive supressed investments and economic functioning. Depositors experience severe losses and so does the government in mitigating the crisis. Such is the extent of the impact of bank failures, and hence appropriate preventive measures must be adopted in order to remedy the possible debris of savings' loss depositors might have to suffer from such an occurrence. Preventive measures exist in many different forms but more importantly, they 'act' from different arenas of the banking system. Bank stakeholders, including the market agents, depositors, subordinated debtholders, etc., also keep a vigilant eye upon banks where they have rested their money, and respond appropriately when banks increase risky activities (Sha et al., 2018). This reaction or behaviour of the market in response to banks' risk attributes is known as 'Market Discipline'. Market discipline in the banking sector can be interpreted as a scenario in which private sector players, that is, depositors, stockholders, creditors, etc. face costs proportional to a bank's risk-taking, and hence direct their behaviour considering such costs (Berger et al., 1995).

Research on market discipline has picked pace over the years, and has covered all types of banking institutions: from conventional banks to credit unions, cooperative banks, and

regional banks. Literature suggests that when credit unions expand their activities into business loans, the depositors discipline them through lower rate of deposit growth (Gomez-Biscarri et al., 2021). For cooperative banks, evidence from Poland and Japan indicates that depositors are able to distinguish between less risky and more risky banks, either directly or indirectly through signals sent by the stock market, and they react to such risk-taking by withdrawing their deposits (Kozłowski, 2016; Shimizu, 2009). In India, however, depositors are not able to differentiate between weak and strong cooperative banks, except during election years, as they understand the nexus between the cooperative banks and political parties (Chipalkatti et al., 2007). As far as regional banks are concerned, because of their relatively small size and restricted scope, they do not attract sufficient discipline from shareholders (Lee, 2011) or subordinated debtholders, except during situations of banking instability (Baba & Inada, 2009). However, for such banks, depositor discipline is intensely exercised, especially if they adopt market price accounting (Spiegel & Yamori, 2007).

In light of such an extensive background of prior research, it becomes essential to undertake a thorough study of the papers in this discourse, not only to bridge the gaps in information availability but also in order to render us conscious of the debates prevalent in academia. This paper aims to provide an overview of the recent and lesser known aspects of market discipline in the banking sector. In doing so, this paper also provides directions for future research in this domain.

#### **DRIVERS OF MARKET DISCIPLINE**

The presence and strength of market discipline in any economy is impacted by multiple factors. Apart from the frequently discussed factors such as level of information disclosure (Guillemin & Semenova, 2020), size of banking sector (Ghosh, 2017), type of bank ownership (Oliveira & Raposo, 2021), etc., certain country-specific studies have laid down additional determinants of bank market discipline. For example, banks in the United States of America (USA) that issue dividends are subject to stricter market discipline as the dividend policy acts as a tool to signal the financial soundness of banks (Tran et al., 2021; Tran & McMillan, 2021). Similarly, book-to-market ratio provides advance signals that help in disciplining the banks across the USA and Japan, and hence, banks that publish this ratio or adopt the market price accounting are subject to better scrutiny (Balasubramnian et al., 2019; Spiegel & Yamori,

2007). The presence of institutional investors at banks also acts as a source of market monitoring (Deng et al., 2013), especially for overseeing the earnings of large bank holding companies of the USA (Elyasiani et al., 2017). Reduction in bank complexity that improves transparency (Brandao-Marques et al., 2020), and increases the market power of banks leads to a higher deposit growth rate in the long term (Ariefianto et al., 2020), which has been found to improve market discipline in the recent past.

Further, in China, banks that rely on internet finance (i.e. using the internet for offering various services and sharing information) are also subject to greater discipline (Hou et al., 2016). This derives from the increased transparency in their financial statements published on their websites, and the visibility of their deposit offers, which allows easy access to information and boosts deposit mobility (Kozłowski, 2016). In the same country, the relationships between the financiers and clients have been found to improve the discipline exercised on bankers due to private monitoring by the clients (Selmier, 2016). However, having strong relationships with its clients may enable a bank to mitigate the deposit withdrawal risks during distressed periods, considering the high switching costs of its clients, thereby impeding the discipline exercised by them (Brown et al., 2020).

Having pension funds as large depositors of banks can cause a conflict of interest if the banks have ownership of the pension fund management companies, and this can also hamper market discipline, as evidenced from Argentina (Barajas & Catalán, 2015). Findings from Turkey suggest that depositor discipline is also undermined if the bank has political connections with the ruling parties, since it creates a perception of government support for the bank (Disli et al., 2013).

In addition, market discipline has been profoundly impacted by diverse regulatory frameworks adopted across nations, yielding mixed research findings. This includes the bailin clause, government safety nets, and other country specific regulations introduced over time. First, the opinion regarding bail-in regulation is divided. Recent evidence suggests that the introduction of the bail-in framework helps in restoring market discipline, especially among the senior unsecured bondholders and subordinated debtholders, due to their higher risk profile (Cutura, 2021; Velliscig et al., 2022). In Italy, the introduction of bail-in tool led to

an improvement in the discipline for the bank bond primary market as well (Crespi et al., 2019). These results indicate that investors perceive the bail-in regulation as a credible tool that does away with the government interventions (in the form of bail-outs) (Schnabel, 2020), and reduces the too-big-to-fail (TBTF) problem as well as moral hazard, thereby enhancing market discipline (Bodellini, 2018; Fiordelisi et al., 2020). However, this is not true for all countries and in all contexts (see Pablos Nuevo, 2020). Infact, the bail-in design under the Bank Recovery and Resolution (BRRD) in the European Union (EU) has been found to dilute market discipline due to competing policy objectives pursued by the directive (Martino, 2020; Tröger, 2018).

Second, bank safety nets (primarily government support to banks and deposit insurance), which are adopted by countries to avoid the spill-over effects of a banking crisis, may end up jeopardizing market discipline (Önder & Özyildirim, 2008; Sardana & Singhania, 2022). Safety nets in the form of government support to banks significantly reduce the monitoring incentives of market participants, resulting in enhanced risk-taking by banks (Bai et al., 2020, Sardana et al., 2023). Such government guarantees not only diminish creditor market discipline (Baron, 2020; Yan et al., 2014), but also foster opportunistic behavior among banks (Vernikov, 2020) by shifting the monitoring responsibility from depositors and creditors to regulators (Gunther et al., 2000). In such a situation, banks start relying more on the comparatively cheaper insured deposits as a source of funds, which shields them from the full cost of market discipline (Billett et al., 1998). Even if such a guarantee is removed, its negative effects on market discipline may still remain due to market perceptions of continued implicit government support for the banks (Luong et al., 2020; Wang et al., 2015). Additionally, intervention in the banking industry by a lender of last resort leads to an altogether suspension of market discipline by raising moral hazard problems (Ojo, 2011), thereby diluting the sensitivity of banks' interest costs to banks' risks (Jackowicz et al., 2018).

The role of deposit insurance systems as part of safety nets has been extensively studied. In general, it is found that adoption or expansion of deposit insurance enhances moral hazard (Gupta & Sardana, 2021) and reduces depositor discipline in the banking sector (Calomiris & Jaremski, 2019), especially from the large depositors (Ioannidou & Penas, 2010). This effect is more pronounced in countries with either powerful deposit insurers (Distinguin et al., 2013),

or with full or blanket deposit guarantees (Hadad et al., 2011), both of which lower the incentives of market participants to monitor the banks. However, there are a few exceptions. Contrary to widespread evidence, the Islamic deposit insurance scheme in Turkey has been found to strengthen the disciplining mechanisms because it is meant for a handful of Islamic banks that have the onus of detecting early warning signs of distress (Aysan et al., 2017). The interconnectedness of member banks, and the realization that failure of one bank can have repercussions for other banks in the system (in terms of loss of depositor confidence and reputation), leads to strict mutual supervision among the member banks (Aysan et al., 2015). The same is the case with Germany, which operates a private deposit insurance system, known for its peer monitoring rather than depositor monitoring (Beck, 2002). In general, in countries where the depositors have limited awareness about the deposit insurance scheme or they don't trust the scheme or believe that the coverage limits are unlikely to be extended, market discipline remains intact (Bijlsma et al., 2015).

To tackle the issues associated with deposit insurance, regulatory authorities need to introduce certain features in the scheme design that control moral hazard, such as better information disclosure by banks (Zhu et al., 2019), lower and limited levels of insurance coverage limits (Hogan & Johnson, 2016; Sardana & Shukla, 2020), use of coinsurance (Sealey, 2008), subordinating the claims of uninsured depositors to the claim of the deposit insurer (Chen, 1999), and adopting risk-adjusted insurance premium (Garcia, 2000).

Third, other country-specific bank regulations have produced some evidence regarding their role in influencing the extent of market discipline. For example, by reducing the TBTF discounts on yield spreads, the Dodd-Frank Wall Street Reform and Consumer Protection Act, 2010 of the USA has been successful in improving market discipline among banks (Balasubramnian & Cyree, 2014). Further, in Vietnam, the enhancement of minimum capital adequacy requirement has been reported to weaken market discipline, since the market participants assume that the regulators are already closely monitoring the insolvency risks of banks (Le, 2020).

By and large, market discipline can be exercised more efficiently when bank regulators generate their own information about banks' risk, rather than relying on market signals (Acharya & Thakor, 2016).

#### MARKET DISCIPLINING AGENTS

Ample prior literature on market discipline highlights the role played by equity shareholders (Hamalainen et al., 2012), subordinate debtholders (Imai, 2007; Zhang et al., 2014), interbank lenders (Francis et al., 2019) and depositors (Baer & Brewer, 1986) in the monitoring of bank risks.

Flannery (1998) undertook a literature analysis and found conclusive evidence on investors' ability to vigil financial condition of banks in the USA. Experience from South American countries of Argentina, Chile and Mexico (when assessed over the decades of 1980s and 1990s) exude the evidence of market discipline through action on part of depositors, as they tend to withdraw deposits and demand higher rate of interest in reflex to riskier activities on part of banking institutions (Martinez Peria & Schmukler, 2001). Substantial evidence has been presented in support of presence of positive relation between interest rates on uninsured deposits and indulgence in risky activities on part of banks, along with an explanation for other factors influencing value of certificate of deposit rates such as kind of bank's customer base, local environment, etc. (Hannan & Hanweck, 1988).

Furthermore, ratings given by external rating agencies incorporate forward-looking information about banks, and thus, provide a channel through which market discipline can operate (Simion et al., 2020), given that such ratings are consistent with the bank's default probability (Godlewski, 2007). However, for TBTF banks, the reliability of credit ratings as a tool for discipline is questionable since market participants do not seem to react to credit rating downgrades, given the assumption of implicit government guarantees extended to such banks (Kolaric et al., 2021). Additionally, the credit rating agencies not only failed to understand and measure the bank risks during the global financial crisis (Oliveira & Raposo, 2019), but ended up fanning the wildfire of bank failures due to their false ratings, arising from their conflicts of interest (Mullard, 2012), thereby raising doubts on their authenticity as a source of bank monitoring.

There are a few less-researched measures which have been used in different contexts for enforcing market discipline. For one, contingent capital notes (also known as CoCo bonds) have been found to be more effective in inducing market discipline than subordinated bonds since the yield information on these instruments is more sensitive to the issuing bank's risks (Chang & Yu, 2018; Lee & Park, 2020). Through the conversion of bank's debt to equity in the face of falling equity ratios, these instruments provide market discipline by forcing the equity shareholders to internalize the banks' losses from risky decisions (Flannery, 2017; Hilscher & Raviv, 2014). However, this is only true for CoCo bonds that are permanently written down on being triggered, since temporary write-down CoCo bonds are less risky for investors and diminish the incentives to monitor the banks (McCunn, 2015). Additionally, credit default swaps contracts written on banks have also been found to act as a source of indirect market discipline (Avino et al., 2019), though the signals from their spreads are distorted due to the size effect when a bank is considered as TBTF (Völz & Wedow, 2011).

#### **OUTCOMES OF MARKET DISCIPLINE**

The first and foremost impact of market discipline is on the levels of bank risks. If taken seriously, monitoring by market agents can pressurize a bank to reduce its risky activities (Gabr & Elbannan, 2018). This can further enhance the bank capital levels, efficiency and profitability, while also improving the loan quality (Nier & Baumann, 2006; Agoraki et al., 2010; Ertan et al., 2017; Sardana et al., 2024b; Rosario & Mazumdar, 2021).

The bank charter value, which refers to the worth that it would have to forego subsequent to its closure (Acharya, 1996), is also linked with the consequences of market discipline. The higher the charter value of banks, the greater is their tendency to respond adequately to the disciplining mechanisms in order to preserve their charter value (Park & Peristiani, 2007). Research evidence also suggests that by imposing restrictions on banks' risk-taking, market discipline exercised through depositors, subordinated debtholders and interbank relations has a positive impact on the bank charter value (Akhtar & Saleem, 2021). However, in Australia and Canada, this relation between market monitoring and bank charter value has become weaker after the global financial crisis (Haq et al., 2019), plausibly on account of the increased regulatory scrutiny that may have reduced the dependence on market monitoring, and a distrust in market signals.

Additionally, foreign banks seem to be more sensitive to private monitoring vis-à-vis domestic banks in a country (Li, 2019). Such banks, therefore, have been found to have a lower presence in countries with a strong market discipline mechanism (Bertus et al., 2008), due to their belief that their activities would be curtailed in such countries. Hence, countries with weak market monitoring mechanisms tend to attract more foreign banks, owing to information asymmetry and a relatively less competitive banking sector (Bertus et al., 2008). On the other hand, Sironi (2002) reports that strengthening market discipline in a country neither has any negative effect on the presence of foreign banks, nor does it reduce the competition among domestic and internationally active banks.

All in all, market discipline can serve to improve the banking and financial stability.

#### **FUTURE RESEARCH AVENUES**

The overview of literature presents multiple gaps that underline the way forward for scholars and academicians in this domain.

First, a comparative analysis on the extent of market discipline across various banks such as conventional banks, Islamic banks, government banks, private banks, cooperative banks and regional banks, taking into account their unique characteristics and target market can be undertaken. Second, scholars can examine how different institutional features affect the extent of auditor involvement in bank regulation, and how this involvement influences outcomes such as risk-taking behaviour, and market monitoring of banks. Third, it would be worthwhile to investigate the relationship between government bailout actions and the presence and efficiency of market discipline, including how the presence of government intervention may impact market discipline in different ways across various regulatory environments. Fourth, it may be interesting to examine the impact of banks' market driven actions, such as issue of new shares, rights issue, dividend, etc. on the discipline exercised by non-market bank stakeholders such as depositors and borrowers. Lastly, identification of regulatory and political factors (such as the strength and competence of governments) that may impact banks' risk-taking behaviour differently in each type of economy (developed and emerging) can be done, to examine how these factors could be leveraged to promote financial stability and mitigate systemic risk through a better disciplining mechanism.

# CONCLUSION

Market discipline has been regarded as a popular tool to help supervisors safeguard the wellbeing of the banking as well as the financial sector. This paper aimed at providing a bird's eye view of the lesser explored side of the literature on market discipline, and providing certain directions for future research.

The overview, classified into three categories, that is, drivers of market discipline, monitoring agents and outcomes of market discipline, attempts to provide an understanding of the recent literature. The study holds relevance for scholars, practitioners, bank managers and various bank stakeholders. It also has implications for policymakers and regulators, since this study shall help them gather an understanding of the recent developments in the arena of bank market discipline.

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# The Impact of Climate Change on Human Resource Practices: A Critical Review of Emerging Trends and Adaptations

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# ABSTRACT

Climate change is reshaping industries globally, with profound implications for Human Resource Management (HRM). This paper critically examines how climate change influences HR practices by analyzing existing research on the topic, focusing on its impact on workforce planning, employee well-being, corporate social responsibility (CSR), and organizational sustainability. By drawing on multiple studies, this review highlights key gaps in current HR strategies and emphasizes the importance of adopting sustainable and adaptive HR practices. The paper also discusses how organizations can align their HR functions with environmental goals to ensure resilience in an evolving climate landscape. By integrating these findings, this review provides a roadmap for future HR strategies in a changing climate.

**KEYWORDS:** Climate Change, Human Resource Management, Employee Wellbeing, Corporate Social Responsibility

# INTRODUCTION

The global threat of climate change has widespread implications for businesses, governments, and societies. While the direct environmental impacts are well-documented, climate change's effects on organizational structures and HR practices have received growing academic

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attention. The urgency of addressing climate change is no longer confined to environmentalists or governments; it has become a critical issue for businesses worldwide. Global warming, extreme weather conditions, and shifts in environmental patterns are posing significant risks to industries across the board, influencing not just operations but also human capital management. For organizations, the ability to adapt to climate change has become a core competitive differentiator. While the conversation around sustainability traditionally focused on operational processes—such as reducing carbon footprints or transitioning to renewable energy—there is an increasing recognition that Human Resource Management (HRM) must also be part of this transformation. HR professionals are at the forefront of facilitating organizational adaptability to climate risks by implementing sustainable policies, promoting environmental responsibility among employees, and ensuring the well-being of the workforce amidst changing environmental conditions.

Practical implications of climate change are evident in top organizations like Google, which has been a leader in integrating sustainability into its business strategy. Google's sustainability initiatives go beyond reducing operational carbon footprints; they directly influence the company's HR practices. The ability of businesses to adapt to climate risks depends significantly on their human capital, making HR a pivotal player in this process. Furthermore, the company's HR department plays a pivotal role in shaping Google's corporate social responsibility (CSR) agenda. Google actively encourages its employees to participate in green initiatives through volunteering programs, internal environmental awareness campaigns, and by rewarding sustainable behavior. These practices not only increase employee engagement but also ensure that sustainability goals are achieved from the ground up, involving every layer of the organization. For instance, Google's green recruiting strategies have expanded to attract candidates with expertise in renewable energy and environmental sciences, demonstrating how HR is evolving to meet the demands of a changing world.

In this way, the role of HR is expanding from traditional functions like recruitment and employee relations to include sustainability advocacy, risk mitigation, and workforce resilience planning. This review critically examines the literature on the role of HR in climate adaptation, focusing on how organizations are recalibrating their workforce management strategies to address environmental challenges.

## LITERATURE REVIEW

# Strategic Workforce Planning and Talent Acquisition

Research has consistently emphasized that climate change disrupts traditional workforce planning and demands new talent acquisition strategies. According to O'Donovan et al. (2020), the shift towards sustainability has increased the demand for workers skilled in environmental sciences, sustainability management, and renewable energy. This shift compels HR departments to reconsider their recruitment practices and prioritize candidates with expertise in green technologies. Similarly, a study by Renwick et al. (2013) on Green Human Resource Management (GHRM) highlighted the role of HR in building a workforce capable of driving sustainability initiatives within organizations. The authors argue that HR departments must take a proactive stance in developing green job roles and training programs that align with the organization's environmental goals (Renwick et al., 2013).

However, critics like Deloitte (2018) point out that while talent acquisition efforts are shifting towards green skills, many organizations are still lagging in incorporating comprehensive climate-related risk assessments in their HR strategies. These gaps leave many businesses unprepared for climate-related disruptions in key industries like agriculture and construction, where labor shortages due to extreme weather are already evident. HR must thus collaborate with operational teams to better anticipate climate risks and align workforce planning with long-term sustainability goals.

Recent research has also explored the growing importance of sustainability in employee engagement and retention strategies. Studies suggest that employees, especially younger generations, increasingly prefer to work for organizations that prioritize environmental responsibility and corporate social responsibility (CSR). According to Mehta and Chugan (2020), companies that actively integrate sustainability into their HR practices are more likely to attract and retain top talent, as employees are drawn to organizations whose values align with their own. This connection between sustainability and employee satisfaction is becoming more evident as businesses face mounting pressure from both employees and consumers to adopt greener practices. Additionally, firms that promote environmentally conscious behaviors within their workforce are finding that such efforts lead to higher levels of employee motivation and productivity. For instance, companies that engage employees in sustainability

initiatives, such as waste reduction programs or community environmental projects, not only improve their environmental impact but also foster a sense of purpose and belonging among staff. These insights underline the need for HR departments to not only manage workforce sustainability but also to actively promote green practices as a core aspect of employee engagement.

# **Employee Well-being and Mental Health**

Numerous studies explore the link between climate change and employee well-being. Research by Clayton et al. (2017) found that climate-related anxiety, also known as "ecoanxiety," is becoming a significant factor affecting mental health, particularly among employees in climate-vulnerable sectors such as agriculture, fisheries, and coastal tourism. The study emphasizes the role of HR in mitigating these psychological effects by offering mental health support programs, flexible working arrangements, and access to counseling services (Clayton et al., 2017). Furthermore, Berry et al. (2018) suggest that HR should collaborate with health and safety departments to address the physical risks posed by extreme weather conditions, such as heatwaves and floods, which directly affect worker productivity and health.

Despite these findings, a critical gap exists in the extent to which organizations actively monitor and address the psychological toll of climate change on their workforce. As Nazarenko (2020) points out, many organizations tend to overlook the emotional strain caused by climate-related disruptions, focusing instead on operational concerns. This oversight can lead to reduced employee engagement and productivity, making it crucial for HR departments to incorporate comprehensive well-being programs that consider both the mental and physical effects of climate change (Nazarenko, 2020).

# **Remote Work and Flexibility**

The COVID-19 pandemic demonstrated the feasibility of remote work, and climate change has further strengthened the case for flexible working arrangements. A study by King et al. (2021) found that flexible work policies can be a significant climate adaptation tool, allowing employees to work from locations less affected by extreme weather events or environmental hazards. Remote work also helps reduce an organization's carbon footprint by cutting down

on commuting-related emissions (King et al., 2021). However, critics like Hobson (2022) argue that remote work presents its challenges, such as difficulties in maintaining employee engagement, collaboration, and innovation, particularly in industries that rely on in-person interactions (Hobson, 2022).

Moreover, HR's role in facilitating remote work goes beyond logistics. HR departments need to ensure that remote employees have the necessary tools and resources, address ergonomic concerns, and provide mental health support to cope with the isolation that often accompanies remote working environments.

# ORGANIZATIONAL SUSTAINABILITY AND CORPORATE SOCIAL RESPONSIBILITY (CSR)

# HR's Role in Driving CSR and Sustainability

There is growing evidence that HR can significantly influence an organization's sustainability agenda. Renwick et al. (2016) argue that HR departments are critical in embedding environmental consciousness within corporate culture, through initiatives like green training, energy-saving programs, and sustainability reporting. They suggest that integrating CSR goals into employee performance appraisals and reward systems can motivate workers to actively participate in sustainability efforts (Renwick et al., 2016).

However, some scholars, such as Utting (2015), critique the superficial implementation of CSR initiatives, arguing that many organizations view these efforts as PR-driven rather than genuinely transformative. Utting emphasizes the need for HR to ensure that sustainability efforts are deeply embedded in the organizational ethos, rather than remaining a token gesture (Utting, 2015).

# Green Human Resource Management (GHRM)

The concept of Green HRM, first conceptualized by Wehrmeyer (1996), has gained traction as companies strive to balance economic performance with environmental sustainability. GHRM practices involve integrating environmental management into every stage of the employee lifecycle, from recruitment and training to performance evaluation and employee engagement. Research by Jackson et al. (2011) found that organizations that adopt GHRM practices tend to have better environmental performance, with reduced resource

consumption and waste production (Jackson et al., 2011). In recent years, the occurrence of natural disasters—many of which are exacerbated by climate change—has accelerated the need for businesses to incorporate green practices into their HR strategies. Major companies, especially in disaster-prone regions, have adapted their HR policies not only to ensure employee safety but also to align with broader corporate sustainability objectives.

For instance, in the aftermath of Hurricane Katrina in the U.S. (2005), many companies were forced to rethink their crisis management and environmental policies. Corporations such as Walmart and Chevron reviewed their HR strategies to incorporate more robust disaster preparedness and resilience-building programs for their workforce. Walmart, for example, implemented extensive training for employees on disaster response and expanded its remote work capabilities to allow staff to continue operations even in the event of environmental disruptions. The disaster spurred Walmart to engage more deeply in sustainability, leading to its ambitious goals of achieving zero emissions by 2040 and shifting to renewable energy sources.

Similarly, after the 2011 Tōhoku earthquake and tsunami in Japan, Toyota and Sony reevaluated their HR practices, focusing on workforce relocation, mental health support, and the enhancement of sustainable operations. Toyota not only developed a more flexible work environment to accommodate employees affected by the disaster but also introduced policies encouraging workers to engage in energy-saving practices. These steps reflected Toyota's broader commitment to green transitions, as evidenced by their investments in hybrid and electric vehicles, emphasizing the need for HR to align employee behavior with sustainability objectives.

In Australia, Rio Tinto revised its HR strategies following the 2019-2020 bushfires, which had devastating environmental and economic impacts. The company introduced green training programs to educate employees on reducing energy consumption and minimizing waste. Additionally, Rio Tinto developed more robust employee assistance programs (EAPs) to address the physical and mental health issues exacerbated by such disasters. Their green transition initiatives, bolstered by these HR practices, include reducing greenhouse gas

emissions by 30% by 2030, demonstrating the alignment of HR policies with broader sustainability goals.

Despite its benefits, GHRM adoption remains limited to larger organizations with the financial resources to implement these initiatives. As pointed out by Ren et al. (2020), smaller firms often face financial and operational constraints that prevent them from fully integrating GHRM into their HR strategies (Ren et al., 2020). This creates a disparity in climate resilience between large corporations and smaller firms, further complicating HR's role in promoting environmental responsibility across industries.

# THE FUTURE OF HR PRACTICES IN A CHANGING CLIMATE

As businesses adapt to the realities of climate change, HR must evolve to meet the demands of a green economy. Several studies, including those by Boudreau and Ramstad (2016), emphasize the need for HR departments to focus on reskilling and upskilling the workforce to fill emerging green jobs in industries like renewable energy, sustainable agriculture, and waste management. They argue that the future of HR will involve a greater emphasis on workforce flexibility and adaptability to cope with the uncertainty brought about by climate change (Boudreau & Ramstad, 2016).

However, critics warn of the challenges involved in transitioning to a green economy, particularly in sectors that may see job losses due to decarbonization efforts. According to Stern (2020), HR departments will play a crucial role in managing these transitions, ensuring that employees in affected sectors receive the support and retraining necessary to move into new roles (Stern, 2020).

# CONCLUSION

The critical review of existing literature demonstrates that climate change has a profound and multifaceted impact on HR practices, from talent acquisition and employee well-being to corporate sustainability and CSR. HR departments are at the forefront of efforts to build resilient and adaptable workforces in the face of environmental uncertainty. However, significant gaps remain, particularly in the integration of climate-related risk assessments into workforce planning and the mental health impacts of climate change on employees.

As climate change continues to drive extreme weather events and natural disasters across the globe, the role of HR in leading green transitions has never been more critical. HR departments in top organizations are at the forefront of this transformation, adapting workforce policies to ensure both business resilience and environmental sustainability. As Paul Polman, former CEO of Unilever, famously stated, "You can't have a healthy business on a sick planet." Polman's emphasis on aligning corporate success with environmental well-being reflects the growing importance of Green Human Resource Management in today's corporate landscape.

Christiana Figueres, former Executive Secretary of the UN Framework Convention on Climate Change (UNFCCC), has also emphasized the role of businesses in combating climate change, stating, "Business and HR leaders have the power to lead the charge for a sustainable future, using their influence to embed climate-conscious practices within their organizations. As moving forward, the success of Green HRM will depend on its ability to balance workforce needs with the imperative to reduce environmental impact, ultimately shaping the future of work in a low-carbon economy. HR leadership of contemporary organizations need to take cues from the emerging trends to combat the adverse effects of climate change by adopting sustainable practices in people management.

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# Socio-Economic Impact of Electric Power System in India

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# ABSTRACT

This article examines the nuances of the socio-economic transformation brought about by rapid expansion of electric power system in India. Indeed, large scale rural electrification carried out by various state governments in the country proved to be a game changer in terms of improved quality of life, mobility, livelihood opportunities, and access to healthcare, education as well as recreational avenues. However, a large section of population in Indian villages is still reeling under darkness due to lack of electricity or intermittent power supply. This article looks at the current state of socio-economic impact of electric power system and provides perspectives for the way forward.

KEYWORDS: Electric Power System, Socio-economic Impact, Quality of Life, India

# INTRODUCTION

An electric power system entails a web of electrical modules positioned to supply, transmit and consume electrical energy such as electrical grid comprising generators, transmission systems and distribution system. Starting in 1880s, it has now grown as major industry all over the world. Electricity assumed significance as public service during 1950s and most of the developing countries have now adopted ambitious objective of 'power to all' as part of their respective national policies. Indeed, electric power system has transformed the lives of

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the people in a phenomenal way touching all the aspects of the communities and businesses. There are two broad categories of electric power system viz. residential power system and commercial power system. Considering the significant socio-economic impacts of electric power system, the Government of India and various state governments in the country have made concerted efforts to continuously enhance power generation capacities and streamline the power transmission and distribution systems so that the magnanimous goal of 'power to all' can be accomplished in due course through participation of private players as envisaged in the Electricity Act 2003. In fact, the Electricity Act 2003 has unfettered the power sector from the archaic state regulations such as Electricity Act 1910, Electricity Supply Act 1948 as well as Electricity Regulatory Commission Act 1998. The power sector has received a fresh impetus through National Electricity Policy, rural electrification, open access in transmission, phased open access in distribution, obligatory State Electricity Regulatory Commissions, license free generation and distribution, power trading, compulsory metering and severe punishments for theft of electricity in the reformed ecosystem.

Currently India has total installed power generation capacity of 371977 megawatt out of which 46.9% comes from private sector while contribution of the state governments and the central government are 27.9% and 25.3% respectively [1]. In the last ten years, energy deficit in India has reduced from 9.8% to 0.7% (See Table 1) which a remarkable feat in view of the various constraints plaguing the power sector in the country. However, an array of issues related to power supply such as efficacious pricing, zero outages, uninterrupted transmission among others remain unresolved in spite of corporatization and increased participation of private players in the power sector [2].

SI. No.	Year	Peak Demand MW	Peak Met MW	Surplus/ Deficit	
				MW	%
1.	2010-11	1,22,287	1,10,256	-12,031	-9.8
2.	2011-12	1,30,006	1,16,191	-13,815	-10.6
3.	2012-13	1,35,453	1,23,294	-12,159	-9.0
4.	2013-14	1,35,918	1,29,815	-6,103	-4.5
5.	2014-15	1,48,166	1,41,160	-7,006	-4.7
6.	2015-16	1,53,366	1,48,463	-4,903	-3.2

**Table 1: Power Demand-Supply Matrix** 

7.	2016-17	1,59,542	1,56,934	-2,608	-1.6
8.	2017-18	1,64,066	1,60,752	-3,314	-2.0
9.	2018-19	1,77,022	1,75,528	-1,494	-0.8
10.	2019-20	1,83,804	1,82,533	-1,271	-0.7
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(Source: Government of India, Ministry of Power)

Improved electricity supply over a period of time, especially in the rural India, has transformed the lives of people in terms of quality of life, access to resources, livelihood augmentation, income security, access to improved primary healthcare, access to improved primary education, access to media through information and communication technologies and rapid mobility from villages to towns and large cities and vice versa for jobs as well as businesses. Hence it is imperative that the socio-economic impact of electric power system is examined a bit more systematically to take stock of the current scenario and develop perspectives for the future course of action vis-à-vis public policy concerning generation, transmission, and distribution of power as well as issues revolving around pricing, access, and above all, environmental impact.

# **RELATED WORK**

Over a billion rural people in the world and about 200 million people in India do not have access to electricity [3, 4, 5], thus jeopardising their struggle for a better quality of life, livelihood and survival Even the Sustainable Development Goals have focused on access to energy for all as a categorical target to be accomplished by 2030. Already, the Government of India is trying its best to ensure regular power supply in all the villages, towns and cities through an ecosystem conducive for rapid growth of energy sector in the country with greater participation of private players under a strict regulatory regime so that the poor consumers of power do not remain at the receiving end. However, the scenario is not quite encouraging at the ground level. While private distributors of power in the large cities are doing yeoman's service, small cities, towns and villages fail to get adequate power supply.

Although 'power for all' remains an elusive goal today, rural electrification in large parts of the country has started showing signs of positive change in the countryside. Most importantly, power supply in the Indian villages have resulted in a number of non-farm sector income-generating activities such as electric flour mills, make-shift theatres, and other small business enterprises [6]. Further, it has been observed that the commencement

of power supply in three Indian villages led to 20% increase in business activities [7]. Thus, it appears that rural electrification invariably opens up new income generating and direct as well as indirect employment/self-employment opportunities in the villages. Rural electrification creates conducive ecosystem in which hundreds of micro-enterprises might thrive and survive for long time while ensuring decent income for them.

Globally, positive economic impact of rural electrification has been reported. Electrification has often been linked to increase in Gross Domestic Product [8]. At the micro level, power supply in the villages results in increased income generating activities and rapid development of infrastructure with concomitant employment opportunities. For example, 25% of the rural families with power supply ran small enterprises from their homes in Philippines as compared to 15% without electricity connections [9]. In rural Nepal, 54% increase in rural industries was observed after electrification leading to significant enhancement in employment [10]. In rural Zimbabwe, there was an upsurge of 270% in employment after electrification [11]. In rural Indonesia, families with electricity connections demonstrated augmented participation in non-farm sector and there was 43% increase in rural enterprises after their villages got power supply [12].

Further, rural electrification has been linked to quality of life, especially for the females in rural areas. It has been observed that power supply has led to increased usage of electrical devices which in turn has provided a lot of free time for education and recreation [13, 14]. Available free time also leads to enhanced income generation activities in the villages [15]. Also, enhanced income generation activities leads to prosperity which ultimately correlates with improved quality of life.

In terms of social impact, electrification has largely resulted in better health, increased educational opportunities and improved habits, lifestyle and social networks. Many scholars have observed that access to power supply has improved health parameters of the families, especially in rural areas [16, 17]. Use of electricity has helped people reduce indoor air pollution resulting in lesser incidence of lung and eye-related ailments [18]. Earlier, the quality of indoor air used to be worse due to use of kerosene lamps which often caused lung disease and affected their eyes as well. Usage of electricity has also improved the indoor air

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quality of premises hosting rural industries [10]. Moreover, machines operated by electricity contribute towards reduced noise levels, dust and smoke in the rural industrial hubs which invariably results in improved health and wellness among the workers [19]. Furthermore, power supply in the villages has led to increased use of water pumps thereby ensuring clean potable water which in turn has resulted in reduced incidence of water-borne diseases [20, 10, 15]. Power supply in the villages has also resulted in improved primary healthcare services [21, 22, 23].

Power supply has dramatically transformed the rural education. A number of studies have found definite linkage between power supply and improvement in literacy rate and schooling. In Indian context, a study conducted in Uttar Pradesh and Madhya Pradesh, the two densely populated states, reported significant increase the literacy rate as a result of rural electrification [24]. In yet another study conducted in rural Assam, 0.17 point increase in the percentage of literate people with every 0.1 point increase in access to power supply was reported [25]. It was also projected that literacy rate in Assam would rise from 63.3% to 74.4% in case all the villages in the state get power supply while all other factors remain the same [25]. Globally, power supply in villages has been linked to augmented educational opportunities and outcomes in terms of significant improvements in literacy rate, enrolment of female students, study time, and educational infrastructure [13, 14, 15, 22, 26, 27].

Power supply in the villages has been followed by remarkable changes in daily habits of the people and their interaction within the families and the communities. Rural electrification has amplified the extent of free time [7, 28] which people are using for studies, pleasure readings, recreation and religious as well as community development activities [29, 30]. Such leisure time interactions have also strengthened social ties among people in the villages with steady power supply [28]. Also, the rural electrification has resulted in increased interaction with the outside world [21]. More and more people are now connecting with people in other villages and towns or cities in connection with business opportunities, sharing of ideas, and working together on matters of common concerns. This, in turn, enhances people's socio-political awareness and their abilities to get involved in community development initiatives as well as social and political action.

However, there is a contrary point of view as well. Critics have observed that the role of electric power system in improving socio-economic status of people has been overemphasised. It has been found that mere access to power supply does not automatically lead to spurt in economic activities in the villages [31]. Several researches [14, 32, 33] have indicated that power supply must be coupled with an enabling ecosystem at the village level so as to augment educational opportunities, entrepreneurial ventures and income-generating livelihood projects. Indeed, the subtleties of rural development and rural electrification have multiple underlying elements which must be considered while looking at the socio-economic impact of electric power system [14, 28]. Furthermore, it has also been observed that extent of the impact of power supply and consumption is by and large contextual and hence broad conclusions regarding socio-economic impact of electric power system cannot be drawn [34].

#### FINDINGS AND DISCUSSION

It appears from the integrated review of literature that electricity is crucial for overall improvements in the quality of life of the people both in urban and rural areas. As most of the urban areas across the world already have steady power supply, the focus now is on rural electrification and its socio-economic impacts. It has been observed that power supply in the villages lead to enhanced livelihood and income generating activities as well as improvement in governance and infrastructure development which is imbued with indirect job creation in the villages post electrification (see Table 2). Already, the governments of almost all the countries of the world have committed themselves to the promise of ensuring power for all by 2030 under the Sustainable Development Goals. While the Government of India has missed several deadlines to ensure rural electrification in all the villages of the country in last 70 years, it is likely that the flagship program of the Ministry of Power, Government of India i.e. *Deen Dayal Upadhyay Gram Jyoti Yojana* may accomplish total rural electrification within the stipulated timelines due to improved reporting and monitoring mechanisms.

SI. No.	Livelihood and Income Augmentation	Improvement in Governance and Infrastructure Development		
1.	New avenues of employment: electricians, plumbers, mechanics for electrical gadgets	Improved access to public services through local offices		
2.	New avenues of income generating activities: electrical electric repair shops	Improved communication between the government officials and the communities		
3.	New avenues of rural enterprises: cold chains, small movie theatres, food processing units, flour mills, oil mills, sawing mills	Increased participation of people in local self-governance		
4.	Indirect job creation through rapid development of rural infrastructure/communication networks	Increased influence of local communities in decision making vis- à-vis issues related to governance and infrastructure development		

# Table 2: Economic Impact of Rural Electrification

[Source: By Author]

Apart from economic impact of rural electrification which enhances prosperity in the village communities by way of income generating activities as well as direct and indirect job creation, various benefits on account of health and wellness, educational opportunities and recreation and socialization have also been observed (see Table 3). Improved quality of life in the villages is the pooled effects of both the economic and social benefits accruing from rural electrification. Further improvement in quality of life in villages is possible through steady power supply which is still a major issue in the country. It also provides an opportunity to the community leaders to supplement the energy requirement through alternate means such as small solar roof-top power plants for which the state subsidies are also available.

Table 3: Social Impact of Rural Electrification
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Health and Wellness	Educational Opportunities	<b>Recreation and Socialization</b>	
Improved Primary	Increased time for studies	Increased access to	
Healthcare: emergency care,	due to adequate lighting in television and radio ir		
child birth	the evenings	family or community	
Retention of qualified	Retention of qualified	Increased socialization and	
healthcare workers	teachers	interaction within and	
		outside the communities	
Increased participation in	Expanded adult education	Increased free time for	

wellness activities/exercises	and pleasure reading	community service activities
	opportunities	

[Source: By Author]

However, there are certain social costs involved in creating infrastructure for power supply. Power stations often result into large scale displacement, loss of livelihoods, permanent loss of farmlands, and loss of eco diversity. Besides, photovoltaic technology of power generation leads to toxicity. Nuclear power stations have their own typical hazards. Hence the government needs to promote unconventional sources of energy like solar power plants and windmills which have relatively lower social costs of productions, transmission and distribution of power. Hence, instead of rural electrification through conventional means, the government should focus on promoting grid-connected roof-top solar plants in a big way for more visible results on the ground.

# CONCLUSION

This study clearly indicates that the rural electrification leads to remarkable improvements in economic as well as social indicators vis-a-vis quality of life in the villages in terms of improved income generating activities, expansion of employment opportunities, rapid development of rural infrastructure, better governance, improved health and wellness, enhanced educational opportunities and expanded socialization and community service opportunities. Thus, electrification facilitates an enabling ecosystem for economic growth and development while promoting social ties and augmented community development activities. Rural electrification consistently increases free time both at home and farm or non-farm enterprises which the people use for self-improvement, pursuing their hobbies, getting involved in community service or supplementing their income through some parttime job as per their competencies. Thus steady power supply in the villages creates direct and indirect socio-economic value in equal measures. A number of villages have leveraged the power supply advantage to enhance prosperity of the entire community by means of people's initiatives instead of waiting for the state support and subsidies.

However, a large number of Indian villages do not access to electricity as yet. Besides, power supply in villages having electrification is not steady. As a result, such villages are not

able to leverage the socio-economic benefits that might accrue from rural electrification. Hence, it is imperative for the government both at the centre and the states to make a timebound program for rural electrification in all the left-out the villages so that the country accomplishes holistic development of the entire nation. Furthermore, considering the lesser social costs of renewal energy, the government needs to promoter solar power plants and wind mills in order to bridge the energy deficit gaps. There are enough evidences to support the point that socio-economic impacts of solar and wind energy are same as that of the conventional energy.

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# Socio-Economic Impact of Poppy and Marijuana Cultivation in Northeast India: A Sociological Study

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## ABSTRACT

This sociological study investigates the socio-economic impact of poppy and marijuana cultivation in Northeast India, focusing on the responses of various stakeholders. Utilizing qualitative methods such as interviews and focus groups, the research captured the perspectives of farmers, government officials, law enforcement agencies, and community leaders. The findings indicated that while poppy and marijuana cultivation significantly contribute to local livelihoods, they also exacerbate social problems like addiction and crime. Stakeholder responses are diverse: some call for stringent law enforcement to curb cultivation, while others advocate for alternative livelihood programs and community development initiatives. The study highlights the complexity of the issue and underscores the need to incorporate diverse stakeholder perspectives in policy and intervention design to effectively address the socio-economic impact of illicit cultivation in Northeast India.

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**KEYWORDS:** Social Impact, Stakeholder, Poppy Cultivation, Marijuana Cultivation, Public Policy, Northeast India, India

# INTRODUCTION

This paper examines the social impact of poppy and marijuana cultivation on the tribal communities in Manipur, Northeast India, focusing on moral aspects and the threat to future environmental sustainability. Reports indicate significant areas of poppy cultivation by the Kuki-Chin community, totaling 13,121.8 acres from 2017 to 2023. The Naga community reported 2,340 acres, and others accounted for 35 acres, amounting to a state total of 15,496 acres (India Today 2023). The widespread dissemination of these findings on social media has captured the attention of various stakeholders, prompting academic inquiries from multiple research perspectives. Northeast India, a region rich in cultural diversity and natural beauty, faces complex socio-economic realities influenced by various factors, including poppy and marijuana cultivation. While these crops have historical and cultural significance, their cultivation raises critical socio-economic questions. Understanding the interplay between cultivation practices, socio-economic dynamics, and stakeholder responses is crucial for formulating effective policies and interventions.



[Photo: Poppy and marijuana cultivation have significant environmental effects, contributing to deforestation, soil degradation, water contamination, and loss of biodiversity]

Poppy and marijuana cultivation in Northeast India presents a paradox phenomenon. Economically, these crops are valuable, providing livelihood opportunities and contributing to household income. Poppy cultivation, in particular, has historical and cultural roots in the region. However, these benefits come with socio-economic challenges such as drug addiction, public health issues, environmental degradation, and law enforcement difficulties. The illicit drug trade linked to these crops impacts local communities and regional security. In this context, understanding stakeholder responses is essential. Stakeholders include farmers, government agencies, law enforcement, civil society organizations, and local communities. Each group has different motivations, challenges, and aspirations regarding the socio-economic implications of poppy and marijuana cultivation. For instance, Brown discusses the debate on marijuana's medicinal benefits versus its risks (Brown 2023), while Smith et al. highlights the need for regulating poppy cultivation to control the opioid crisis (Smith et al. 2022).

### BACKGROUND

This study aims to explore the complex dynamics of poppy and marijuana cultivation in Northeast India, focusing on stakeholder responses to their socio-economic impact. Using qualitative research methods, including in-depth interviews, focus group discussions, and surveys, the study seeks to understand the perspectives, experiences, and actions of various stakeholders. The research will uncover stakeholder motivations, challenges, and aspirations in addressing the socio-economic consequences of these cultivation practices. Ultimately, the study aims to inform evidence-based policymaking and intervention strategies that address stakeholder needs and realities, promoting sustainable development, equity, and well-being in the region.

The cultivation of marijuana and poppy in various regions, particularly in Northeast India, presents significant social and environmental impacts. These crops, while economically valuable, is also considered to have a multitude of implications that affect communities, ecosystems, and policy landscapes. This review examines existing sociological research on the socio-economic and environmental consequences of marijuana and poppy cultivation, with a focus on stakeholder perspectives and responses.

## LITERATURE REVIEW

The cultivation of both marijuana and poppies has far-reaching social implications. While legal cannabis markets can lead to economic benefits and reduced crime rates (Caulkins et al. 2016), illegal operations for both cannabis and poppy cultivation are often linked to violence, corruption, and environmental degradation (Goodhand 2008; Kilmer and Pacula 2017). Furthermore, Mansfield and Pain (2008) argued that in the context of Afghanistan, poppy cultivation is both a symptom and a cause of ongoing social and economic instability. The economic benefits of marijuana and poppy cultivation are particularly known in this region with limited alternative economic opportunities. Studies have shown that income from these crops can be a reliable source of livelihood, supporting necessities such as children's education (Pacula et al. 2015; Villareal et al. 2018). However, this economic reliability is accompanied by social challenges, including increased violence and instability due to the illicit nature of the trade (Bucardo et al. 2005).

The health impacts of marijuana cultivation are complex, with research indicating both potential medical benefits, such as chronic pain management (Hill 2015), and risks, particularly concerning mental health and addiction among adolescents (Penning et al. 1982). Similarly, poppy cultivation for opium production is linked to significant public health issues, notably the opioid epidemic (Hanson and Chen 2007). Socioeconomic status plays a crucial role in the patterns of drug cultivation and use, often exacerbating existing inequalities (Hanson and Chen 2007). Furthermore, the implementation of medical marijuana laws varies significantly across different socio-economic contexts, influencing the extent of marijuana use and related social impacts (Pacula et al. 2015).

Effective regulation of marijuana and poppy cultivation is critical for mitigating the social and environmental impacts. Policies promoting sustainable farming practices and providing economic alternatives to illegal cultivation can help reduce the negative consequences (Campbell et al. 2019). The timing and context of policy implementation significant outcomes, as seen in the varied effects of medical marijuana laws (Pacula et al. 2015). Law enforcement's role in

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combating illegal drug cultivation yields mixed results; while it can reduce illegal activities, it often leads to unintended consequences like community displacement and increased violence (Villareal et al. 2018). A balanced approach needs to be incorporated for community engagement and alternative livelihood programs is essential for sustainable solutions.

Despite the increasing focus on the socio-economic dimensions of illicit crop cultivation, there remains a significant problems and issues in understanding the responses of various stakeholders, including local communities, law enforcement agencies, and policymakers, with regard to the cultivation of poppy and marijuana in Northeast India. This gap is critical given the region's unique socio-political landscape and the pervasive impact of these activities on its socio-economic fabric. The existing literature has extensively documented the economic incentives driving poppy and marijuana cultivation and its implications for local economies and social structures (Sharma 2020; Singh 2019). However, there is limited empirical research exploring how different stakeholders perceive, react to, and manage the socio-economic consequences of such cultivation.

Specifically, there is a need to examine the complex interactions between cultural practices, economic necessities, and legal frameworks that shape stakeholder responses. Further, the impact of policy interventions aimed at curbing illicit cultivation on local communities' livelihoods and social dynamics remains congretely underexplored (Das 2018). There is also a lack of comprehensive sociological studies that incorporate the voices and experiences of the communities directly affected by these interventions. Understanding these perspectives is crucial for developing more effective and culturally sensitive policy measures.

Despite the well-documented economic incentives and implications of illicit crop cultivation, there is a notable research gap in understanding the diverse responses of stakeholders to poppy and marijuana cultivation in Northeast India (Sharma 2020; Singh 2019). This gap is particularly significant given the region's unique socio-political context and the profound socio-economic impact of such activities. Existing studies have largely overlooked the nuanced interactions

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between cultural practices, economic needs, and legal structures that shape these responses (Das 2018).

#### SOCIAL IMPACTS

In Manipur, there are rampant cases of drug addiction resulting in deaths due to heroin overdose (substance abuse) and HIV/AIDS, which is widespread due to intravenous drug use (Sharma et al. 2019). Manipur currently has the highest prevalence rate of HIV (Human Immunodeficiency virus) among adults in the country (Press Trust of India 2018). SP (Narcotics and Affairs of Border) K Meghachandra Singh, in his address, spoke on the ill effects of illegal poppy cultivation and said that the drug trafficking scenario in Manipur is largely attributed to various external and internal factors (Chronicle 2023). Churachandpur, which is located in the southern part of Manipur bordering northwestern Myanmar, was the first district to be affected by heroin (Phanjoubam 1997). According to the study conducted, in this particular sub-division (Lungchong maiphei), Manipur, Northeast India, there has been empirical evidence of two perspectives of social impacts: the first one is concerned with health-related issues, and the second is the moral life of a cultivator (poppy). In the same way while engaging in the field (Lungchong Maiphei), it is learnt from one of the respondents (poppy cultivator) that at the age of sixty plus, he has become addicted to this poppy consciously and unconsciously while cultivating in the field to support their children's education.

One of the negative impacts is that several cultivators, be it women or men, become addicted consciously or unconsciously as daily wager cultivators, apart from several cases of death of youngsters reported from different villages in this sub-division (Lungchong Maiphei), Ukhrul district, Manipur, Northeast India. Another perspective is that of moral corruption shared by the social and religious leaders; according to them, drug abuse is a result of an easy way of making money as they can easily afford it. According to some of the respondents, the money invested in this type of cultivation does not last for long, and this has been testified by several respondents (poppy cultivators) from different villages.

Many countries and states have been grappling with the decision of whether to legalize or criminalize marijuana. Proponents of legalization argued for its potential economic benefits, reduced strain on law enforcement resources, and the right to personal freedom. On the other hand, opponents often cite concerns about public health, youth access, and potential increases in drug abuse. There is a growing body of research supporting the therapeutic benefits of marijuana for various medical conditions, such as chronic pain, epilepsy, multiple sclerosis, and chemotherapy-induced nausea. The debate often centers around access to medical marijuana, its efficacy compared to traditional medications, and regulatory frameworks for its distribution. Even in several places where marijuana is legalized, they continue to face various problems and issues while implementing regulations on its production, distribution, and sale.

The issues like taxation, product safety standards, advertising restrictions, and age limits for purchase are some of the ongoing issues that remain a concern in the public domain. In some countries, opium poppy cultivation is legalized for pharmaceutical purposes, primarily for the production of pain-relieving medications such as morphine and codeine. The question revolves around ensuring an adequate supply of these essential medications while preventing diversion into the illicit drug business. The main focus is on strategies to combat drug trafficking, reduce demand for illicit drugs, and provide support for individuals struggling with addiction.

Poppy cultivation can have significant socioeconomic implications, especially in the region where it is considered a major cash crop. The question of alternative livelihoods for farmers involved in poppy cultivation, economic development initiatives, and strategies to address poverty and inequality becomes one of the primary concerns of all the stakeholders. These are complex and multifaceted, involving a wide range of stakeholders including policymakers, law enforcement agencies, medical professionals, advocacy groups, and communities affected by drug-related issues. The discussions continue to evolve as new research emerges and societal attitudes towards drugs shifting.

### **ENVIRONMENTAL IMPACTS**

Marijuana and poppy cultivation also have substantial environmental consequences. In regions where these crops are grown, deforestation and land degradation are common as farmer's clear forests to evade law enforcement (Bucardo et al. 2005). This has resulted in the loss of biodiversity and disruption of local ecosystems. The excessive use of fertilizers and pesticides contaminates water and soil, adversely affecting local flora and fauna and human populations depending on these resources, contributing to diseases like tuberculosis (French et al. 2022).

The indoor marijuana cultivation, in particular, has a high carbon footprint due to the need for artificial lighting, ventilation, and temperature control, exacerbating issues of climate change and environmental sustainability (French et al 2022). In regions like Southeast Asia and Latin America, poppy cultivation often involves the clearing of forests to create agricultural land, leading to significant environmental degradation. This deforestation results in loss of habitat, soil erosion, and a decrease in biodiversity (DW 2020). Environmental issues such as deforestation and soil degradation complicate the matter surrounding poppy cultivation, highlighting the intricate balance between economic needs and environmental sustainability (Nguyen and Lee 2021).

The field observation made in Lungchong Maiphei, revealed that the cultivators have reported the excessive use of fertilizers, contributing to numerous environmental problems alongside health-related issues. While aware of the detrimental environmental effects, these farmers feel compelled to continue such practices due to limited economic alternatives. The cultivation of opium in hilly areas poses serious environmental concerns, with drugs like cannabis, cocaine, opium, and ecstasy causing catastrophic impacts ranging from deforestation to land sinking. According to a new TNI report, drug cultivation and the policy responses to it have created an environmental crisis in Myanmar and other countries where opium, poppy, coca bush, and cannabis plants are extensively grown.

A study conducted by the US Department of Agriculture's Crop Systems and Global Change Laboratory suggests that increased carbon dioxide concentrations in a warming world may

significantly affect the potency of opium poppies. Higher carbon dioxide levels could result in more potent poppies, potentially doubling the morphine content compared to levels in 1950 (Lewis et al 2009). While this increase might benefit legal pharmaceutical uses, it also raises concern about the production of heroin. The negative impacts of these cultivation practices extend to human health. For instance, one female cultivator reported an increase in miscarriage-related cases and other health issues linked to the cultivation of poppy and marijuana. The use of excessive salt and urea has led to soil erosion and infertility, as noted by the horticulture department. This highlights the broader environmental costs associated with these agricultural practices and underscores the need for sustainable solutions.

## INTRODUCTION OF ALTERNATIVE FARMING

The District Forest Officer (DFO) of Senapati highlighted three major negative environmental impacts of poppy cultivation: deforestation, loss of biodiversity, and soil and water degradation (Sangai Express 2019). The Tangkhul Naga Civil Society Organizations (CSOs) forum recently organized a workshop on enhancing capacity to curb opium poppy plantations at the DRDA Hall, Mini Secretariat Complex, Ukhrul, which included various stakeholders such as government officials, social and religious leaders, activists, and representatives from different villages. The Deputy Commissioner of Ukhrul emphasized the need for a collective effort to build a sustainable society, urging the public to support the "War on Drugs" initiative by the Government of Manipur, stressing that addressing this issue requires more than just government and police intervention but active participation from all citizens. The Government of Manipur organized a workshop to promote alternative livelihoods in poppy-cultivated areas, addressing the negative impacts of poppy cultivation and exploring sustainable options (Government of Manipur 2022).

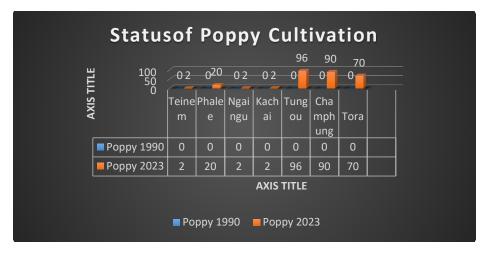
During the workshop, legal perspectives on the NDPS Act, 1985, were discussed, outlining the prohibitions on producing, manufacturing, cultivating, possessing, selling, purchasing, transporting, storing, and consuming narcotic drugs or psychotropic substances. Participants were informed about the legal consequences faced by poppy and cannabis cultivators under this Act. The growing area of poppy cultivation in Ukhrul District necessitates urgent intervention to

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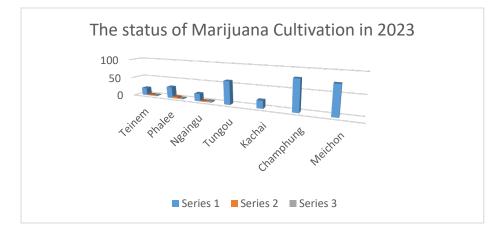
support the government's drug-free initiative. Kashung, speaking from a socio-political perspective, called for strengthening the rule of law and social institutions to transition from a vicious cycle to a virtuous one, emphasizing the need for viable economic alternatives beyond agriculture, including development in the secondary and tertiary sectors. The District Forest Officer (DFO) of Ukhrul highlighted the severe environmental impacts of illegal poppy cultivation, such as soil erosion due to deforestation, frequent floods, and the rapid depletion of public funds. He asserted that these activities jeopardize future generations, making it imperative to curb poppy cultivation urgently. The DFO suggested viable alternatives such as cultivating lemongrass, kiwi farms, and fast-growing timber plantations, which could be facilitated by the forest department of Ukhrul in collaboration with the state government (The Frontier Manipur 2022).

Name of the	Male	Female	Family	Total number of
Village			Household	Population
Teinem	2031	2027	802	4054
Phalee	1934	1088	794	3,022
Kachai	1092	1015	501	2107
Tungou	1022	949	352	1971
Champhung	408	374	152	782
	377	381	141	758
Tora				
Meichon	267	262	94	529

Table:1 The seven major villages of Lungchong Maiphei according to 2011 census



Sources: Based on the author interview with the respondents



Sources: Based on the author's interview with the respondents

# CONCLUSION

The shift from traditional farming to the precarious commercialization of poppy cultivation raises critical questions about the motivation behind this transition. Is the community compelled to engage in this farming for livelihood sustenance, or is it an easy route to quick money? To address these questions, this research incorporates views and opinions from various stakeholders, including social and religious leaders, government officials, and farmers engaged in poppy and marijuana cultivation, using qualitative research methodologies. The primary contention between cultivators and other stakeholders revolve around differing perspectives on livelihood and legality. Farmers argue that unlike the past, where food and shelter sufficed, modern security

includes education and employment, necessitating higher income of sources. Social and religious leaders contend that wealth from illegal cultivation does not bring long-lasting peace. The government maintains that illegal activities remain unlawful, emphasizing the need for concrete alternative livelihoods to replace illegal cultivation. Common concerns among all stakeholders include the adverse impact of poppy cultivation on social life and the environment, necessitating immediate intervention. Raising awareness and generating collective action are crucial to reducing the destruction and chaos observed in these tribal communities.

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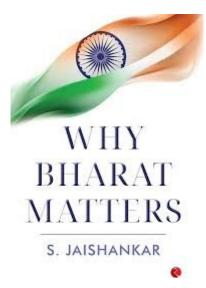
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# Book Review: Why Bharat Matters by S. Jaishankar

# Radha Menon<sup>\*</sup>

# ABSTRACT

'Why Bharat Matters' by S. Jaishankar provides incisive perspectives on how India has



repositioned herself in the global arena as an upcoming socio-economic and cultural superpower since the ascendence of Narendra Modi as Prime Minister of the country in 2014. Jaishankar has also looked at current challenges and prospects for the country in a fast-changing global scenario. The book connects the wisdom from ancient epics with emerging international relations vis-à-vis India in a compelling manner. He builds his narrative on the rich cultural heritage of India, drawing heavily from Ramayana and Mahabharata. The book provides a

convincing paradigm for India's strategic role in geo-politics for the betterment of communities across the globe.

KEYWORDS: Geo-politics, Cultural Heritage, Bharat, India

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Book: Why Bharat MattersAuthor: S. JaishankarPublisher: RupaYear of Publication: 2024Pages: 256Price: Rs. 695/-

'Why Bharat Matters' by S. Jaishankar provides incisive perspectives on how India has repositioned herself in the global arena as an upcoming socio-economic and cultural superpower since the ascendence of Narendra Modi as Prime Minister of the country in 2014. Jaishankar has also looked at current challenges and prospects for the country in a fastchanging global scenario. The book connects the wisdom from ancient epics with emerging international relations vis-à-vis India in a compelling manner. He builds his narrative on the rich cultural heritage of India, drawing heavily from Ramayana and Mahabharata. The book provides a convincing paradigm for India's strategic role in geo-politics for the betterment of communities across the globe. According to Parashar (2024), 'Why Bharat Matters'' is meticulously researched, insightfully analysed, and has an engaging narrative. The book is a testament to India's enduring relevance and potential to shape a more prosperous and peaceful world.'

The book promotes the idea of India as 'Vishwa Mitra' (friend of the world) rather than 'Vishwa Guru' (high priest of the world). In the book, 'the narrative of Ram exemplifies a rising power, which harmonises its interests with a commitment to global good; it provides valuable lessons in strategic creativity, moral decision-making and the complexities of international relations' (Bhowmick, 2024). While India is poised to be one of the top five economies of the world, the concept of India as a friend of the world can enhance acceptance of the country as economic and cultural superpower by both the powerful nations as well as vulnerable ones. Underdeveloped and developing nations can look up to India without being intimidated. Top economies of the world can look at the country without being threatened. The book tries to establish an inspirational role of India at the global canvas (Anupam, 2024).

The book is divided into eleven chapters. Chapter 1: Presenting a World View talks about how India is traversing the tempestuous world as a "rising power". Chapter 2: Foreign Policy and You provides a critique of the intricate relationship between Indian foreign policy and the lives

of its citizens. Chapter 3: The State of the World critically examines contemporary global affairs and their impact on India. Chapter 4: Back to the Future gives a holistic analysis of the current worldwide situation and explores various themes like the tapering dominance of the USA, the rise of China, the emergence of "others", and the evolving disposition of geopolitics.

Chapter 5: A Transformational Decade objectively looks at the growth of the Indian foreign policy under the leadership of Prime Minister Modi. Chapter 6: Making Friends, Influencing People gives an overview of India's foreign policy in the 21st century, focusing on its relationships with major powers like the UK, Russia, France, and the West. Chapter 7: Quad: A Grouping Foretold reflects on the development of the Quad and its significance in the Indo-Pacific. Chapter 8: Dealing with China analyses India's contrasting approaches towards China. The world is complex; miscalculations happen, and complacency is dangerous. Chapter 9: Reimagining Security and Chapter 10: The Roads Not Taken provide insights on the changing nature of security as traditional notions of security based on policing and military are insufficient today. Chapter 11: Why Bharat Matters explores India's trajectory from independence to a self-confident and influential country. Its democratic values, development goals, and innovative solutions offer inspiration and practical examples for other countries.

The book is likely to serve as ready reckoner on India's current stature on the world map for the diplomats and public policy experts while providing enough inputs for researchers in international relations, diplomacy and geopolitics.

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