

Concept of Sustainable Economic Development

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Development is understood to involve economic growth, increase in per capita income, and attainment of a good standard of living. Sustainable development ensures the well being of human kind by integrating social development, economic development and environmental conservation and protection.

Case I: Manmade disaster

Beginning in 15 August 2018, severe floods affected the south Indian state of Kerala, due to unusually high rainfall during the monsoon season. It was the worst flooding in Kerala in nearly a century. Over 483 people died, 14 are missing. At least a million people were evacuated. According to the Kerala government, one-sixth of the total population of Kerala had been directly affected by the floods and related incidents. The Indian government had declared it a Level 3 Calamity, or “calamity of a severe nature”. It is the worst flood in Kerala after the great flood of 99 that happened in 1924.

As per the assessment, the state has incurred a loss of Rs.20, 000 crore (Rs.200 billion). Kerala is facing its worst flood in history after 1924. Ten out of 14 districts were badly affected. 27 dams in the state were opened due to water rise. 37 people died in just four days. There were mudslides and landslides in 211 different places across the state. Central forces, National Disaster Response Force and all the state forces are full time engaged in rescue mission at different districts. More than 20,000 houses were totally ruined, about 10,000 kilometres of public roads were also destroyed. The state will have to bear the loss of this disaster for a long time.”

Environmentalists point at poor policy decisions

Most of the regions, impacted by this monsoon were once classified as ecologically-sensitive zones (ESZs) by the Western Ghats Ecology Expert Panel (WGEEP), also known as the Gadgil Committee. The report was crafted by a team headed by Madhav Gadgil, ecologist and founder of the Centre for Ecological Sciences at the Indian Institute of Science, Bengaluru. According to environmentalists, the committee’s recommendations were strong enough to protect the sensitive Western Ghat region.

The committee had suggested to classify 140,000 kilometres of the Western Ghats in to three zones as per the requirement of environmental protection in the areas. In some areas the committee recommended strong restrictions on mining and quarrying, use of land for non forest purposes, construction of high rises etc. The report was first submitted to the government in 2011. But the Kerala government rejected the committee report and did not adopt any of its recommendations. Speaking to various regional media, Madhav Gadgil has said that irresponsible environmental policy is to blame for the recent floods and landslides in Kerala. He also called it a “manmade calamity”. He said that the committee report had recommended to protect the resources with the cooperation of local self governments and people, but those recommendations were rejected. He also pointed out that quarrying is a major reason for the mudslides and landslides. Scientists say the use of explosives to blast through rocks in quarries is another important cause of landslides in Kerala. “Quarrying causes rapid landscape changes,” said TV Sajeer, a senior scientist at the Kerala Forest Research Institute. “It also blocks the natural hydrological pathways. This stress causes large rock bursts and hence landslides.” Other environmentalists also suggested that water raising in dams will not cause a big issue and that discussions on environmental concerns are needed. “Quarrying is a major reason for environmental hazards like landslides. Apart from that, buildings in environmentally sensitive areas are also a

reason. Resorts, hotels and religious institutions built on such areas destroying the nature can also contribute to a disaster,” he said. “All these districts that were badly affected have got wide range of quarries, both legal and illegal. Underground is a huge source of water. But doing unscientific constructions, mining and quarrying, the soil that covers this water storage been removed. This causes pressure, which results in land slide or mudslide,” the report suggested. “There are more than 1500 illegal crusher and quarrying units in Kerala. Apart from that, illegal buildings appear in water zone areas, so a heavy rain can cause flood. We humans are responsible for all these,” .

Case II: The Gujrat Bubble Darkness under the Lamp

The famous ‘Gujarat Model’ development has been a topic for debate ever since the term was coined in the second half of last decade.

What is the Gujarat model? In simple terms, it refers to a period from 2002- 03 to 20011-12 during which Gujarat experienced a quantum jump in its growth rate. The driving force was the then chief minister Narendra odi’s innovative interpretation of neoliberal policies.

Historically, as a state, which was more into trade and commerce because of its geography and arid climate, Gujarat had better growth rate compared to other states, except for a brief period of four years from 1998. Towards the end of this period, Mr Modi took over as the CM of the state and within two years came the first Vibrant Gujarat Summit.

The growth strategy had three major components: quantum jump in infrastructure to facilitate inflow of corporate investment; quantum jump in governance to address the requirements of corporate units; and unprecedented rise in incentives and subsidies on investments to the corporate sector to attract investments. Infrastructure development focused on roads, airports and power and through reforms, 24-hour availability of power.

Governance focused on quick disposal of investment proposals with a single window, easy access to bank credit and if required, other escort services to corporate units and their core staff. The concerned departments were aggressive in expediting the procedures to facilitate investment flows. The incentives to corporate investment included mainly sales tax subsidies till 2006-07 (till the Centre banned it). Forty percent of the revenue from sales tax the main source of revenue for state governments was forgone. Thereafter, the government introduced subsidies on capital, interest, infrastructure as well as heavy subsidies on land, water supply and natural resources. The rates of subsidies were larger for larger investments. For mega industries, there was no fixed rate and each case was assessed separately. For example, Tata-Nano got totally Rs 30,000 crores subsidies (like Suzuki, Hyundai etc). Land was acquired from common grazing land, denotified protected areas, national parks and from irrigated fertile lands. The price started from Re 1 per acre, and increased during the last years of the model but still was less than the market price. What also helped the growth was expanding global markets. Gujarat pushed up the exports from all major industries: petrochemicals-chemicals, pharmaceuticals-drugs, textiles and garments, leather, machine tools and electronics, gems and jewellery, and agricultural crops by setting up a number of SEZs, industry parks and special export promotion measures.

Gujarat also experienced high agricultural growth (7-8%) during this period thanks to continuous good rainfall for almost nine years, and policies of the government on improved seeds (Bt cotton was the main winner), extension through KrushiRath, modern agricultural practices and 24-hour electricity for farmers. However, after 2011-12, droughts and water crisis brought down the rate to 3.7% with high fluctuations. In addition, agriculture is suffering from low minimum support price (cost of cultivation is much higher), poor crop insurance (even

in good areas the coverage is 10-12%) and declining public investment in agriculture. In addition, this growth is neither sustainable (ground water, a major source of irrigation is depleting badly without adequate efforts in recharge) nor equitable (marginal farmers did not receive much benefits) and agricultural wages for the rising number of agricultural labour are almost lowest in the country). What was the overall impact of this quantum jump in corporate investments and growth on the economy?

The Price of Development: After the huge incentives to corporate units, the government is left with limited funds for education, health, environment and employment for the masses. Gujarat spends less than 2% of its income on education (the norm is 5-6%) with the result that 45% workers in Gujarat are illiterate or studied up to the fifth standard with the quality of education very poor. The quality of higher education is also resulting in the rising number of unemployed engineers and science graduates. Public expenditure on health is 0.8% of the state income, well below the norm of 4-6%. Gujarat is decelerating very fast in almost all health indicators. Forty-five percent children in the state are undernourished and the decline of maternal mortality rate has decelerated, leading to the state's poor ranking.

The state leaders boast of the highest workforce participation in the state (after Haryana); however only 6.8% of the workers are formal (this % is declining as against rising trend in most other states). Close to 93-94% workers are in informal and traditional sectors with low incomes and low social security. The wage rates in Gujarat are almost the lowest in major states in India, with the rank declining over the past decade or so. The growth has been highly capital intensive due to the chase for the "state-of-the-art" technology. The employment elasticity of growth has nose-dived for productive sectors. One of the greatest challenges for the state is creating massive productive jobs with decent incomes for the youth. The ongoing agitations in Gujarat emanate from this failure.

Though 40-45% households in Gujarat depend on natural resources for their livelihoods (farming, animal husbandry, dairy, forestry, fishery etc), the depleted and degraded resources, along with heavy pollution, have reduced their productivity and incomes in these sectors and raised their vulnerability. The tribal population is the worst affected by the growth despite the fake claims. Thousands of them are forced to migrate to squat on urban roads or live in makeshift huts in rural areas without even basic facilities. No wonder the Gujarat high court has told off the state government frequently, asking it not to forget that they are also a part of the state's population. The net result is 40% population is below the multi-dimensional poverty line. The growth is elitist, not reaching the masses. Though there are a number of central and state pro-poor programmes, their implementation is very poor. In short, the hype created around the Gujarat model is hollow and fake.

At the end of the day in Gujarat:

In an India that has a very poor record of hunger and malnutrition, Gujarat stands out as one of the worst performers with exceptionally high proportions of hungry, malnourished and underweight children and anaemic women. It is a smelly state with 65 percent of its rural people deprived of toilets and still employing manual scavengers, a practice prohibited by law. Its rate of poverty reduction and other improvements in HD indicators have slowed relative to other Indian states during the same period in which it has experienced high GDP growth. Behind Gujarat's HD deficits is an underlying democratic deficit. The vast majority of the state's people have been powerless in effectively participating in the democratic process and in influencing state policy in their favour through more inclusive and redistributive measures.

Case III: The available Alternatives (Introduction to the work of Prof. Haq, Prof. Sen & Prof. Yunus)

The Human Development Index: Prof. Mahbub ul Haq

What should be the Focus of Development? GDP or people's Well-being Unfortunately, long ago the agenda of 'development' was hijacked by economists. As a result, today when people talk of progress or development they are merely talking of "economic development" which simply means expansion of the economy in terms of GDP growth. People play the role of producer of goods and services and also the end consumers. It is basically a production/consumption oriented model – produce more and consume more. People are supposed to be more "developed" if they consume more. Everything is seen in the context of consumption of goods and resources; it is an input driven ideology.



London to protest against its troops in Afghanistan. What distinguishes the two is the freedom, or availability of option. The first person is badly constrained in freedom and lacks the capability to achieve the functioning to be well-fed; the second person has this capability though he decided not to use it. Likewise, you are capable of driving a car – ie, you have the ability to drive a car. It becomes a capability if you have the freedom (having the driving license, road connectivity, availability of fuel, as well as the motivation) to use it to do things you value. So, merely having a car or being able to drive it, by itself, does not add value to your life.

Development is Enhancing People's Freedom

Sen proposes that people lose capabilities when they lack freedom. Having freedom provides the space to develop capabilities. Therefore, all development, according to Sen, is development of human capabilities in the enabling environment of freedom. Sen proposes that

expansion of individual freedom is the goal of development; freedom is also the principal means of development. Therefore, development also means removing the major sources of constraint (lack of freedom) such as all forms of discriminations – racial, religious, gender or community based; unreliable public facilities and poor infrastructure; lack of economic opportunities; social exclusion and political marginalization; and policies limiting human rights; and so on.

Freedom provides the necessary space to make choices to make one's life better the way one wanted. It is particularly relevant for the poor for its enabling and empowering impact.

The "Social Entrepreneur": Prof.Mohammed Yunus

- 1) Microcredit
- 2) Microfinance
- 3) Social Business

Conclusions:

CA is a function of Democracy; Why Famine caused in British India and not in Democratic India (Democracy mein bure din nahi ate) but how to ensure ideal democratic functioning? All goes in the basket of Government? What if all contesting political parties have the same hidden Neoliberal agenda? Don't you want to say anything to Uncle Sam (International Political scenario)? CA does not address the Market!!No change in economic structures! The Neoliberal Market can enjoy all the authority to plunder and people should wait for the Achhe din. What a Paradox? What is the practical value?

The Practical ideas of Prof.Yunus put the ball in the court of selfish giants (Businessmen) and ask them to solve the social problems for the sake of Happiness (Social Business)? To increase the happiness he offers interest gains on investments so that they should complete their raid operations on whatever left after the loot of consumerism? (Microfinance)Suck all the blood through the straw of interest? Very smartly working on wealth accumulation agendas!

From Worshipping the creation to worshipping The Creator (Fromdarkness to Light):

Islam offers the Perfect and Complete solution –Divine guidance from Al-Aleem

(From Psychology to Politics/for both the worlds)

الْيَوْمَ أَكْمَلْتُ لَكُمْ دِينَكُمْ وَأَتَمَمْتُ عَلَيْكُمْ نِعْمَتِي وَرَضِيْتُ لَكُمْ الْإِسْلَامَ دِينًا

The Guaranteed Path (Historical fact not a mere incomplete theory)

وَلَوْ أَنَّهُمْ أَقَامُوا التَّوْرَةَ وَالْإِنْجِيلَ وَمَا أَنْزَلْنَا إِلَيْهِمْ مِنَ رَبِّهِمْ لَأَكَلُوا مِنْ فَوْقِهِمْ وَمِن تَحْتِ

أَرْجُلِهِمْ مِنْهُمْ أُمَّةٌ مُّقْتَصِدَةٌ وَكَثِيرٌ مِنْهُمْ سَاءَ مَا يَعْمَلُونَ ﴿٦٦﴾

إن الله يرفع بهذا الكتاب أقواما ويضع به آخرين

وَإِذْ قَالَ إِبْرَاهِيمُ رَبِّ اجْعَلْ هَذَا بَلَدًا آمِنًا وَارْزُقْ أَهْلَهُ مِنَ الثَّمَرَاتِ

Correct sequence of sustainable development Justice, Aman & Samaraat.

وَإِذْ قَالَ إِبْرَاهِيمُ رَبِّ اجْعَلْ هَذَا بَلَدًا آمِنًا وَارْزُقْ أَهْلَهُ مِنْ الثَّمَرَاتِ

Introduction of Anbiya in Quran working for the development of the world like Ibraheem (Baitullah & City of Makkah), Dawud (Metallurgy), Sulaiman (Ships), Zalqarnain, Yusuf (Solution for the Recession) etc.

The opposite of Sustainability Fasaad

طسم (١) تِلْكَ آيَاتُ الْكِتَابِ الْمُبِينِ (٢) نَتْلُوا عَلَيْكَ مِنْ نَبَأِ مَوْسَىٰ وَفِرْعَوْنَ بِالْحَقِّ لِقَوْمٍ يُؤْمِنُونَ (٣) إِنَّ فِرْعَوْنَ عَلَا فِي الْأَرْضِ وَجَعَلَ أَهْلَهَا شِيَعًا يَسْتَضَعِفُ طَائِفَةٌ مِنْهُمْ يُذَبِّحُونَ أَبْنَاءَهُمْ وَيَسْتَحْيِي نِسَاءَهُمْ إِنَّهُ كَانَ مِنَ الْمُفْسِدِينَ (٤)

وَإِذْ أَسْتَسْقَىٰ مُوسَىٰ لِقَوْمِهِ فَقُلْنَا اضْرِبْ بِعَصَاكَ الْحَجَرَ فَانفَجَرَتْ مِنْهُ اثْنَا عَشَرَ عَيْنًا قَدْ عَلِمَ كُلُّ أُنَاسٍ مَشْرِبَهُمْ كَلُوا وَاشْرَبُوا مِنْ رِزْقِ اللَّهِ وَلَا تَعْتَوْا فِي الْأَرْضِ مُفْسِدِينَ ﴿٦٠﴾
وَإِذَا تَوَلَّى سَعَىٰ فِي الْأَرْضِ لِيُفْسِدَ فِيهَا وَيُهْلِكَ الْحَرْثَ وَالنَّسْلَ ۗ وَاللَّهُ لَا يُحِبُّ الْفُسَادَ وَيَقْوِمُوا زَوْجُوا الْمِكْيَالَ وَالْمِيزَانَ بِالْقِسْطِ ۗ وَلَا تَبْخَسُوا النَّاسَ أَشْيَاءَهُمْ وَلَا تَعْتَوْا فِي الْأَرْضِ مُفْسِدِينَ ﴿٨٥﴾

The Basic Principles

Ø Means of wealth & Business desirability

يَا أَيُّهَا الَّذِينَ آمَنُوا لَا تَأْكُلُوا أَمْوَالَكُم بَيْنَكُم بِالْبَاطِلِ إِلَّا أَنْ تَكُونَ تِجَارَةً عَن تَرَاضٍ مِّنْكُمْ ۗ وَلَا تَقْتُلُوا أَنْفُسَكُمْ ۗ إِنَّ اللَّهَ كَانَ بِكُمْ رَحِيمًا ﴿٤:٢٩﴾

Accumulation of wealth is forbidden

يَا أَيُّهَا الَّذِينَ آمَنُوا لَا تَأْكُلُوا الرِّبَا أَضْعَافًا مُّضَاعَفَةً ۗ وَاتَّقُوا اللَّهَ لَعَلَّكُمْ تُفْلِحُونَ

The social Insurance & Money coming back mechanism

وَاعْبُدُوا اللَّهَ وَلَا تُشْرِكُوا بِهِ شَيْئًا ۗ وَبِالْوَالِدَيْنِ إِحْسَانًا وَبِذِي الْقُرْبَىٰ ^{and the} وَالْمَسْكِينِ وَالْجَارِ ذِي الْقُرْبَىٰ وَالْجَارِ الْجُنُبِ وَالصَّاحِبِ بِالْجَنبِ ^{and the} وَأَبْنِ السَّبِيلِ وَمَا مَلَكَتْ أَيْمَانُكُمْ ۗ إِنَّ اللَّهَ لَا يُحِبُّ مَنْ كَانَ مُخْتَالًا فَخُورًا ﴿٣٦﴾

❖ لَيْسَ عَلَيْكَ هُدَاهُمْ وَلَٰكِنَّ اللَّهَ يَهْدِي مَنْ يَشَاءُ وَمَا تُنْفِقُوا مِنْ خَيْرٍ
فَلِأَنْفُسِكُمْ^{٢٧} وَمَا تُنْفِقُوا إِلَّا ابْتِغَاءَ وَجْهِ اللَّهِ وَمَا تُنْفِقُوا مِنْ خَيْرٍ يُوَفَّ
إِلَيْكُمْ وَأَنْتُمْ لَا تظَلُمُونَ ﴿٢٧﴾

إِنَّ الَّذِينَ يَتْلُونَ كِتَابَ اللَّهِ وَأَقَامُوا الصَّلَاةَ وَأَنْفَقُوا مِمَّا رَزَقْنَاهُمْ سِرًّا وَعَلَانِيَةً
يَرْجُونَ تِجَارَةً لَّن تَبُورَ ﴿٢٩﴾
لِيُوفِيَهُمْ أُجُورَهُمْ وَيَزِيدَهُم مِّن فَضْلِهِ^{٢٩} إِنَّهُ غَفُورٌ شَكُورٌ ﴿٣٠﴾

Ø Money in rotation (Zakat, Ushr & Wirasat)

❖ يَتَأْتِيهَا الَّذِينَ ءَامَنُوا إِنَّ كَثِيرًا مِّنَ الْأَعْبَارِ وَالرُّهْبَانِ لِيَأْكُلُونَ أَمْوَالَ النَّاسِ
بِالْبَطْلِ وَيَصُدُّونَ عَن سَبِيلِ اللَّهِ وَالَّذِينَ يَكْنِزُونَ الذَّهَبَ وَالْفِضَّةَ وَلَا
يُنْفِقُونَهَا فِي سَبِيلِ اللَّهِ فَبَشِّرْهُمْ بِعَذَابٍ أَلِيمٍ ﴿٣٤﴾

The forbidden Buql , Tabzeer & Israaf