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From Editor's Desk

An organization named Centre for Monitoring Indian Economy (CMIE) has issued a press release recently, saying that due to the outbreak of Covid19 and the resulting lockdown, employment has taken a big hit in India. The organization says that due to outbreak of Covid, during the year 2020-21 there was a decline of 6.6 percent in real GDP. Although the economy has grown by 8.95 percent in 2021-22, but still India's real GDP has increased from Rs 145.2 lakh crore to only Rs 147.7 lakh crore. That is, our real GDP is still around the GDP of pre-Covid time.

The organization says that although GDP has bounced back, but the biggest impact has been on employment, which has not yet rebound, after the initial decline. According to the organization, employment reached only 40.18 crores in 2021-22, while it was 40.89 crores in 2019-20. Unemployment which was 3.29 crore in 2019-20 reached 3.33 crore in 2021-22. That is, an increase of only 4 lakhs.

The conclusion of the organization is that although the decrease in employment has been nearly 7 million i.e. 70 lakh, the increase of unemployment is only 4 lakh, indicating that the people who got unemployed during this period have given up hope of employment and they are now out of the race for employment.

It's notable that for some time, due to some reasons, the employment related data in the country is not being published by the National Sample Survey Organization (NSSO). These figures have been getting more reliable. It is natural that in the absence of official figures, the figures of institutions like CMIE get a place in the media. But if these figures are published by some official organization, then their credibility increases.

Unfortunately, the CMIE figures have been questioned in the past as well. Question marks are also being raised on its report released on April 25, 2022. Analysts believe that CMIE's figures on unemployment and size of the labor force do not match with other indicators, rather contradict some times. Therefore their figures cannot be trusted.

The Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) guarantees at least 100 days of employment in every financial year to every rural unemployed. So when people are unemployed they are entitled to get 100 days of employment under MGNREGA. In such a situation, even if a person is getting casual employment somewhere in the city/ village

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etc., and if he remains unemployed for 100 or less days, then he can seek employment under 'MGNREGA'.

This means that if unemployment rises, the demand for MNREGA will also increase. For example, in 2020-21 due to lockdown in cities and decline in economic activities, employment decreased and people migrated to villages, then in those days the number of 'MGNREGA' beneficiaries increased to 7 crores, which was only 5 crores before the lockdown.

Interestingly, the period (2021-22) for which the CMIE report is talking about a rise in unemployment, demand for MGNREGA employment was actually 6.55 percent less than the previous year. That is, it can be said that during the Corona period, people who had migrated to the villages had got employment back in the urban areas. In this sequence, if we look at the figures of April 2022, it is found that in April 2021, 2.62 crore people had sought work under 'MNREGA', whereas in April 2022, only 2.33 crore people sought work under MGNREGA, That is, a decline of 11.15 percent. Analysts believe that the fall in demand for employment under MGNREGA is due to increased employment in urban areas. This figure is in stark contrast to the report published by CMIE, which says that people have moved out of the labor force, giving up the hope of employment due to the loss of employment opportunities. Instead of giving its own value judgement about unemployment, CMIE should have taken note of the MGNREGA figures to arrive at a conclusion.

The CMIE report states that even if 7.5 percent GDP growth is achieved in 2022-23, the unemployment rate will increase rather than going down. For this they talk of employment elasticity with respect to GDP. But we have to understand that the recovery after corona in the economy is not a normal recovery. This recovery accompanies some fundamental changes in the Indian economy. All indicators of the economy are pointing towards these changes.

Significantly, in the last quarter of the last financial year (2021-22), the monthly average of GST collection was 1.42 lakh crores. The unprecedented GST collection of Rs 1.68 lakh crore in the first month of this financial year is definitely pointing towards an upsurge in the economy. In March 2022, 7.7 crore e-way bills were generated which was more by 13 per cent, from 6.8 crore e-way bills generated in February 2022. This clearly shows a sharp recovery in the economy. Significantly, due to the shortage of semiconductors in the country, many of our industries including automobile, electronics, telecom have been affected. Despite that, rising GST revenue is indicating an uptick in manufacturing in the economy. It is true that imports have also increased during this period, due to which the revenue of GST has increased, but where the revenue of GST has reached Rs 1.68 lakh crore, the share of import GST in this revenue is Rs 36705 crore, which is greater than import GST, by 6608 crores only, one year earlier, in March 2021, that is, Rs 31097 crore. This implies that domestic businesses have definitely grown during this period.

At present, under the Aatmnirbhar Bharat (self-reliant India) policy by the government, heavy emphasis is being laid on self-employment. Significantly, since the beginning of the Narendra Modi government, emphasis has been laid on 'Make-in-India' while reducing the dependence on imports. Protective import duties have been imposed on a number of products including Indian electronics, telecom, consumer goods, toys and clothing since 2018 to reduce imports from China. As a result of all this, mobile phones are now being exported in large quantities from India. Apart from this, taking lessons from Corona, due to the policy of self-reliant India, the Government of India has started the Production Linked Incentive (PLIs) Scheme to promote the manufacture of 16 types of products in the country, on which more than Rs 3 lakh crores will be spent. Many products like Electronics, Telecom, Solar Energy, Textile, Semi-conductor, API have been included in this scheme.

The effect of efforts to promote manufacturing in the country is now visible. Efforts to promote 'start-ups' and entrepreneurship are also showing results. Till now, 100 start-ups have become Unicorns (a start-up with a valuation of more than \$1 billion). New start-ups are making our economy vibrant.

But the CMIE press release is extrapolate employment figures in the Indian economy for 2022 on the basis of the employment elasticity estimated on the basis of 2014 data, which is actually ridiculous. The Government of India should soon publish more robust official NSSO's data and present the correct picture of employment, so that the right information can be made available about the impact of the policies of the country.

Dr Ashwani Mahajan

Chief Editor

Ancient Indian Economics

Dr. Ritesh Kumar

Hypothesis of Economy

Religion, nature and economics are three very different but important disciplines for today's human beings. These triangular forces are always regulating the human activities. In earlier generations, the relation between religion and nature seemed strong. As humans progress towards a more "economic man".

Indus Valley Period

The sense of wants consumption and its revival yielded the economics on daily call. In due course of time, the sense of materialistic undue acquisition germinated as an evidence with receiving of seals and its movement and mystic urban settlements in comprises of canals, docks, ports, clubs, transport technology for the Indus valley period. A tinge of private merchant rather than government authority had been great example for impressive reliance in society. ¹Agriculture was central occupation followed-up by cotton making activities. Indus Valley civilization was full of affluence and prosperity. As supported by ²economic historian Angus Maddison in his book *Contours of the World Economy, 1-2030 AD: essay in macro-economic history*, India had the world's largest economy during the years 1 AD and 1000 AD. The quality of recreation, sense of town planning, dress and ornament, worship of trees, an indispensable relationship with animals, birds and application of measuring scale substantiate the loftiness and lavishness of the Indus valley civilization.

The Vedic Economics

The Vedic rsis (Meta physicists) knew the concept of material wealth, use of money and their constructive and destructive value both to the individual and society. The edifice of *artha* is build on a number of Vedic hymn. ³*Yajur Veda 36-17* and ⁴*Atharva Veda 19-9-14* have prayers "May our actions be such that sky (air spaces) be peaceful, earth be peaceful, water, plants and trees be peaceful" Om Shanti- God is Peace. When pollution becomes predominant in water, earth and air, Vedic *artha* becomes *anartha* (material economics based on inert matter).

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The other hymns, which guide *artha*, are ⁵*RV.X-117-4 to 6* “*Those individuals who do not work for social welfare is sin*”. The vedic sense for economics is even subjective for present world for sustainable development with minimal eroding of environmental assets, where as The world is distressed... and crying for sustainable development on socio-economic basis. The applications and practices of vedic doctrines as (a) A comfortable life does not require that wants to be multiplied (*santosha*) (b) The minimal consumption (*maryadit sanmayata*) and means to live simply within one’s (*achara*). (c) The purity of the means of livelihood was of utter importance (*vihara*). The natural pact with the veda, cultivated vedic people for moral applicator than economic man.

The Epic Age

A poverty-stricken society cannot be healthy, happy, or wise, ⁶In the *Gita’s X-33, 34 Sri Krishna identified himself with the God and Goddess of wealth and clearly directed, Arjuna : “Arise! win glory, enjoy the wealth filled realm”*. The Mahabharata was simply a manifestation of economic imbalance and defeat of Ravana was a realization of undue materlistic acquisition (*tamasik*). Both describe *artha* on the lines of Vedas. Of all the purities of material things, the highest should the purity of money. State, education, religion and human beings should avoid any tainted money. Even tamsic food, which brings anger, lust and stupor. They even advise preceptors (*gurus*) in the educational institutions not to accept any ill-gotten money from any organization, person including the parents of the students.

The Nanda Period

The Nandas were first to remark good-bye to human faced of economics and shackd hands with an imperialistic acquisition sense, structured the economics by regular appointment of government officials to add on treasury even after its full of loading. The Nandas were accountable for expanding the bracket of inequality for distribution and manipulation. The superficial packing of the Nanda empire was majestic in terms of royal court, military establishments, treasuries, royal establishments but there had been long vertical gap of economic solvency and communication among classes with great amount of dissatisfaction.

The Mauryan Period

It covers both theory and implementation and contains many clear and detailed rules regarding the governing of an empire. The exhaustive

account of the economic ideas embedded in the Arthasastra has been given by ⁷Ratan Lal Basu's "*Ancient Indian Economic Thought, Relevance for Today*". The developmental, hegemonic Kautilya-Mauryan state was in fact a domain as well as a tax state, endeavoring to monetize, marketize and expand the economy". However, its over extensive public sector, close alignment with the higher classes, excess socio-economic regulation and revenue needs, resulted in a combined property, taxation and transfer regime that likely retarded entrepreneurship, private capital accumulation and long-run economic growth prospects. Thus the social contract subsisting in the Kautilya-Mauryan state was not a benign as frequently portrayed, despite laws, principles and doctrines in Dharmasastra and Arthasastra delimiting the constitutional metes and bounds of monarch and state. Better transport, internal and external trade and patronage of the Guilds fortified well-economic-knit state.

The Satavahanas Period

The Satavahanas, first native Indian who had issue the coins in portraits of their kings and followed the Mauryan in Deccan of India. ⁸The deposition of wealth in the guilds was in practice because they were well-known that state may ruin not the guilds the Satavahan helped to minimize the gap of economical disparity with a series of economical reforms. There had been emergence of varieties of classes in to society, which finally added the treasury of the Satavahan.

The Kushana Period

The Kushana period had a phase of experimentation for occidental, overseas, indigenous economics. The guilds earned high degree of reputation and used to act like bank to ensure their principality, liquidity, maturity of wealth in the time of need. The gold coins were mainly used in overseas, silver coins for only for lower Indus area. ⁹Bartend system, generations of varieties of occupation, mining and marketing of precious stones had been an effective economical documentary of the Kushana period. Cities like Taxila, Mathura, Bactra were well planed and blossomed further during the Kushana period. The donation (dan) for poor, downtrodden, disgraced, educational institutions, hospitals, exigency, social welfare, festivals, public interest were well in vogue for meeting the ultimate mankind service.

The Gupta Period

¹⁰The lasting long of the Gupta empire than any empire of India was a cause of ensuring maximum coverage of social, economical,

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religious, cultural security sensed to futuristic generations to admire,
¹¹The unification of regional economics at centre which developed the unification of an imperialistic sense. The quality of richness and mode or richness towards average people had been wonderful evidence for equitable distribution for an ancient India.

The Harsha Period

Besides, agriculture there were different trades, cotton, silk, woolen cloths were being prepared on large scale. This clearly indicates the prosperity of northern India during Harsha period.¹² No frequent movement of coins and feudalistic sense were two causative factor to decelerate the economical pace of the Gupta period which occurred in the Harsha period. Hiuen Tsang remarked very high about Bnarash, Prayag, Kannauj. It is said that every five years Harsha donated all his wealth to monies, orphans, poor, etc.

The Chola Period

The Cholas did extremely well in foreign trade and maritime activity. Southern India had developed extensive maritime and commercial activity towards the end of the 9th century. The main trading partners were the Tang dynasty of China, the Srivijaya Empire in the Malayan archipelago and the Abbasid Kalifat at Baghdad. The economy of the Cholas was an example for all the subsequent administration set ups.
¹³They had introduced novelty in state economy and administration as a whole Concept of economic self sufficiency of the villages was unique. Centralization was moderately practiced along with complete autonomy in certain aspects which reminds us of the present Panchayati Raj System.

The Chalukyas Period

Rich traders contributed significantly to the king's treasury through paying import and export taxes. The edicts of the Aihole Svamis mention trade ties with foreign kingdoms such as Chera, Pandya, Maleya (Malayasia), Magadh, Kaushal, Saurashtra, Kurumba, Kambhoja (Cambodia), Lata (Gujarat), Parasa (Persia) and Nepal. Travelling both land and sea routes, these merchants traded mostly in precious stones, spices and perfumes, and other specialty items such as camphor, lazuli, onyx, topaz, carbuncles and emeralds rose. These items were sold either in bulk or hawked on streets by local merchants in towns. Compassion sense and it's practices was of great value addition for ancient economics, a wisdom extracted from KURAL,¹⁴ A tamil moral teaching

“The act of relieving one’s hunger is greater than suffering oneself.” The capacity of siraf and the guilds had been acknowledged as per their loading capacity for king’s treasury.

The Pala Period

The Chinese traveler of 13th century and the Venetian traveler Marco Polo also referred to the production of fine quality cotton in Bengal. The “Charya Padas” refer to cotton production as the important part of Bengal’s economy during the Pala period. Silkworm cultivation was also very popular in Bengal. Yet sources available till date state that the Pala period was marked by economic and material prosperity. The main source of economy during the Pala period was agriculture. The Pala kings usually granted land to the farmers. The chief source of income of common people was derived from agricultural products of the land granted to them. Rice, sugarcane, mango, bamboo, coconut etc. were the important agricultural products produced during the Pala period. The “Monghyr inscription” of Devapala refers to mango and fish as the products of land granted by him. “Bhagalpur inscription” of Narayanapala also refers to the production of rice and mango, betel nut etc. as the important agricultural products produced in lands allowed by them. Salt production also shared a significant position in the agricultural economy during the Pala period.

The Sangam Period

Roman soldiers were employed as bodyguards of the pandya rulers put the sense of germinating service industry. Land tax was central revenue source of the state. ¹⁵Agriculture centric economics backed by many irrigation facilities. Hunting, cattle rearing, fishing, carpentry, black smithy were occupation of the people, Goldsmith, weavers, potters, and traders in cloths, salt, sugar, grains strongly emerged in society. There had been full swing practices of barter, import of larger quantum of luxurious items, huge forts, deep moats, wide street, big bazaars, lighthouse along with sea-route were glorifying assets of the sangam period.

An Ancient Economics Signifies (Arthavishesha)

Ancient Indian realized the best treatment of economics by act of donation (dan), subscription (anashadan), consolation (paritoshik), contribution (pratiposhak) towards the deprived and the disgraced to meet their social-economical-religious justification across the phases.

An Ancient Economic Stigma (Arthodosha)

¹⁶The Brahmanas was supreme, ¹⁷An inherited power by birth for the Brahman ¹⁸Chanakya's Arthashastra deprived the power of women. An ancient Indian economics invariably faced of caste-system, that deprived many economical sanctions, reforms, provisions, allocations to those who were good in number : The Disgraced Class (sudras) and Women, resulted checking the natural flow of progressive economy of an ancient India.

Conclusion

Present world, is on the phase of an instigation for any-how-economical-growth (anartha) by ceaselessly exploitation of ecological environment, resulting an addition up for global warming, deforestation, co₂ emission, disease, undue acquisition (tamasic pravirtee), social disorder, misallocation of resources are dysfunctional effects, which is being on purposely directed by the state, the country. The Veda commands capacity to impart sustainable economical development for present and futuristic generations by direction of vedic applications in sense and practice only with no choice and it's religion has been final taster for on going applications.

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The Struggle for Social Equality – A Historical Analysis

Ashutosh Kumar

Caste system was introduced in India only to facilitate purity of blood, to devise a method for the economic activities and to maintain religions dominance. The result was prevention on upward mobility, leading to love hate syndrome, which ultimately resulted in clashes of very serious nature. In this paper an attempt is made to analyses the causes and effects of the caste ward in various parts of Tamil Nadu during the colonial and post-colonial period.

Nature of Caste Conflicts (Before and After Independence)

In 18th century Right and Left hand caste people fought with each other to ascertain their social status. In the 19th century these disputes assumed the form of struggle between dominant caste and lower caste as the latter aspired to achieve social equality. In independent India the caste clashes mainly take place between dominant agricultural communities and *harijans*. *Harijan* is a concept and a word confined by Gandhi for the Depressed Classes as they one the sons of Hari (God). This is a kind of Gandhi's escapist ideology, thought the wanted to give the 'Depressed classes a new nomenclature a new identity and an aspiration (Editor).

Struggle for Social Equality (Colonial Period)

The commercial rivalries of the Europeans, especially the English and the French and establishment of trading settlements at Madras, Pondicherry and Cuddalore for the conduct of cloth trade brought about change in the economic activities of the people. The Indian merchants were employed in the trading companies of the Europeans. They procured cotton cloth for the agents of the companies. According to custom, the *Chettis* who belonged to Left hand caste division were

engaged in trade. As the cloth trade was lucrative the members of the Right hand division also registered their names as company merchants. This created tension between these caste groups.

The members of these divisions lived in separate localities. They were instructed to use common lane. The right hand caste being superior were allowed to use white horse, and umbrella and Palvanquin with white coverings. Crossing a street in the Right hand caste locality by a Left hand casteman and Vice-Versa and strictly prohibited. Violations of customs resulted in the stopping of marriage or ended in murder. These disputes were referred to the Deputy governors of Fort St. David and the former gave judgement. The members of these divisions were also appointed as *dubashees*, *arrack* and rent farmers. Due to accumulation of wealth and better status the Left hand caste people were reluctant to adhere to the old customs and began to violate them. This, in turn, resulted in frequent disputes between them. The *Harijans* were used as mercenaries by their landlords to fight against the Left hand caste people.

The new situation created by cloth trade complicated the existing caste system. Differences between Right and Left hand caste people arose on the wedding procession of the company merchants namely Shapermal. The deputy governor of Fort St. David asked the heads of these divisions to decide the caste of Shapermal. Shapermal had declared himself to be of Right hand caste on the ground of his birth. This decision was a major blow to the existing Right and Left hand caste divisions based on occupation. However, certain artisans such as *Kaikolar*, *Pathar*, *Kuyavar* and *Karumar* and servicing castes namely *Ambattar* and *Vannar* retained their caste names based on occupation. On the decline of the Right and Left hand castes in the beginning of the 19th century the members belonging to both divisions felt proud in suffixing their names with their castes. Thus social equality was achieved between Right and Left hand caste divisions.

The Impact of British Rule on the Society

The introduction of Western system of education, employment of Indians in Government and military services, irrespective of castes, protection given to the Christian converts, the work of social reformers such as Raja Ram Mohan Roy, Sri Narayana Guru, Swami Vivekananda, Phule to eradicate untouchability in the 19th century eroded the rigidity of caste system in India.

In the middle of the 19th century the *Shanars*. In fact, *Shanan* is a corruption of *Sanran*. Though a Shanon professed in today, tapping, it

was considered a medicine rather than an interpreted. Thereby, he was a medicinal man. Any medicinal man or learned man, in those days, was called a *Sanran* or *Sanror* (Editor) (Later *nadirs*) openly revolted against their oppressors namely the *Maravas* in the South Tamil Nadu.

The Western education, conversion to Christianity and the protection given to them by the British enabled them for their liberation. In popular estimation the *Shanan* caste comes below the Sudras and somewhat above *Pallans*. They were considered as half polluting castes and were not allowed to enter the temples or pass through the locality of the caste Hindus. Their main profession was toddy taping and palmyra climbing. The members of the *Shanan* caste interpreted that *Shanan* meant *Sanror* which meant “the learned” or the “noble” and claimed *Kshatriya* status which dates back to 1858 when a riot occurred in Travancore owing to the refusal of the female converts giving up the caste custom of going about without an upper clothe. The high caste people objected to the Wearing of upper garments by the *Nadar* women and their Christian counterparts. They were stripped in the market places and false cases were foisted against them. It ended in looting of their properties and torturing the person. The British government intervened in this matter and the *Nadar* women were allowed to wear upper garments through official order issued in 16th July 1859.

Encouraged by the protection given to them by the British, the *Nadar* continued their struggle for liberation. In 1874, the *Shanars* of Madurai made an unsuccessful attempt to enter the Meenakshi temple to ascertain their right. Similar attempt in 1876 at Tirutangal in the Sriviliputhur taluk also ended in failure. However, they continued their struggle with courage and confidence. The local *Shanars* of a village in Sattur Taluk tried to take a procession through the streets of other castes in opposition to the wishes of the whole village. The effort taken by the zamindar of Ettayapuram to prevent the *Shanars* from making processions in the car streets ended in riots at Kalugumalai in 1895. In the same year the attempt of the *Shanars* of Sivakasi to appoint *Shanar* trustee on the managing body of local Siva temple failed. Some *Shanars* forced their way into the temple and some temple properties were burnt.

Though the *Shanars* were acquitted they had to earn the enmity of the whole Hindu community. However, the *Shanars* continued their struggle for their liberation. The suppression of the *marava* criminals

by the British helped the *Shanars* to go up in the social scale. The employment of educated *Sharnas* in government services, business activities and the British support to the Christian converts also raised their economic and social status.

In the ancient time the *Adidravidas* were attached to their landlords and engaged in agricultural occupation. Most of them were landless laborers. In spite of the ill treatment meted out to these section of the people, they acted as mercenaries to their landlords due to illiteracy and economic dependency. In the eighteenth century the landlords used them as mercenaries against Left hand caste people. This practice was continued in the nineteenth century also.

Upliftment of Harijans during the 20th Century

During India's independence movement Gandhiji tried to remove untouchability through Indian National Congress and he made it a social responsibility. During the same period Dr. Ambedkar took up the cause of *Harijans* and fought with the British. He gave constitutional safeguards to the minority communities and introduced reservation policy. It may be noted that not only the *Harijans* but also the backward classes are benefited by the reservation policy. Besides, educational facilities and conversion to Christianity enabled them to complete with caste Hindus in all walks of life. However, majority of the Scheduled Caste people are still working as landless agricultural laborers. The better economic, educational and official status of their counterparts have created tensions between the Scheduled Castes and caste Hindus for the simple reason that the latter could not tolerate the progress of the *Harijans* and their previous condition of servitude.

The attitude of the dominants communities led to conflicts between the *Adidravidas* and caste Hindus. Right from the tragedy of Kilvenmani in Tanjore district to the present caste clashes in southern districts of Tamil Nadu one can see that the backward classes who control land indulge in caste conflicts. The demand for abolition of Prohibitions of Untouchability Act by certain caste groups implies that they are in favour of social inequality and enslavement of the Depressed Classes. The plight of the Scheduled Castes even at the golden jubilee year of our independence indicates the demoralizing state of Indian society which ignore humanitarian considerations. At this juncture the government is having great responsibility to protect the interests of the Depressed Classes as untouchability is practiced in various parts of India and these people are discriminated in the temple festivals.

Conclusion

History is a great teacher. We learn lessons from history. The inferior castes always fought against the superior castes to ascertain their freedom and equality. As stated earlier it was true in case of Right and Left hand caste disputes and the clashes between the *Maravas* and *Shanars*. In all these cases economic and social equality were achieved for the simple reason that all these castes are included within the four *Varnas*. The Scheduled Caste people are facing disability as they are not even included in the lowest ranks of the *Sudra* caste. Sometimes they were called *panchamavarna*.

Though many theories such as Broken men, Eating the meat of the dead cow. Excommunication and racial discrimination are attributed to the origin of unsociability, the theory of 'Eating the Meat of the Dead Cow' and excommunication are generally accepted by scholars. Due to the impact of western education, economic changes, conversion, preaching of saints, seers and reforms the Indian society has undergone many changes regarding the food habits, life style and inhuman customs such as *sati*, child marriage, and female infanticide and social equity. At this point, practice of untouchability and crime against *Harijans* have no relevance whatever might be the causes for the origin of untouchability. This inhuman and evil practice of untouchability can be abolished through effective laws, government policy, reform within Hinduism and education.

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Glossary

1. Ambattar – barber
2. Arrack – country spirit
3. Dubash – person well-versed in two languages – translator.
4. Kaikolar – Tamil weaver community.
5. Karumar – blacksmith.

6. Kuyavar – potter
7. Pallan – A harijan caste in South Tamil Nadu.
8. Panchamavarana – fifth caste (untouchable caste).
9. Pathar – goldsmith.
10. Maravar – agricultural community in South Tamil Nadu.
11. Nadars – today – tappers also engaged in business-formerly *shanars*.
12. Sanror – learned.
13. Vannar – washermen.

Entrepreneurship and Business Development

Sadhana Sinha

Entrepreneurship is the process of starting a business or other organization. The entrepreneur chooses/develops a business model, acquires the human and other required resources and is fully responsible for its success or failure.

In recent year, “entrepreneurship” has been extended from its origins in business to include social and political activity. Entrepreneurship within an existing firm or large organization has been referred to as intrapreneurship and may include corporate ventures where large entities spin off subsidiary organizations. Entrepreneurs and leaders willing to take risk and exercise initiative, taking advantage of market opportunities by planning, organizing and employing resources, often by innovating new or improving existing products. More recently, the term entrepreneurship has been extended to include a specific mindset resulting in entrepreneurial initiatives, e.g. in the form of social entrepreneurship, political entrepreneurship or knowledge entrepreneurship.

In recent years entrepreneurship has been claimed as a major driver of economic growth in both the United States and Western Europe.

Entrepreneurial activities differ substantially depending on the type or organization and creativity involved. Entrepreneurship ranges in scale from solo, part-time projects to large-scale undertakings that create many jobs. Many “high value” entrepreneurial ventures seek venture capital or angel funding (seed money) in order to raise capital for building the business. Many organizations exist to support would be entrepreneurs, including specialized government agencies, business incubators, science parks, and some NGOs.

Entrepreneurship is considered to be a significant determinant of economic development. New entrepreneurial activities play a vital part in the process of creative destruction that fosters innovation, employment, and growth. While India has traditionally been an

entrepreneurial country, it fares poorly in numerous global studies exploring the entrepreneurial and business potential of countries but, on the other hand on the most conservative basis, our domestic consumption, in virtually any sector, has the potential to at least double or treble, from current levels – perhaps, just to catch up with a country like China. Then, there is the entire global opportunity, across diverse sectors internationally, the “Made in India” tag is now an increasingly respected brand, valued for quality, reliability, and competitiveness. Truly, with economic reforms in the country, and with the virtual removal of all trade barriers, the world is now our market and our opportunity. The pursuit of these opportunities requires an indomitable spirit of entrepreneurship. Entrepreneurship is often a difficult undertaking, as a vast majority of new businesses fail. Entrepreneurial activities are substantially different depending on the type of organization that is being started. Entrepreneurship ranges in scale from solo projects (even involving the entrepreneur only part-time) to major undertakings creating many job opportunities. Many “high-profile” entrepreneurial ventures seek venture capital or angel funding in order to raise capital to build the business. Angel investors generally seek returns of 20-30% and more extensive involvement in the business.

Skill Set

The entrepreneur is commonly seen as an innovator – a generator of new ideas and business processes. Management skill and strong team building abilities are often perceived as essential leadership attributes for successful entrepreneurs. Political economist Robert Reich considers leadership, management ability, and team-building to be essential qualities of an entrepreneur.

Psychological Make-up

Studies show that the psychological propensities for male and female entrepreneurs are more similar than different. Empirical studies suggest that male entrepreneurs possess strong negotiating skills and consensus-forming abilities. Thus quality and type of early education may influence entrepreneurial capability.

Innate Ability vs. Public Perception

Individuals use what is described as an “innate ability” or quasi-statistical sense to gauge public opinion. People assume they can sense and figure out what others are thinking.

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The Mass media play a large part in determining what the dominant opinion is, since our direct observation is limited to a small percentage of the population. The mass media have an enormous impact on how public opinion is portrayed, and can dramatically impact an individual's perception about where public opinion lies, whether or not that portrayal is factual.

The ability of entrepreneurs to innovate relates to innate traits, including extroversion and a proclivity for risk-taking. According to Joseph Schumpeter, the capabilities of innovating, introducing new technologies, increasing efficiency and productivity, or generating new products or services, are characteristic qualities of entrepreneurs. Also, many scholars maintain that entrepreneurship is a matter of genes, and that it is not everyone who can be an entrepreneur.

It has, however, been argued that entrepreneurs are not that distinctive; and that it is essentially poor conceptualizations, of “non-entrepreneurs” that maintain laudatory portraits of “entrepreneurs”.

Entrepreneurial Styles

Differences in entrepreneurial organizations often partially reflect their founders' heterogeneous identities. Fauchart and Gruber have classified entrepreneurs into three main types: *Darwinians*, *Communitarians* and *Missionaries*. These types of entrepreneurs diverge in fundamental ways in their self-views, social motivations, and patterns of new firm creation.

Financing

Bootstrapping

Entrepreneurs may attempt to bootstrap their company rather than seeking external investors. Bootstrapping has been defined as “a collection of methods used to minimize the amount of outside debt and equity financing needed from banks and investors”. Personal credit card debt is the most common form of bootstrapping, but a wide variety of methods are available for entrepreneurs. While bootstrapping involves increased risk for entrepreneurs, the absence of any other stakeholder gives the entrepreneur more freedom to develop the company. Many successful companies including Dell Computers and Facebook were founded this way.

Types of bootstrapping included:

- Owner financing
- Sweat equity

- Minimization of accounts payable
- Joint utilization
- Delaying payment
- Minimizing inventory
- Subsidy finance
- Personal Debt

External Financing

Many businesses need more capital than can be provided by the owners themselves, and in this case, a range of options is available including:

- Angel investors
- Venture capital investors.
- Crowd funding
- Hedge funds
- Alternative Asset Management

Some of these sources provide not only funds, but also financial oversight, accountability for carrying out tasks and meeting milestones, and in some cases business contacts and experience – in many cases in return for an equity stake.

Entrepreneurship Development in India

According to the Global Entrepreneurship Monitor (2007) report, India's High-Growth Expectation Early-Stage Entrepreneurship (HEA) rate is only one-fifth of that of China. Further, among medium and low-income countries, while China's nascent and new entrepreneurs appear to be the most growth-oriented, with more than 10 per cent of them anticipating high growth. Early-stage entrepreneurial activity in India is marked by low levels of growth expectation. This is despite the extremely high levels of potential entrepreneurial activity as perceived by the non-entrepreneurially active population in the country. While data on entrepreneurship is hard to come by, the following numbers are telling. According to the NSS 62nd round, in rural India, almost 50 per cent of all workers are self-employed – 57 per cent among males and nearly 62 per cent among females, while the corresponding figures in urban India are 42 for males and 44 for females. The NSSO defines a self-employed person as one who has worked in household enterprises as own-account worker; worked in household enterprises as an employer or worked in household enterprises as helper. The essential feature of the self-employed is that they have autonomy

(decide how, where and when to produce) and economic independence (in respect of choice of market, scale of operation and finance) for carrying out their operation. According to the 5th Economic Census conducted by the Central Statistical Organisation (CSO), there are 41.83 million establishments in the country engaged in different economic activities other than crop production and plantation. Five states viz. Tamil Nadu (10.60 per cent), Maharashtra (10.10 per cent), West Bengal (10.05 per cent), Uttar Pradesh (9.61 per cent) and Andhra Pradesh (9.56 per cent) together account for about 50 percent of the total establishments in the country. The same five states also have the combined share of about 50 per cent of total employment.

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Importance of Trade Unions in Labour Welfare

Dr. Vidyapati Gautam

A trade union, labour union or labour union is an organization of workers who have united together to achieve common goals such as protecting the integrity of its trade, achieving higher pay and benefits such as health care and retirement, increasing the number of employees an employer assigns to complete the work, safety standards, and better working conditions. The trade union, through its leadership, bargains with the employer on behalf of union members (rank and file members) and negotiates labour contracts (collective bargaining) with employers. The most common purpose of these associations or unions is “maintaining or improving the conditions of their employment”. This may include the negotiation of wages, work rules, complaint procedures, rules governing hiring, firing and promotion of workers, benefits, workplace safety and policies.

Unions may organize a particular section of skilled workers (craft unionism), a cross-section of workers from various trades (general unionism), or attempt to organize all workers within a particular industry (industrial unionism). The agreements negotiated by a union are binding on the rank and file members and the employer and in some cases on other non-member workers. Trade unions traditionally have a constitution which details the governance of their bargaining unit and also have governance at various levels of government depending on the industry that binds them legally to their negotiations and functioning.

Originating in Europe, trade unions became popular in many countries during the Industrial Revolution, when the lack of skill necessary to perform most jobs shifted employment bargaining power almost completely to the employers' side, causing many workers to be mistreated and underpaid. Trade unions may be composed of individual workers, professionals, past workers, students, apprentices and/or the unemployed.

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In India the Trade Union movement is generally divided on political lines. According to provisional statistics from the Ministry of Labour, trade unions had a combined membership of 24,601,589 in 2002. As of 2008, there are 14 Central Trade Union Organisations (CTUO) recognized by the Ministry of Labour.

Development of modern industry, especially in the Western countries, can be traced back to the 18th century. Industrial development in India on Western lines, however commenced from the middle of the 19th century. The first organized Trade Union in India named as the Madras Labour Union was formed in the year 1918. Since then, a large number of unions sprang up in almost all the industrial centres of the country. Similarly, entrepreneurs also formed their organisations to protect their interests. In 1926, the Trade Unions Act was passed by the Indian Government. The Act gave legal status to the Registered Trade Unions. The Registrars of Trade Unions in different states were empowered to register the Trade Unions in their respective states.

Labour welfare is an important dimension of industrial relation, labour welfare includes overall welfare facilities designed to take care of well being of employee's and in order to increase their living standard. It do not generally constitutes monetary benefits nor these are provided by employers alone, it can also be provided by government, non government agencies and trade unions. Industrialization, mechanization and globalization has increased importance of labour welfare in industries.

The importance of labour in industrialization and economic development has been recognized globally. In global scenario need and importance of labour welfare has been increasingly appreciated.

In India the labour welfare started sometime during the 1st world war (1914-1918). Till then wellbeing of workers in factories was hardly thought by anybody. Since, 1st world war labour welfare has been expanding on voluntary basis. Industrial Labour Organization has played a very significant role for labour welfare. Many labour legislations have been formed by Indian central government and state governments for welfare of labours in Industries.

Government has laid down minimum standards for employment and working conditions in organizations.

Besides the government, the employers, trade unions and various social organizations also function as agencies for implementation of labour welfare measures.

History

The origins of trade unions can be traced back to 18th century Britain, where the rapid expansion of industrial society then taking place, drew women, children, rural workers, and immigrants into the work force in large numbers and in new roles. This pool of unskilled and semi-skilled labour spontaneously organized in fits and starts throughout its beginnings, and would later be an important arena for the development of trade unions. Trade unions have sometimes been seen as successors to the guilds of medieval Europe, though the relationship between the two is disputed, as the masters of the guilds employed workers (apprentices and journeyman) who were not allowed to organize.

Trade unions and collective bargaining were outlawed from no later than the middle of the 14th century when the Ordinance of Labourers was enacted in the Kingdom of England. As collective bargaining and early workers unions grew with the onset of the Industrial Revolution, the government began to clamp down on what it saw as the danger of popular unrest at the time of war. In 1799, the Combination Act was passed, which banned trade unions and collective bargaining by British workers. Although the unions were subject to often severe repression until 1824, they were already widespread in cities such as London. Workplace militancy had also manifested itself as Luddism and had been prominent in struggles such as the 1820 Rising in Scotland, in which 60,000 workers went on a general strike, which was soon crushed. Sympathy for the plight of the workers brought repeal of the acts in 1824, although the Combination Act 1825 severely restricted their activity.

By the 1810s, the first labour organizations to bring together workers of divergent occupations were formed. Possibly the first such union was the General Union of Trades, also known as the Philanthropic Society, founded in 1818 in Manchester. The latter name was to hide the organization's real purpose in a time when trade unions were still illegal.

Importance of Trade Unions

The existence of a strong and recognized trade union is a pre-requisite to industrial peace. Decisions taken through the process of collective bargaining and negotiations between employer and unions are more influential. Trade unions play an important role and are helpful in effective communication between the workers and the

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management. They provide the advice and support to ensure that the differences of opinion do not turn into major conflicts. The central function of a trade union is to represent people at work. But they also have a wider role in protecting their interests. They also play an important educational role, organizing courses for their members on a wider range of matters. Seeking a healthy and safe working environment is also prominent feature of union activity.

Trade unions help in accelerated pace of economic development in many ways as follows:

- by helping in the recruitment and selection of workers.
- by inculcating discipline among the workforce.
- by enabling settlement of industrial disputes in a rational manner.
- by helping social adjustments. Workers have to adjust themselves to the new working conditions, the new rules and policies. Workers coming from different backgrounds may become disorganized, unsatisfied and frustrated. Unions help them in such adjustment.

Trade unions are a part of society and as such, have to take into consideration the national integration as well. Some important social responsibilities of trade unions include:

- promoting and maintaining national integration by reducing the number of industrial disputes.
- incorporating a sense of corporate social responsibility in workers.
- achieving industrial peace.

Diversity of International Unions

Union law varies from country to country, as does the function of unions. For example, German and Dutch unions have played a greater role in management decisions through participation in corporate boards and co-determination than have unions in the United States. Moreover, in the United States, collective bargaining is most commonly undertaken by unions directly with employers, whereas in Austria, Denmark, Germany, or Sweden, unions most often negotiate with employers associations.

Concerning labour market regulation in the EU, Gold (1993) and Hall (1994) have identified three distinct systems of labour market regulation, which also influence the role that unions play:

- “In the Continental European System of labour market regulation, the government plays an important role as there is a strong legislative core of employee rights, which provides the basis for agreements as well as a framework for discord between unions on one side and employers or employers’ associations on the other. This model was said to be found in EU core countries such as Belgium, France, Germany, the Netherlands and Italy, and it is also mirrored and emulated to some extent in the institutions of the EU, due to the relative weight that these countries had in the EU until the EU expansion by the inclusion of 10 new Eastern European member states in 2004.
- In the Anglo-Saxon System of labour market regulation, the government’s legislative role is much more limited, which allows for more issues to be decided between employers and employees and any union and/or employers’ associations which might represent these parties in the decision-making process. However, in these countries, collective agreements are not widespread; only a few businesses and a few sectors of the economy have a strong tradition of finding collective solutions in labour relations. Ireland and the UK belong to this category, and in contrast to the EU core countries above, these countries first joined the EU in 1973
- In the Nordic System of labour market regulation, the government’s legislative role is limited in the same way as in the Anglo-Saxon system. However, in contrast to the countries in the Anglo-Saxon system category, this is a much more widespread network of collective agreements, which covers most industries and most firms. This model was said to encompass Denmark, Finland, Norway and Sweden. Here, Denmark joined the EU in 1973, whereas Finland and Sweden joined in 1995.”

The United States takes a more laissez-faire approach, setting some minimum standards but leaving most workers’ wages and benefits to collective bargaining and market forces. Thus, it comes closest to the above Anglo-Saxon model. Also, the Eastern European countries that have recently entered into the EU come closest to the Anglo-Saxon model.

In contrast, in Germany, the relation between individual employees and employers is considered to be asymmetrical. In consequence, many working conditions are not negotiable due to a strong legal protection

of individuals. However, the German flavour of works legislation has as its main objective to create a balance of power between employees organized in unions and employers organized in employers' associations. This allows much wider legal boundaries for collective bargaining, compared to the narrow boundaries for individual negotiations. As a condition to obtain the legal status of a trade union, employee associations need to prove that their leverage is strong enough to serve as a counterforce in negotiations with employers. If such an employees association is competing against another union, its leverage may be questioned by unions and then evaluated in a court trial. In Germany, only very few professional associations obtained the right to negotiate salaries and working conditions for their members, notably the medical doctors association Marburger Bund and the pilots association Vereinigung Cockpit. The engineers association Verein Deutscher Ingenieure does not strive to act as a union, as it also represents the interests of engineering businesses.

Beyond the classification listed above, unions' relations with political parties vary. In many countries unions are tightly bonded, or even share leadership, with a political party intended to represent the interests of the working class. Typically this is a left-wing, socialist, or social democratic party, but many exceptions exist, including some of the aforementioned Christian unions. In the United States, trade unions are almost always aligned with the Democratic Party with a few exceptions. For example, the International Brotherhood of Teamsters has supported Republican Party candidates on a number of occasions and the Professional Air Traffic Controllers Organization (PATCO) endorsed Ronald Reagan in 1980. In Britain trade union movement's relationship with the Labour Party frayed as party leadership embarked on privatisation plans at odds with what unions see as the worker's interests. However, it has strengthened once more after the Labour party's election of Ed Miliband who beat his brother David Miliband, to become leader of the party after Ed secured the trade union votes. Additionally, in the past, there was a group known as the Conservative Trade Unionists or CTU. A group formed of people who sympathized with right wing Tory policy but were Trade Unionists.

Historically, the Republic of Korea has regulated collective bargaining by requiring employers to participate, but collective bargaining has only been legal if held in sessions before the lunar new year.

International Unionisation

The largest trade union federation in the world is the Brussels-based International Trade Union Confederation (ITUC), which has approximately 309 affiliated organizations in 156 countries and territories, with a combined membership of 166 million. The ITUC is a federation of national trade union centres, such as the AFL-CIO in the United States and the Trades Union Congress in the United Kingdom. Other global trade union organizations include the World Federation of Trade Unions.

National and regional trade unions organizing in specific industry sectors or occupational groups also form global union federations, such as Union Network International, the International Transport Workers Federation, the International Federation of Journalists or the International Arts and Entertainment Alliance.

International Labour Organization

The International Labour Organization (ILO) is a United Nations agency dealing with labour issues, particularly international labour standards and decent work for all. 185 of the 193 UN member states are members of the ILO.

In 1969, the organization received the Nobel Peace Prize for improving peace among classes, pursuing justice for workers, and providing technical assistance to other developing nations.

The ILO registers complaints against entities that are violating international rules; however, it does not impose sanctions on governments.

Governance, Organization, and Membership

Unlike other United Nations specialized agencies, the International Labour Organization has a tripartite governing structure – representing governments, employers, and workers (usually with a ratio of 2:1:1). The rationale behind the tripartite structure is the creation of free and open debate among governments and social partners.

The ILO secretariat (staff) is referred to as the International Labour Office.

Governing Body

The Governing Body decides the agenda of the International Labour Conference, adopts the draft programmed and budget of the organization for submission to the conference, elects the director-

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general, requests information from member states concerning labour matters, appoints commissions of inquiry and supervises the work of the International Labour Office.

Juan Somavia was the ILO's director-general since 1999 until October 2012, when Guy Ryder was elected as his replacement.

This guiding body is composed of 28 government of 28 government representative, 14 workers' representatives, and 14 employers' representatives.

Ten of the government seats are held by member states that are nations of "chief industrial importance", as first considered by an "impartial committee". The nations are Brazil, China, France, Germany, India, Italy, Japan, the Russian Federation, The United Kingdom and The United States. The terms of office are three years.

International Labour Conference

The ILO organizes the International Labour Conference in Geneva every year in June, where conventions and recommendations are crafted and adopted. Also known as the parliament of Labour, the conference also makes decisions about the ILO's general policy, work programmed and budget.

Each member state has four representatives at the conference: two government delegates, and employer delegate and a worker delegate. All of them have individual voting rights, and all votes are equal, regardless of the population of the delegate's member state. The employer and worker delegates are normally chosen in agreement with the "most representative" national organizations of employers and workers. Usually, the workers' delegates coordinate their voting, as do the employers' delegates. All delegate have the same rights, and are not required to vote in blocs.

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Globalisation and its Effect on Nation-state

Dr. Anil Kumar Singh

Globalisation is one of the most hotly debated issues of the present era. Martin wolf said in 2001, globalization is a journey. But it is a journey towards unreachable destination – “the globalized world”. It has many manifestations and one of them is its relationship with nation-state.

Globalisation, as a process began with rise of human society and beginning of trade with profit as prime motive. The first stage of globalization was from the late 1400s to 1815; the second stage was from 1815 to 1914; the third stage was from 1914 to 1968; the fourth stage was 1968 to 2001, whence the last stage began. Nation-State as a concept emerged primarily through Treaty of Westphalia in 1648. All countries today are usually called nation-state, when in fact; only about 10% actually fulfill the “requirements.” Nevertheless, the importance of the nation-state to the international political system, whether or not all of the actors fit the precise criteria, compels us to use this term for all sovereign state actors. This is the case even though “nation-state,” according to the strict definition, may only identify a minority of countries.

This article will discuss, in a basic outline, the implications of globalization for the nation-state. The first section of article will analyze the process of globalization and the concept of nation-state. The second section of this article examines in general, the decline of the nation-state as a consequence of globalization. This decline has affected nation-state in all spheres. A further section will deal with possible advantages of globalization, thus presenting a complete analysis of the problem. In concluding remarks, main focus will be on continued strength of nation-state and the transformation it is going through.

Globalisation in its literal sense is the process or transformation of local or regional phenomena into global ones. It can be described as a process by which the people of the world are unified into a single society and function together. This process is a combination of economic,

technological, socio-cultural and political forces. Globalisation is often used to refer to economic Globalisation, that is, integration of national economies into the international economy through trade, foreign direct investment, capital flows, migration, and the spread of technology. Tom G. Palmer of Cato Institute defines “Globalisation” as “the diminution or elimination of state-enforced restriction on exchanges across borders and the increasingly integrated and complex global system of production and exchange that has emerged as a result.”¹

Globalisation properly began in the late fifteenth century when one particular society consisting of the nations of northern Europe began to impose its ways onto the rest of the world through exploration, trade and conquest. This process, in which an increasingly large part of the world’s human, cultural and material resources were exploited to generate wealth and power for these European adventurers, changed from what was mainly and extensive operation to an intensive operation that eventually resulted in industrialization in Britain, international mass industrialization and then globalization.

The first stage of globalization was from the late 1400s to 1815; the second stage was from 1815 to 1914; the third stage was from 1914 to 1968; the fourth stage was 1968 to 2001, whence the last stage began. The ever-decreasing duration of each phase reflects the underlying impact of technology, the capacity of which has been advancing in an almost hyperbolic way.²

The nation state is a state that self-identifies as deriving its political legitimacy from serving as a sovereign entity for a nation as a sovereign territorial unit. The state is a political and geopolitical entity; the nation is a cultural and/or ethnic entity. The term “nation state” implies that the two geographically coincide. Nation state formation took place at different times in different parts of the world, but has become the dominant form of state organization.

A nation-state is a political entity with sovereignty over a defined territory often coinciding with the distribution of a unified ethnic identity. The nation-state in Europe replaced the religious and imperial basis for political legitimacy following the Reformation. The Peace of Westphalia solidified the concept of nation-state and national sovereignty by constraining the rights of outsiders to intervene in the internal affairs of others on religious or other pretexts. National sovereignty became a key concept in social contract theory. The related concept of self-determination of peoples has been used to justify formation of nation-states mirroring ethnic distributions, but completely homogenous countries rarely, if ever, exist. Unified identities

have created nation-states, as in England, but have also developed in response to nation-state creation, as in France.

All countries today are usually called nation-states, when in fact; only about 10% actually fulfill the “requirements.” Most European countries, for example, can be generally considered nation-states, especially as past borders – borders that often historically disregarded national boundaries – continue to realign in the Post-Cold War world. States in Africa, on the other hand, do not ordinarily possess single national identities and continue to endure geopolitical disarray, and consequently, they are not true nation-states. Therefore, the precise description of a nation-state more accurately relates to an ongoing quest for an ideal, rather than a terminal, condition. Some nations are thus closer than others to a bona fide nation-state status, and it is the predominance of the lack of proper merging of nation and state that remains a major source of international conflict. In fact, most of the political chaos and violence occurring after the Cold War can be linked to the ongoing quest of one nation or another to obtain their own sovereign state.

Nevertheless, the importance of the nation-state to the international political system, whether or not all of the actors fit the precise criteria, compels us to use this term for all sovereign state actors. This is the case even though “nation-state,” according to the strict definition, may only identify a minority of countries.¹ In that regard, this text will use the term nation-state to mean the state actor whether or not the particular state has attained actual nation-state status. Therefore, the state actor, for all intents and purposes, is the nation-state, with all the necessary trapping, including most importantly, sovereignty.³

Globalisation has impacts in the political arena, but there is not a consensus among social scientists about the nature and degree of its impact on national and international politics. Some political scientists argue that globalization is weakening nation-states and that global institutions gradually will take over the functions and power nation-states. Other social scientists believe that while increased global interconnectivity will result in dramatic changes in world politics, particularly in international relations (i.e., the way states relate to each other), the nation-state will remain at the center of international political activity.

In the era of globalization, with its significant changes in global economic relations, the nineteenth and twentieth century model of the nation-state may become obsolete. The economic orientation of the modern nation-state has been centered on national economic interests,

which may often conflict with the global trend towards the free and rapid movement of goods, services, finance, and labor. These processes give rise to the question of whether the modern nation-state can survive in its present form in the new global age. It is adaptable, or will it gradually be replaced by emerging multinational or regional political entities?

Globalisation also brings many disadvantages to the nation-state. Firstly, for example, after the multinational enter the developing countries, it could not be denied that human is greedy, in order to make more money, the owners of export and import factories even hired children work for them. Based on Bardham's (2006) research⁴, in Bangladesh, the garment export factories used to hire children to work for them; because children are much cheaper than adult labours. If the owners of those factories employed children work for them, they will gain more profits. In 1993, the U.S. has banned on importing products using children labor, the garment dismissed about 50000 children. However, only few of them went back to school, most of them went to stone breaking or even child prostitution. Secondly, the economy of developing countries was helped by large international organisations such as economic groups. Those developing countries need to change something in order to fit those economic groups. It could be easily lost the autonomy of those countries. China enter WTO in 1999, nine hundred laws would need to be changed to adapt the world economy (Nolan, 2001)⁵. This might be the biggest challenge to Chinese retailers, for they have using the original laws for a long time, the changing of laws might make some of the small retailers go bankrupt. Moreover, changing laws could make China lose the autonomy in charting the complex path of economy reform. Thirdly, the globalization of culture destroyed local culture. Islam culture is a unique culture, and different from western culture. Turner (2007)⁶ argued that the development of global mass communication has influenced the Islam world. It is an extension of westernization, and will weaken the local culture. With the American hegemonic order, the Americanization has appeared in many places all over the world. For example, many Chinese students or even adults are huge fans of NBA, a basketball association in America. Those fans even look down upon their own country's basketball association. Another example, McDonalds are in every part of China. Children like this American fast food than Chinese dishes. Fourthly, English is used wildly; people could travel to any other countries whose native language are not English; however, English is still workable there, the same as Chinese. Since the English and Chinese are widely used all over the

world, some language whose native speakers are really few will be endangered. When a language disappeared, the culture will soon disappear, and could only be finding in the books.

Globalisation brings numerous benefits to the world. Some people believed that globalization helped poor people from developing countries out of the poor conditions. Because, globalization helped the developing countries opened their markets. Ikenberry (2007)⁷ pointed out that after the World War? American leaders have promoted to recover the economy by publishing a series of policies to set up an open system of business, investment and currency. The price of labour in developing countries is much cheaper than developed countries. Therefore, many multinationals have been set up, and provided more job opportunities to the local people. Take China for example, the expending of employment in multinationals have helped many poor Chinese out of poverty. According to Bardham's (2006)⁸ research people who live in the rural areas whose daily living cost under \$1 per day were decreased from 79% to 27% in China from 1981 to 2001. China is a socialism country, but introduced capitalist business methods in 1987 (Bennett, 1995)⁹ and opened its markets to other countries to developed its economy. The capitalist business methods have made great achievements to China. There is another good example from Bangladesh; Bardham (2006)¹⁰ did an interview of a woman call Rahana Chandhuri who works in garment export factories. Although the job is not fair, compare with other people, she still earns much money. A research shows that 86% of women work in the garment industry and their average monthly income are more than their neighborhoods' (Bardham, 2006)¹¹. Globalisation weakens the barriers of geography, but closes the link between different countries. Slagnt, Harben and Pallant (2006)¹² argued that all the countries could share the materials all over the world. People in different countries could buy whatever they want in the local supermarkets and the materials for industry used also could be import and export easily. For example, Chinese students who studies could buy Chinese cooking ingredients in Tesco, and in U.K.'s stores, it is not hard to find any products which said made in China. In addition, the development of transportation makes the distance of different countries shorter and shorter. For instance, in the past it might take years to travel from China to Britain. However, now from Beijing to London, it only takes less than 10 hours by direct flight. Globalisation of economy bring many benefits to the countries

within the world, so as the culture. Still take Hollywood movies for example, many people with different nationalities work together to produce movies suitable for the audience from all over the world.

Concluding Observation

From what I discussed above, globalization is the main trend in today's world; the world is becoming united and close. It has a long history since the appearance of early globalization; therefore, globalization is not a strange world nowadays. The world is changing rapidly since the globalization is becoming more and more dominant; it can be felt through the economic, political and socio-cultural aspects. These changes make people feel that the world is a united entity; people are living in a common planet. As for nation-state, every nation has its own national character and culture. Major characteristic of any nation-state is sovereignty; they try their best to protect their territory and sovereignty. There is a drastic debate about the relationship between globalization and nation-state, some scholars indicate the globalization is diminishing the nation-state and threatening their sovereignty; the nation-state will be disappear after several decades, while other people state that the globalization has profound influence on nation-state but it will not destroy it. As far as I know, I prefer the latter view, globalization plays the dominant role in today's world, and however, it does not undermine the nation-state. It can be seen from political, economical and cultural areas. Although the appearance of international institutions like World Bank, IMF etc. makes the nation-state feel the challenges towards their sovereignty and territory, it still has positive effect on nation-state. Overall, globalization threatens the nation-state in some ways, but also give them more opportunities to develop and improve. It can be seen as opportunities more than challenges. Therefore, nation-state cannot be undermined by globalization; it just changes it in some areas. There is a close relationship between nation-state and globalization, they depend on each other.

Notes and References

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- ¹⁰ Quoted in Bardham, op.cit.
- ¹¹ ibid
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The Dilemma of Growth under Globalization

Shashi Kumar

Abstract

India has economically been placed under a severe economic crisis emanated mainly due to adoption by it the neo-liberal economic reforms which have brought on fore various types of asymmetries between its democratic system and market economy. This paper has made an attempt to explain some of the asymmetric growth tendencies to explain as how the dilemma of growth has created conditions in which the democratic principle of one adult one vote has been placed to have uneasy co-existence with the free market precept of the rich having more vote in market and the poors having no place there.

India's socio-economic scenario, composed of mainly by the agrarian population and middle as well as lower middle classes people depending on incomes earned or drawn from agriculture and other unorganized sectors, have been placed, like most of the developing countries, in a dilemma of growth, a meaningless obsession. In all those countries which have opted the Neo-liberal Economic Reforms, of whom India is also a prominent component, the policy space left for the nation state has been shrinking gradually, while the space, thus left, is being occupied increasingly by the increasing rules of globalization which are strongly biased in favour of the richer countries, specially the United States. The dilemma arises, due to the two most pertinent reasons e.g. the developing countries on the one hand tend to feel that there is no native to accepting globalization in its present form, the so-called TZNA syndrome (There is no Alternative) in an unipolar world dominated by the USA. On the other hand the ruling circles in developing countries, as well as in India too, firmly believe that relying on the present rules of globalization they can seldom achieve their desired developmental goals and objectives. So, in many cases the dilemma is acute,

irrespective of the governments decide to present case to the public consequently the development problems in these countries are seldom faced with the stand points of developing countries instead solutions are imposed upon them in name of globalization. A fairer global trade in agricultural commodities without subsidies to farmers of the richer countries is required, not merely for a freer trade regime, it affects also a huge population in developing countries as most of them are engaged in agricultural activities for their employment and subsistence. Such freer global trade could have been the most effective international price mechanism operating through freer trade and greater global equality. But the negotiation on such freer global trade, governed by the narrow national interests of the richer nations, has never allowed it to be operational, rather has resulted in the imposition of conditions on developing countries by the richer nation and caused to breakdown of negotiations.

The examples of such imposed negotiation, are not lacking in other sectors. In fact, the Bretton Wood institutions, the IMF and the World Bank, usually makes policy recommendation for developing countries in financial difficulties through their standard pro-market conditionalities. The decision in them has been taken on the basis of votes, and the voting rights in them has been based on the financial contribution to them by a country. The richer nations, with their bigger contributions to them overwhelmed the decisions in their favour. However, to treat all such phenomena as natural events, beyond the controlling capabilities of men would be a mistaken approach to the situation. Rather it has arisen to a large extent, from some structural asymmetries, inherent in the current process of globalization. The arrangement of our economy to integrate strategically with global economy to our advantage instead of meekly submitting to the process of globalization would be possible only if we understand the asymmetries and follow the task designed for the eradication of the some of the asymmetries that are also the source of asymmetric global power relations.

Of so many asymmetries being operational in globalization, with their pro-rich nations' content, the first and perhaps the most fundamental in the world economy has arisen due to the freedom of movement of capital, especially of finance capital on the one hand and the restriction, imposed upon other, on the movement of labour, specially unskilled labour from developing countries. In spite of amply

swift means of communication available the pace of migration from one country to another, particularly from developing countries to richer nations, has extremely slow as the estimate suggests that not more than one in 8 persons has migrated¹. The contrast between this aforesaid sluggish movement of labour during this current phase of globalization and fast movement of capital, especially finance capital, is tremendous. According to an estimate the daily volume of private trade in foreign exchange is over 1.2 trillion in U. S. dollar. Of this colossal amount merely 2 percent is counted for by trade in goods and services, and even one adds all direct foreign investment it would still be well below 4 percent². A few days of hostile private trade in the foreign exchange market can wipe out the foreign exchange reserve of all the central banks in the world.

The present economic crisis appeared in India in fall of exchange value of Indian currency, shortage of foreign reserve and to that sequel unprecedented price hike etc. cannot be otherwise interpreted, beyond the periphery of the roles of the private trading capital; mentioned above. The Indian stock market is pathetically small in relation to the vast size of global private trade in foreign exchange hence the Rupee and Indian stock can easily be set into an uncontrollable downward spiral by a few large international players of speculating against Indian stock and Rupee. This exactly has happened in the closing month of 2013.

Furthermore, are roles played by the IMF and the World Bank, the two institutions which are in a pivotal position to influence the perception of the private foreign investors like Multinational Corporation, banks and other financial institutions about a country's investment climate. If the economic policy of a nations is favourable to the corporations the country gets favour from these market oriented institutions, the IMF and the World Bank, but a negative signal from a country has to cover a risk of destabilizing capital flights. The major players in the financial market and pro-market oriented policy the IMF and the World Bank, are generally against the expansion of the economic role of the government. So, India has a Fiscal Responsibility and Budget Management Act (FRBM) which prevents Government spending more or additional on items like education, health, employment generation, empowerment of punchayats financially etc. The assurance from the ruling circle for elimination of poverty, unemployment, raising of standard of living of common mass are false

assurances directed to keep people in dilemma of their miseries being eroded.

An another asymmetry in operation in current phase of globalization has arisen from the increasingly freer flow of trades in goods and services on the one hand and the imposition of restriction on transfer of knowledge and technology applied in production of these goods and service on the other. Under the existing regime of the trade-related intellectual property right (TRIPS) all developing countries, including India, find it increasingly difficult to learn the technology involved in the production of even those goods and services which they import. This existing asymmetry of the growing trade regime will be characterized by freer trade in goods and services, coupled with greater restriction on flow of productive knowledge. Consequently, in more liberalized trade regime of the World Trade Organization, India has been pressurized to import goods and services rather than producing them domestically. Under the WTO trade regime freer trading in goods and services are allowed but by treating knowledge more and more simply as a privately tradable Commodity. This trade regime shows its bias towards corporation as creators of knowledge, who should be handsomely rewarded, but simultaneously amicably forgets other sources of knowledge. With the precept this trade regime heavily underplay traditional community based knowledge to detriments of many indigenous commodities. Submitting blindly to this asymmetric trade regime in the name of globalization, the interest of the rich are served and the most vulnerable sections of the society are left uncared for. It emphasizes to reduce the cost of production through more efficient supply side policy for increasing the international competitiveness of national economy but ignores the creation of adequate purchasing power and aggregate demand in domestic market. This type of shift in focus from demand to the cost or supply side has serious consequences. The most apparent consequence of this shift concerns with labour market flexibility that appears in some forms of wage restraint. Lower wages trend to depress the unit cost of production but also consumption demand from wage income. A right conclusion, drawn from such process, infers that unless either higher investment or increased export surplus makes up for that reduction in consumption demand in a regime of investment or export led growth, insufficient aggregate demand at home would be a drag on development.

Emphasis on increasing output per-worker or labour productivity to reduce labour cost of business and use it to enhance international

competitiveness has its counter effects Exclusive emphasis on productivity separates it from its other consequences on GDP and level product of employment in the country. Naturally, the corporate strategy downsizing labour force to achieve the objective to create a lean and efficient corporation for increasing market share may have been beneficial for a particular corporation but on macro-economic level its counterproductive effect is the shrinkage of domestic market.

The policy of reducing unit cost through downsizing labour and restraining wage for enhancement of competitiveness in external market are encouraged under globalization. But in many cases these policies often turn macro-economically flawed. Because, while these policies appear to be efficient on micro-economically scale for an individual corporation or enterprise such policies can also become counterproductive on macro-economically due to their effects on depressing demands. Now, under the present concept of globalization this underlying problem has become more general. The blurring of distinction between micro and macro-efficiencies has become a generic problem with many countries, including India, due to following by them the neo-liberal economic policy. It has emanated from the influence of methodological individualism in economics and from neo-liberalism in politics. It has given birth too many fallacious thinking in macro-economic policy by assuming that the micro-economic parts have the same properties as the whole macro-economic system. Following this policy a particular corporation can reduce its unit cost and enhance its global competitiveness but when many corporations begin to follow the same policy at the same time, the total demands and employment in the country will shrink, and even the profits of all corporations might be shrunk/ reduced.

However, in case of India the most fundamental asymmetry appears in the uneasy relation between India's political democracy and the market mechanism. In a democratic set-up as India has, these two are supposed to have reinforcing character because the free market and democracy, both extend the scope of individual choice. And, yet, the relationship between these two types of freedom, granted by the market economy and by democracy often tend to be in conflicting developing countries like India. The democratic principle of each adult having right to one vote finds its uneasy co-existence with the free market philosophy that the rich, with greater financial power or purchasing power, will have more votes than poor in market place. This asymmetry, however, becomes more acute when greater is the inequality in distribution of

income, and larger is the proportion of the poors with political voting rights but economically without a voice in market. In this process the democratic from of government comes in heavy constrains who too much freedom is allowed to market. This process has been allowed to operate in India under dilemma of resolving India's economic problems through the execution of the neo-liberal reforms, an attempt bound to bring economic crisis and this is what India has been experiencing. The only remedy to over power its economic constrains is to change the policy in a qualitatively distinct direction.

Footnotes

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Deconstructing Women's Position in the Environmental Discourse

Amrita Jaiswal

It is well known reality that women everywhere are the catalysts and initiators of environmental activism, however the policy-makers continue to ignore the centrality of women role and needs and in the whole discourse of environmentalism very little attention is paid to women contribution. Throughout the world, male-dominated cultures have negatively interpreted such intense and deep historical, cultural and physical links between women and nature. The suppression of women and of nature is historically and though have a remarkable ideologically linked. Women role in the environmental protection but still they live in culture of silence and negligence. Ecofeminism believed that there is close link between women and environment. Single responsible reason for the domination of both women and nature is patriarchy (father-rule). Henceforth the feminists and environmentalists share the same goal that is to abolish this oppressive conceptual framework. Nevertheless women voice is seldom being heard, in the global politics of the environment. Women are both victim and actors of environmental issues. Moreover, it is also important to take into consideration that women are not only vulnerable to environmental cures but are also effective actors or agent of change in relation to both mitigation and adaptation to climate change. These marginalized sections of the society are responsible for drawing sustenance for themselves and their families. At the same time the destruction of nature thus becomes the destruction of women's sources for 'Staying alive'.

The present paper will illustrate that the association of woman with environment and their suppression belong to same conceptual framework. Second part of the paper would reveal that how women act as a victim and also as an actor in the environmental discourse. Third part of the paper would examine whether and how there had

been relation neglect of women experience and concern in the institutional arena of environmental governance. The paper further reveals that there is a crucial need for us to identify gender-sensitive strategies to respond to the environmental problem, and whole of environmental discourse really needs innovative conceptual work and practical intervention, in order to explore the right position of women in the environmental discourse.

Part I

It is well acknowledged and worldwide accepted reality that everywhere women are catalysts and initiators of environmental activism, but throughout the world male-dominated cultures have negatively interpreted such intense and deep historical, cultural and physical links between women and nature. Nevertheless, the suppression of women and of nature is historically and ideologically linked. Though women have a remarkable role in environmental protection but still women they live in culture of silence and negligence. Ecofeminism believed that there is the close link between women and environment. Single responsible reason for the domination of both women and nature is patriarchy (father-rule). And henceforth the feminists and environmentalists share the same goal that is to abolish this oppressive conceptual framework (Warren, 1990). Val Plumwood (1991), while criticizing rationalism to be the responsible reason for the oppression of both women and nature, he stress on the issue that rationalism perpetuate dualism leading to the inferiority and superiority of the two things. For example taking the stand of rationality, between reason and emotions, mind/body, human/nature and man/women, it is always the former which take precedence over the later; because rationalism always leads to dualism, making the distinctive ground for assessing superior and inferior thing (Plumwood, 1991). Thus in order to end domination of nature by human and women by man, what is needed is to challenge Rationalism and ultimately this dualism which is fostered by this rationalist thought.

According to feminist theologian Rosemary Radford R Uetheer, being a critique of western dualistic philosophy he accentuated that such dichotomizing has created a strong hierarchal structure which is reflected in the policies and practices of social institutions, including the academy. It has resulted in a relationship where man is the object, the one who is defined, and women are the object, the one who is not defined. And it is due to this notion; women's own self-definition and perspectives are hardly ever heard or incorporated culturally. Women,

henceforth being the vulnerable section of the society and like all oppressed people, live in a culture of silence, though they had immensely contributed in the field of environment. However, Ruether proclaimed, women nature and the liberation of society go together. And one of the basic important issue is to eliminate “pervasive dualism” (Engel, 1990) which always propels us to think that women is always defined in association with the male member in the society further alleviating the difference between the two.

Theologians Rosemary Ruether and Elizabeth Dobson Gray, they talked about patriarchal hierarchy, whereby they see the patriarchal belief system which justifies all these things as a hierarchy, a Great chain of being with God or Allah at the top, next man, the steward of nature, than women, children, animal and finally plants and rocks at the base. A deep divide separates the categories of ‘man’ and ‘women and it is this same line which maintains the polarization of ‘reality into the truly human’ and the ‘simply natural.

Women are by their very nature close to nature and even qualitatively, women’s relationship with nature is organized around logic of reciprocity rather than mastery and control (Engel, 1990). As Mies 1986, puts it, women ‘are not owners of their own bodies or of the earth, but they cooperate with their bodies and with the earth in order to let grow and to make grow’. Ecofeminist Vandana Shiva argued violence against nature and against women as built into the very mode of perceiving both. She even argues that violence against nature is the result of colonial imposition, which insists us to adopt dominant industrial/developmental model. And with the adoption of this developmental model, Shiva proclaimed, that there was a radical conceptual shift away from the traditional Indian cosmological view of (animate and inanimate) nature as Prakriti, as “activity and diversity” and as “an expression of Shakti, the feminine and creative principle of the cosmos” which “in conjunction with the masculine principle (Purusha)... creates the world”. With this shift, the living, nurturing relationship between man and nature as earth mother was replaced by the notion of man as separate from and dominating over inert and passive nature. “Viewed from the perspective of nature, or women embedded in nature,” the shift was repressive and violent “For women.....the death of Prakriti is simultaneously a beginning of their marginalization, devaluation, displacement and ultimate dispensability. The ecological crisis is, at its root, the death of the feminine principle....” (Shiva, 1988).

Shiva even argued on the point and noted that violence against women and nature are linked not just ideologically but also materially. She argued with an example that “Third world women are dependent on nature “for drawing sustenance for themselves, their families, their societies”. And therefore destruction of nature becomes the destruction of women’s source for Staying Alive” (Agarwal, 1992). Shiva had an opportunity to work with women activists in the Chipko Movement which gave her an experience-the environmental movement for forest protection and regeneration in the Garhwal hills of northwest India-Shiva argues that “Third world women’ have also a special knowledge of nature (ibid). However, in the whole discourse of women and environment the idea that women they are seen as closer to nature was introduced by Sherry Ortner in the field of contemporary feminist discourse.

Part II

Woman as Victim and Actor in the Environmental Discourse

At several points related to the environmental deterioration, women are more vulnerable to this effect than man primarily as they constitute the majority of the world’s poor and are more dependent for their survival and livelihood on natural resources that are threatened by climate change. Basically women and men in rural areas particularly of developing countries are especially vulnerable when they are highly dependent on local natural resources for their livelihood. But at the same time, it is also important to take into account, that women are not only vulnerable to environmental crises but they are also effective actors or agents of change in relation to both mitigation and adaptation. Women often have a strong body of knowledge and expertise and therefore on the basis of their experience they may prove fruitful in Climate change mitigation, disaster reduction and adaptation strategies. All over the developing world, women and girls bear the burden of fetching water from distant sources for their families, in that sense they are responsible for drawing sustenance for themselves and their families. At the same time the destruction of nature thus becomes the destruction of women’s sources of “staying alive’ (Agarwal, 1992).

Moreover, when environmental degradation forces them to search farther afield for resources, women and girls become more vulnerable to injuries from carrying heavy loads long distances and also face increased risk of sexual harassment.

The destruction of the environment clearly poses the biggest threat to marginal cultures and occupations like that of tribals, nomads, fisherfolk and artisans, which have always been heavily dependent on their immediate environment for their survival. But the maximum impact of the destruction of biomass sources is on women. Women in all rural cultures are affected, especially women from poor landless, marginal and small farming families. Seen from the point of view of these women, it can be argued that all development is ignorant of women's needs, and often anti-women, literally designed to increase their work burden (Guha, 2002).

The migratory consequences of environmental factors result in higher death rates for women in least developed countries as a direct link to their socioeconomic status, to behavioural restrictions and poor access to information. It has been noted that women also have a systematically disadvantaged position in the labour market. As a consequence to this they have fewer employment opportunities, less occupational mobility, lower levels of training and lower payments for the same or similar work. The gender discrepancy is another one of the reason responsible for the vulnerability of women, and this gender discrepancy has come to light in a range of major disasters, including the Asian Tsunami, Hurricane Mitch, Hurricane Katrina and other storms in the America, European heat waves, and Cyclones in South Asia etc. The vulnerability of women to disaster is increased particularly in the context of cyclones, floods and other disasters that require mobility, cultural constraints on women's movement may hinder their timely escape, access to shelter or access to health care. However it is crucial to identify gender sensitive strategies for responding to human security needs and environmental and humanitarian crises caused by climate change.

Women are not simply victims of environmental degradation but, as Shiva argue, 'Voices of liberation and transformation'. Women experience issues related to the management of natural resources. For Some women can also make great contribution for sustainable development (Eliott, 1998). For some, the role that women have to play in sustainable development arises not just because of their experience but as a result of their very woman-ness. In this view women are, because of their reproductive and nurturing roles, close to than men. Indeed, nature on the basis of their experiential understanding and knowledge, they can provide a special perspective on the processes of environmental regeneration, one that needs to inform our view or alternative approaches to development (Agarwal, 1992).

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Women had time and again played an important role and “lead ecology movements in the Third world. The world acclaimed movements mobilized by women with the help of Wangari Maathai are probably the globally acclaimed Greenbelt Movement in Kenya, begun by the National council of women in 1977, and the Chipko movement which began in Northern India as a grassroots opposition to logging and forest destruction, in which Gaura Devi with several other women from the Reni village played very significant role in this effort. In India during the last few decades, there has been increasing resistance to ecological destruction, in which women have been active participants in most of these protests. They strongly raised their voice against environmental destruction in India weather caused by direct deforestation (which is resisted through non-violent movements such as Chipko in the Himalayan foothills and Appiko in Karnataka) or by large irrigation and hydroelectric works, such as Narmada valley Project covering three regions in central India, the Koel-Karo in Bihar, the Silent Valley Project in Kerala (which was shelved through central government intervention and local protests in 1983), the Inchampalli and Bhopalpatnam dams in Andhra Pradesh (against which 5,000 tribal people, with women in the vanguard, protested in 1984), and the controversial Tehri dam in Garwal. In this above mentioned ecology movement women played a significant role with their immense contribution (Agarwal, 1992).

There were many other examples of women working together to protect and repair the environment. The examples here are drawn from women’s environment and development projects which were presented as success stories at the partners in life conference in Miami in 1991. Women have worked to combat soil erosion in Ghana, to focus on pollution control on lake Maruit in Egypt and to oppose toxic waste dumping in the Bay of Bengal in Bangladesh (Eliott, 1998).

Part III

Where are the Women?

Since environment has become quite critical issue in the last four decades and international society have taken this concern with utmost importance. However in this entire discourse of environmentalism, there is little attention given to women’s relationship with the environment. This section of my paper would try to examine the articulation of women’s concern and views on environmental degradation, furthermore the present part of the paper would also examine whether and how there had been relation neglect of women

experience and concern in the institutional arena of environmental governance.

Many instances rightly reveal that very often women's skill and expertise are undervalued. If we make cursory look, then we would find that at an international level, few of those making decisions on the environment are women. The absence of women is evident to the extent to which decision-makers ignore or simply do not think to consider the perspectives, views and needs of women. As has been discussed above, it would be right to say that women are catalysts and initiators of environmental activism. Yet policy-makers continue to ignore the centrality of women's roles and needs (Worldwide network, 1992). By this time it is clear that women are 'managers and conservers of natural resources' but international agencies and governments everywhere have ignored the vital part that women played in caring for the environment. Their voice, like their knowledge and experience is simply not heard' (Elliott, 1998).

In some parts of Africa for example, women produce 80% of the food and in India about 60% of the farmers are women. Jacobson put forward this idea that 'women are rarely involved in designing or caring out development programmes' (1992, p.8). She noted for example, that most agricultural extension workers in Africa are men even though most of the farmers are women, a pattern which is repeated in other parts of the world (1992, p.30) and that forestry management programmes rarely include women or consider women's experiences despite their prominent role as users and managers' of forest resources (1992 p.38). Henceforth, these programmes do not address women's needs experience but are also, she suggests, likely failing for this very reason. Moreover, the important role women play in Third world agriculture must be seen as remarkable, given the serious constraints that they normally face (Brohman, 1996). Due to this 'countless programmes to reverse deforestation have failed because their planners did not think to construct village women who are the primary managers and harvesters of forest products in their communities (Jacobson, 1992). Therefore, the participation of women is essential, not only to benefit women but to incorporate vital experience and knowledge in the pursuit of sustainable development.

Ariel Salleh accentuated this idea that women could contribute to the discussions of environmental sustainability the truth of an ethic of care'. Yet their 'different voice' is seldom heard. Moreover, Hilka Pietila, 1990 also draws our attention towards the commission of women in world commission on Environment and Development. The paramount

thrust of the report of the world commission on environment and development, Our Common Future, is the concept of sustainable development. The report stresses that unless we make development in all countries ecologically sustainable, there will not be a future. One of crucial importance of this commission was that, it was led by women: two others of its twenty one members were women, one woman for every six men. In spite of having had women's participation in its formation, the report omits any discussion of the potential within women's culture to provide practical and philosophical guidelines for sustainable development. By doing this, it omits the energy, creativity and traditions of half of humanity at a time when we need to mobilize all available human resources to pave a new way towards sustainable common future. And nevertheless we should not ignore that it is women's experiences of environmental degradation and ecosystem management that have given them a particular knowledge and ensured that this knowledge and expertise is crucial to the pursuit of sustainable development.

Women's concerns about and views on environmental degradation, as well as their expertise all poorly represented in the institutional arena of environmental governance. Attention in official circles of the gendered nature of environmental degradation and environmental governance is a product of the late 1980's (Elliott, 1998). If we go back to Stockholm conference (first summit ever taken place on environmental protection); neither the impact of environmental degradation on women nor their role in environmental governance were articulated at the Stockholm conference, and indeed, the Stockholm agreement not only ignore women but are also highly gendered in their language. Within the UN system, UNEP has taken a lead in acknowledging and responding to the linkage between environmental degradation and women's lives. In 1986 UNEP established a committee of Senior Women Advisors on Sustainable Development (SWAGSD). Between 1989 and 1991, and prior to the UNEP-convened Global Assembly on women and the Environment (the partners in life conference) in November 1991, UNEP sponsored four regional assemblies on women and the environment as part of its programmatic response to the Forward Looking Strategies (FLS) which were adopted at the 1985 Nairobi Conference to review the UN Decade for women. While the FLS did note that 'environmental degradation is.....a Contributing factor to deplorable conditions endured by many women (UNICE/UNFPA 1991), nevertheless the link between women and

environment had not been a major theme at the Nairobi Conference (Rodda, 1991, p.5).

The Brundtland Report, which was very comprehensive at the same time progressive in many ways with its emphasis on social justice as a fundamental theme of sustainable development, developed no time to women on gender concern at all. Gender issues were also given little attention in the early precomms for UNCED and the issue was only taken up after intense lobbying from women and after Filomina Chioma steady, from Sierra Leone, was appointed a special advisor on women in environment and development to the conference secretary-general. Even then, most of those doing the work of deciding at UNCED were men, or elite men to be more accurate. There were far fewer women than men on the delegations at UNCED. Of the heads of state or government attending the final two-day summit, only two were women- Gro Harlem Brundtland of Norway and President Finnbogadottin of Iceland.

However, besides the omission of the vital role of women in the way of environmental concern there had been certain provision of UN which proved the fact that women's contribution had not been totally ignored. Principle 20 of the Rio Declaration states that 'women have a vital role to play in environmental management and development. Their full participation is therefore essential to achieve sustainable development' (UNCED, 1992a). Agenda 21 devotes a full charter to the role of women, the rather awkwardly titled chapter 24, Global action for women towards sustainable development'. Chapter 24 says that effective implementation of a range of international programmes already in place for the 'full, equal and beneficial integration of women in development activities' will depend on the 'active involvement of women in economic and political decision-making and will be critical to the successful implementation of Agenda 21' (UNCED, 1992b, para 24). Together, principle 20 and chapter 24 give voice to a recognition that governance should be inclusive of women (the democratization argument) and that the participation of women in environmental governance and the pursuit of sustainable development are vital.

Therefore women contribution in many environmental movements is worth noting. Some impressive grassroots projects- the Chipko movement among Indian peasants to preserve forests and livestock deposits from formal economy; the Greenbelt movement of Kenya Women, led by Wangari Maathai, which won an alternative Nobel prize;

and model farming by Acao Feminea Democratica Gauca in the Amazon- are internationally acclaimed. The Women's Action Agenda 21, a product of the 1991 World Women's Congress for a Healthy Planet, argued that Women are a powerful force for change' (WEDO, 1992, p. 16) and that by acting together, by organizing cooperatives and by managing credit and financing institutions, women can help change policy, protect the environment, improve their standards of living and challenge current economic analyses' (WEDO, 1992, P.15).

If we take a cursory glance then it would be very clear that until recent time women played a remarkably excellent role in the environmental protection debate but what is sadly lacking is that the due recognition given to the efforts women put towards achieving the above mentioned goal. Very often women's voice and concerns were silenced and neglected. Therefore need of the present era is to not only recognize women contribution in most of the environmental discourse rather this is an area which also needs creative conceptual work and practical interventions. Moreover environmental discourse would be of very little significance without incorporating the women's dimension into local, national and international environment and development decision-making. Indeed, women voices need to be heard by not only incorporating them and making their participation in a structure that has systematically marginalized them rather instead of just giving due attention to their full participation it would be something productive if adequate attention would be given to the underlying gender inequities and power relationships within those structures Therefore it is intuitive to give importance to gender inequity while acknowledging and addressing the women's concerns.

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E-banking: Evolution, Status and Prospects

Rahul Ranjan Singh

Introduction

The advent of E-Business accompanied with technological innovations and globalization is constantly propelling the businesses organization to redefine their business operations in terms of value chain reengineering and restructuring business model. Likely, the financial sector is metamorphosing under the impact of competitive, regulatory and technological forces (Jeevan, 2000). Financial institutions especially the banking sector is currently in a transition phase (Cronin, 1998). The banks have put themselves in the World Wide Web to take advantage of the internet's power and reach, to cope with the accelerating pace of change of business environment. The famous quote by Bill Gates that banking is vital to a healthy economy, but banks themselves are not highlights the crucial nature of the electronic forces that are affecting banks more than any other financial service provider group. This transition of business operations by banks have crated new mode of operation called E-Banking.

Objective of the Study

E-Banking has been shaking and shaping the financial sector worldwide. Thus, it has become imperative to know the issue E-Banking in-depth: evolution, Status and prospect. Thus, the objectives of the study are to:

- To understand the issue E-Banking and its evolution.
- To analyse the viability and finding out suitable business model.
- To state the present situation of E-Banking worldwide.
- To recommend the government role on establishing E-Banking.
- To suggest the existing banks and potential e-banks on how to deal effectively with this new opportunity.

Methodology

A brief history of the banking industry worldwide, using document analysis has revealed concepts, evolution, competitive forces, business models, major barriers, impediments and drivers for the rapid transition of the banking sector and uptake of E-Banking. Neuman (1997) attributed document analysis to the systematic analysis of a particular topic, using newspapers, annual reports, employment records, unpublished and published articles, industry and consultancy reports, ongoing academic working papers, government white papers reports and white papers. Besides those sources internet is used extensively as a source of information.

E-banking

The term Internet Banking or E-Banking Internet both are used as supplement. E-Banking is the one of the major part of E-Financing. Hertzum et al. (2004) defined E-Banking was web-based Banking. In other word E-Banking refers to the banking operations, which is done over World Wide Web. However, more comprehensive and well-established definition is given by the United Nations Conference on Trade and Development (UNCTAD). This definition covers almost all area of E-Banking.

Internet banking refers to the deployment over the Internet of retail and wholesale banking services. It involves individual and corporate clients, and includes bank transfers, payments and settlements, documentary collections and credits, corporate and household lending, card business and some others (UNCTAD, 2002). E-Banking information architecture is modelled as client-server architecture. A client operating through a PC linked to Internet opens the special E-Banking site of his bank and then, using a set of special secure numbers, gets access to his bank accounts and has the opportunity to consult them, as well as to make all necessary payments and transfers form his personal accounts. When the transaction number is exhausted the bank sends him a new set of numbers for his individual transfer sessions. In some cases the bank provides customized software. The bank software program can also be utilized offline, for example for preparing the payment orders offline and then making the actual order online. The client receives all numbers separately, mainly by mail. The bank also provide clients with similar facilities in its premises so that clients can use the bank equipment such as an ATM or a special

facility linked to the main terminal facility called Multimat, permitting them to effect the same account examination, payment and transfer operations without consulting the bank staff.

Evolution

Since the late 1990s E-Banking has developed from virtual insignificance to tens of millions of users worldwide (OCED, 2001). However, E-Banking is the product of different generations of electronic transactions. The current web-based internet or E-Banking is the latest of several generations of systems: *Automated Teller Machine (ATMs)*, *Phone Banking*, *PC or House Banking*. Automated teller machines (ATMs) were the first well-known machines to provide electronic access to customers where as in phone banking, users call their bank's computer system on their ordinary phone and use the phone keypad to perform banking transactions. PC banking superseded phone banking and allowed users to interact with their bank by means of a computer with a dial-up modem connection to the phone network. Phone and PC banking entailed maintenance costs associated with keeping up to date with diverse modems and with avoiding prohibitively complex installation procedures. After those generations Deutsche Bank launched the very first Internet banking project in Latin.

America in 1996 and Citibank has developed a special "e-toolkit" across all its branches worldwide (UNCTAD, 2002). E-Banking uses the web browser for the user interface and the Internet for data transfer and download of software, and so has a potential for reducing maintenance costs. For users, E-Banking provides current information, 24-hour s-a-day access to banking services. The primary services provided by e-banks are transferring money among one's own accounts, paying bills, and checking account balances. Loan, brokering, share trading, service bundling, and a host of other financial services are being added to these primary services. E-Banking is widely used in, among other places, the Nordic countries. In 2001, E-Banking was used by more than 25% of the population in Norway, Sweden, and Finland, and by 15% of the population in Denmark (OECD, 2001). In 2004, E-Banking usage in Denmark had grown to 45% (Statistics Denmark, 2004). Jeevan (2000) notes that with rigid controls giving way to deregulation, banks are gearing up their communications infrastructure to obtain a competitive edge from E-Banking, which is fast becoming a reality in India. Nair (1999) points out that E-Banking is fast becoming a strategic necessity for most commercial banks, as competition increases from private banks and NBFIs.

E-banking Opportunity and Challenges

According to the “E-Commerce beyond 2000”, the banking and finance sector has been a rapid adopter of E-Commerce because its products could easily be virtualized and the product had priority over place (NOIE, 2000). Yerkes (1998) observes that banks can generate revenue through increased account access fees, and benefit from promotional opportunity to cross-sell products such as credit cards and loans. Whereas Stamoulis (2000) observed that banks initially promoted their core capabilities, such as products, channels and advice, through the Internet, Yerkes (1998) argues that, due to the relative newness of this rapidly growing industry, banks as well as consumers had serious concerns about the security of Internet access to client accounts, which was biggest challenge (Denny 2000). The advances in Internet security and the advent of relevant protocols such as Integrion, OFX, SET, etc. has put banks in perspective again as financial intermediaries and facilitators of complete commercial transactions via electronic networks and especially via the Internet (Stamoulis, 2000). Consumers are increasingly looking for services they can access from a single-entry point. As Denny (2000) observes, awareness of competition has motivated banks to move aggressively in seeking alliances and establishing joint ventures to maintain their claim to this part of the Ecommerce infrastructure. Like there are alliances in the ATM network, Group Network, Money Transfer Network etc. This is also creating segmentation of networks where the customers of this networks sometimes unable to access to others’ network. Seitz and Stickel (1998) note that consumer behaviour in banking changed partly as a result of changes in the amount of spare time available to individuals. Mobility, independence of time and place, and flexibility has become key words in consumer banking. Timmers (2000) supports this view, highlighting the key features of the Internet – such as 24 hours availability, almost immediate access, and the absence of physical borders. Indeed, the Internet has been one of the key drivers in promoting E-Commerce in the banking sector (Jeevan, 2000). The opportunities for banks in the Internet arena are varied (Stamoulis, 2000). Despite this plethora of opportunities, threats to the e-banks abound. One major threat to banks is the “Internet only” virtual banks. With US\$ 2 million, one can set up a fully-functional, Internet Only bank and provide payment services on the Internet.

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Interrelation of Human Rights and Humanitarian Law

Anjay Kumar

Abstract

“Each one of us in no more and no less than a human being”, is the basis of humanitarianism. Adversity in every case is a threat to prosperity. It is unknown that why people feel concerned about the strangers or unknown persons. The cruelest reality, nationally and internationally, is the violation of human rights during peace as well as during the armed conflict. The preservice of humanity is the prime concern of both the laws and human suffrage must be avoided at any cost and in every situation. The precondition for the full observance of human rights is “Peace” and war is its negation. This article examines the interrelation of human rights and humanitarian law and explain the difference in the scopes, purposes and application of the two laws. With the aid of humanitarian law the fundamental rights of humans can be protected in armed conflicts as well.

Keywords: International human rights law, International humanitarian law, ICRC, United Nations, Geneva Conventions, Armed conflict, Non-international armed conflict.

Evolution of the Concept of Human Rights

Laws are the embodiment of the rules that regulate the human conduct and the administration of justice. A right is an entitlement which one person can bring against another in the permitted legal sphere. Human rights are those fundamental and inalienable rights which are essential for the life as a human being¹. The human rights² came somewhat late in the vocabulary of mankind. It was first used by Thomas Paine in the English translation of the French Declaration of the Rights of Man and Citizen³. The roots for the protection of the rights of man may be traced as far back as in the Babylonian laws.⁴

Human Rights are as old as humanity.⁵ The World's all major religions have a humanist perspective that supports human rights despite the differences in the contents. The rights of man have been the concern of all civilizations from time immemorial. The people of earlier age were familiar with human rights. Indian history is warranted by the fact that the human rights jurisprudence has always progressed smoothly through a historical path and never lost its link with the past. The philosophers of Vedic age opine that human rights, earlier called as "natural rights", are inherent in our nature without which we cannot live as human beings. They are based on mankind increasing demand for a life in which the inherent dignity and each human being will receive respect and protection. Human rights and humanitarian law form an essential part of international law. The purpose of these laws to protect individual as well as collective fundamental rights and freedoms. The connection between human rights and humanitarian law may be considered from two distinct view point: First, analysis of the significance of humanitarian law with regard to the observance, promotion and defence of human rights; second the relation between human rights law and humanitarian law as two distinct branches, sectors or aspects of modern international law. Laws are the embodiment of the rules that regulate the human conduct and the administration of justice. Human rights are those fundamental and inalienable rights which are essential for the life as a human being⁶. Human rights are something of which no one can be deprived without a grave affront to justice. There are certain deeds which should cause offence to justice. There are certain deeds which should never be done, certain freedoms which should never be invaded, something's are supremely sacred⁷.

Historical Development of Human Rights

The concept of human rights is as old as the ancient doctrine of 'natural rights' founded on natural law⁸. The history of human rights covers thousands of years and draws upon religious, cultural, philosophical and legal developments throughout the recorded history. It seems that the concept of human rights is as old as the civilization. This is evident from the fact that almost at all stages of mankind there have been a human rights documents in one form or the other in existence. Several ancient documents and later religious and philosophies included a variety of concepts that may be considered to be human rights. Notable among such documents are the Edicts of Ashoka issued by Ashoka the Great of India between 272-231 BC and

the Constitution of Medina of 622 AD, drafted by Muhammad to mark a formal agreement between all of the significant tribes and families of Yathrib later known as Medina⁹. However, the idea for the protection of human rights grew after the tragic experiences of the two world wars. Prior to the world war, there was not much codification done either at the national or the international levels for the protection and implementation of human rights. Under the French Declaration¹⁰, rights of men and citizens includes guarantee of equality¹¹, liberty¹², free speech¹³ and laid down that law is the expression of the general will.¹⁴ These apart, there are various other documents¹⁵ also reflected the ideas of human rights which helps in its development. In fact, since the beginning of the 19th century it was recognized in the constitutional law of many States that human beings possess certain rights. Worth of human personality began to be realized.

Human Rights after World Wars

Earlier, human beings as such had no rights under the traditional international law, which was defined as the law which govern relations between States. This theory about the nature of international law had a number of consequences as far as individual is concerned like treatment of the individual was limited to the domestic jurisdiction of each State and Stateless person does not enjoyed any protection under traditional international law. However, this theory had exception like intervention of other State on humanitarian ground¹⁶, limitation of sovereignty by treaty¹⁷ and mandates system under the league of nation.¹⁸ The idea of human rights emerged stronger after World War II. The extermination by Nazi Germany of over six million Jews, Sinti and Romani (gypsies), homosexuals, and persons with disabilities horrified the world. Trials were held in Nuremberg and Tokyo after World War II, and officials from the defeated countries were punished for committing war crimes, “crimes against peace,” and “crimes against humanity.” Neither utilitarianism nor scientific positivism, the philosophies that had undermined the natural rights concept, could address the problems. The dominant political paradigm, realism, could not find national interest violated. The language of human rights seemed more appropriate. After the war, the Nuremberg War Crimes Tribunal introduces the subject of gross human rights violations to the international relations. The individual German soldiers were charged of crimes against humanity.¹⁹ The revival of the concept of human rights can thus be seen as a reaction to the horrors of the War. During the

next decades, normative and institutional foundation played the role in the human right movement.

Normative Foundation

The first wave got its momentum from the horrors of the World War II. In the aftermath of the war, the United Nations Charter included promotion of respect for human rights and fundamental freedoms among the principal purposes of the organization. The UN moved quickly to formulate international human rights norms²⁰. In 1948 the Assembly adopted the Universal Declaration of Human Rights²¹ (UDHR). the UDHR, commonly referred to as the international law ushered in Magna Carta, extended the revolution in international law ushered in by the United Nations Charter – namely, that how a government treats its own citizens is now a matter of legitimate international concern, and not simply a domestic issue. It claims that all rights are interdependent and indivisible. Its Preamble eloquently asserts that: “WHEREAS recognition of the inherent dignity and of the equal and inalienable rights of all members of the human family is the foundation of freedom, justice and peace in the world...” The influence of the UDHR has been substantial. Its principles have been incorporated into the constitutions of 193 nations now in the UN. Although a declaration is not a legally binding document, the Universal Declaration has achieved the status of customary international law because people regard it “as a common standard of achievement for all people and all nations.” During that time League of Nations existed but it was weak and lacked the power to deal with human rights issues and therefore it was expected that the UN Charter shall provide an effective international systems for the protection of human rights but this did not happen because of opposition from the major problems as they had serious problems of their own at that time whereas smaller countries favoured the inclusion of Bill of Rights in the Charter, lacked the political influence. Consequently, the human rights provisions of the Charter as adopted in San Francisco were weak and vague. However, despite the vagueness, the human rights provisions of the Charter had a number of important consequences namely; The Charter internationalized the concept of human rights, though all the matters did not *ipso facto* come out of domestic jurisdiction and the obligation of the member States of the UN to cooperate with the organization in the promotion of human rights provided the UN with the requisite legal authority to undertake a massive effort to define and codify these

rights. The success of the UN effort is reflected with the adoption of the International Bill of Rights and in the vast number of international human rights instruments in existence today.

Institution Building

At this stage the evolution of international human rights law began in the late 1960s and continued for 15 to 20 years. The second wave of activism was influenced by the newly independent states of Africa and Asia. There were some important conventions²² and covenants²³ established during the decade: together with the Declaration the Covenants form the essential written core of international human rights norms.²⁴ These apart, during this period, two distinct developments took place within the UNs framework. The first focused on the nature of human rights obligation which article 55 and 56 created for the member States. The phrase “to promote” was somewhat vague but the vagueness was removed by the adoption of ECOSOC resolutions²⁵ with the goal of establishing mechanisms for enforcing the UDHR, the UN Commission of Human Rights proceeded to draft two treaties: the International Covenant on Civil and Political Rights (ICCPR) and its optional Protocol and the International Covenant of Economic, Social and Cultural Rights (ICESCR). Together with the Universal Declaration, they are commonly referred to as the International Bill of Human Rights. In addition to the covenants in the International Bill of Human Rights, the United Nations has adopted more than 20 principal treaties further elaborating human rights. These include conventions to prevent and prohibit specific abuses like torture and genocide and to protect especially vulnerable populations, such as refugees²⁶, women²⁷, and children²⁸. In Europe, the Americas, and Africa, regional documents²⁹ for the protection and promotion of human rights extend the International Bill of Human Rights. These instruments have powerfully demonstrated a pull in demand for respect of human rights.

International Humanitarian Law (IHL)

Human societies have always developed legal systems to govern their relations. This includes situations of conflict between groups. Early man and primitive societies had basic rules and ritualistic behaviour. As societies became more developed so did the rules. Agreements on the treatment of PW can be found in Egypt as far back as 1400 BC.³⁰ There are also records of rules for humane treatment of non-combatants in some Indian states around 500 BC. A rudimentary

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form of international law was practiced by Greek city states and the Romans. This included rules which regulated warfare. The rationale for these rules is the same today: not to inflict unnecessary suffering. It is believed that the first systematic code of war was that of the Saracens, based on the Koran.³¹ During the sixteenth century, nation states emerged in Europe and a system of international law came into being. Part of this law was a code of chivalry; however, the desire for regulating war derived principally from national or personal interests rather than humanitarian concerns³². For examples, the conference called by Tsar Nicholas II in 1899 was motivated by the fact that Russia was falling behind in the nineteenth century arms race rather than by genuine humanitarian concerns. The modern LOAC originated from the customary practices adopted by those taking part in battles.

The Modern Law of Armed Conflict (LOAC)

The origins of the modern LOAC can be traced to the battle of Solferino in 1859 in northern Italy. After witnessing the results of this battle a young Swiss merchant, Henri Dunant, wrote an influential book which described the carnage and the neglect of the wounded. The impact of this book and Dunant's subsequent efforts led to the formation of the Red Cross. In 1864, the Swiss Government, at the urging of the Red Cross, convened the first conference of International Humanitarian Law (IHL). At this conference the first Geneva Convention for the Amelioration of the Condition of the Wounded in Armies in the Field was drawn up and signed by 16 nations. Subsequent conferences in 1906, 1929 and 1949 further developed and refined IHL. The latest development has been the Additional Protocols (G. P. I and G. P. II) which were adopted in 1977. Perhaps the most celebrated early attempt at codifying the customs and usages of war came with the American Civil War. In 1863, Dr Francis Lieber, an eminent lawyer, at the request of President Lincoln and in consultation with a board of officers, drew up a code of conduct titled 'Instructions for the Government of Armies of the United States in the Field'. This instruction established limits on a belligerent's means to wage war and identified military objectives as the only legitimate targets for deliberate attack. An early agreement dealing with the means and methods of war was the Declaration of St Petersburg in 1868 which prohibited the use of any projectile weighing less than 400 grams which was either explosive or charged with fulminating or inflammable substances. The principles stated in the preamble to the declaration are still relevant today.

The LOAC developed along two separate streams *i.e.*, Hague Law and Geneva Law each named after the city where most of the relevant agreements were developed. Hauge Law is a term used to describe the set of international laws, which regulate the means and methods of warfare. It comprises a series of treaties which state what is, or is not legitimate in waging war. In 1899, Tsar Nicholas II of Russia in a note addressed to the diplomatic representatives at St Petersburg called for a conference with the purpose of seeking 'a real and lasting peace and above all, of limiting the progressive development of existing armaments'. While the conference failed in its main objective to limit armaments, it was partially successful. Three declarations were adopted, on prohibiting the discharge of projectiles from balloons, a second prohibiting the use of asphyxiating gases and a third prohibiting the use of expanding bullets. The most important achievement from this conference, however, was the Convention for the Pacific Settlement of International Disputes creating the Hague Permanent Court of Arbitration, and creating a list of judges from which the parties to a controversy might select the members of an arbitral tribunal for their particular case. Subsequent conventions include the Hague Convention of 1907, the Gas Protocol of 1925, 1954 Hague Cultural Property Convention, 1972 Biological Weapons Convention, 1980 Conventional Weapons Convention and the 1993 Chemical Weapons Convention. G. P. I and G. P. II are not confined to humanitarian issues; they also address issues which are traditionally regarded as Hague Law. Much of Hague Law is accepted as customary international law and directly affects the use of combat power.

The Geneva Law: In 1864 at invitation of the Swiss Government, a conference was held in Geneva which drew up 'the first Convention for the Amelioration of the Condition of the Wounded in Armies in the Field'. This convention was subsequently amended by the Geneva Convention of 1906, 1929 and 1949, and G.P.I. These agreements now constitute what is referred to as Geneva Law, which is fundamentally concerned with the relief of suffering of PW, the wounded and sick in the field, wounded, sick and shipwrecked mariners and civilians caught up in conflict. Hague Law is concerned essentially with how operations are conducted, Geneva Law is concerned with the protection of persons not involved or no longer involved in the conflict. The Protocols, linked to the Geneva Conventions, deal not only with the production of victims of war but also with the means and methods of warfare, which were traditionally the domain of Hague Law, G.P.I deals with international armed conflict while non-international armed conflict is further

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addressed by G.P. II. After World War II, tribunals were established at Nuremberg and Tokyo to try the major war criminals of the Axis powers. These tribunals were empowered to deal not only with war crimes but also with crimes against peace and crimes against humanity. The latter were defined by the tribunals, and identified as crimes under international law.

The basic principles underpinning LOAC are: Military necessity, avoidance of unnecessary suffering, and proportionality. Unnecessary suffering is often also referred to as the principle of humanity. Traditionally, chivalry has been included in the list of principles but this is now classified as an element of the principle of unnecessary suffering and is not treated as a separate topic. The three principles must be considered together in that no single principle can be considered in isolation from the other two. In other words, whilst military necessity may justify a particular action, the action may cause unnecessary suffering including civilian death, or damage may be totally disproportionate to the military advantage to be gained. If so, the action should not proceed because the military necessity is outweighed by proportionality and humanitarian considerations.

Military necessity: The principle of military necessity states that a combatant is justified in using those measures, not forbidden by international law, which are indispensable for securing complete submission of an enemy at the soonest moment. Military necessity requires combat forces to engage in only those acts necessary to accomplish a legitimate military objective. It permits the killing of enemy combatants and other persons whose death is unavoidable. It permits the destruction of property if that destruction is imperatively demanded by the necessities of war. Destruction of property as an end in itself is a violation of international law. There must be a reasonable connection between the destruction of property and the overcoming of enemy forces. The principle cannot be used to justify actions prohibited by law, as the means to achieve victory are not unlimited. This also reflects the principle of war of economy of effort.

Relationship of Human Rights with IHL

Anywhere in the universe where there is an armed conflict, there is human suffering and the victims. The indiscriminate killings and unattended wounded, prisoners and missing persons. IHL seeks to limit this suffering as much as possible and inspired by the principles of humanity and is based on legal as well moral values. According to Starke, one of the most remarkable developments which largely explain

the replacement of the former title, 'laws of war' by 'IHL' has been the importation of human rights rules and standards into the law of armed conflicts.³³ The essential purpose of these rules is not to provide a 'code' governing game of war, but for humanitarian reasons to reduce or limit the suffering of individuals. IHL has always been an element of vital importance in the safeguarding and defence of human rights, both before and after the Geneva Conventions of 1949 and the additional protocols of 1977. It is clear from different provisions of these conventions that they are aimed at ensuring the observance of certain human rights is guaranteed in specific situation. The common article 3 enjoins humanitarian treatment without distinction of any kind. The Common Article 3³⁴ of the Geneva Conventions, 1949 states that the certain minimum rules of war apply to armed conflicts that are not of an international character, but that are contained within the boundaries of a single country. The applicability of this article rests on the interpretation of the term armed conflict. For example, it would apply to conflicts between the Government and rebel forces, or between two rebel forces, or to other conflicts that have all the characteristics of war but that are carried out within the confines of a single country. A handful of individuals attacking a police station would not be considered an armed conflict subject to this article, but only subject to the laws of the country in question. The other Geneva Conventions are not applicable in this situation but only the provisions contained within Article 3, and additionally within the language of Protocol II. The rationale for the limitation is to avoid conflict with the rights of Sovereign States that were not part of the treaties.

The aim of Article 3 is, to safeguard the human rights of such persons in the specific situations in which they find themselves. The wording of Article, it may be pointed out is identical with that is used in UDHR, 1948 and in ICCPR, 1966. The link between International human rights law and the IHL and the acknowledgement of the fact that they are derived from the same general principles aimed at protecting human beings has become established in current legal theory.³⁵ The IHL and international human rights law have developed along with different lines historically. Yet, despite these two distinct and parallel lines of development which show nonetheless that GC of 1864 enshrines the essential principles of human rights and its necessary universal unbiased recognition, enjoining as it does the duty of equal treatment for all wounded, whether allies or enemies, more and more interconnections have developed, particularly in recent years, owing to the existence of principles common to both. It is to be noted that, in

the event of an armed conflict, the application of the IHL does not necessarily exclude the application of international human rights law. Human beings can consider themselves protected by both sets of standards.³⁶ Though the IHL overlaps international human rights law, yet in no circumstances may its provisions be suspended, as is possible with certain provisions of human rights law in times of war or public emergency threatening the life of a nation. It is generally acknowledged that to deal with an extraordinary situation effectively, it may be necessary to suspend certain human rights guarantees. Art. 4 of the ICCPR recognize this right of states parties to the covenant to take measures derogating from their obligations under the covenant which are necessary to deal with the situation. Article 4 of the ICCPR:

1. In time of public emergency which threatens the life of the nation and the existence of which is officially proclaimed, the States Parties to the present Covenant may take measures derogating from their obligations under the present Covenant to the extent strictly required by the exigencies of the situation, provided that such measures are not inconsistent with their other obligations under international law and do not involve discrimination solely on the ground of race, colour, sex, language, religion or social origin.
2. No derogation from articles 6,7,8 (paragraphs I and 2), 11, 15, 16 and 18 may be made under this provision.
3. Any state party to the present covenant availing itself of the right of derogation shall immediately inform the other States Parties to the present covenant, through the intermediary of the Secretary-General of the United Nations, of the provisions from which it has derogated and of reasons by which it was actuated. A further communication shall be made, through the same intermediary, on the date on which it terminates such derogation. Apart from these limitations certain basic human rights are not suspended even in case of serious emergency situations, thereby, all but the non-derogable provisions, the 'hardcore' of international human rights law, may however be suspended.³⁷

The most important non-derogable rights, which are outlined in Article 4³⁸, are: Every human being has the inherent right to life. This right shall be protected by law. No one shall be arbitrarily deprived of his life. In countries which have not abolished the death penalty, sentence of death may be imposed only for the most serious crimes in accordance with the law in force at the time of the commission of the crime and not contrary to the provisions of the present Covenant and

to the Convention on the Prevention and Punishment of the Crime of Genocide. This penalty can only be carried out pursuant to a final judgement rendered by a competent court. When deprivation of life constitutes the crime of genocide, it is understood that nothing in this article shall authorize any State Party to the present Covenant to derogate in any way from any obligation assumed under the provisions of the Convention on the Prevention and Punishment of the Crime of Genocide. Anyone sentenced to death shall have the right to seek pardon or commutation of the sentence. Amnesty, pardon or commutation of the sentence of death may be granted in all cases. Sentence of death shall not be imposed for crimes committed by persons below eighteen years of age and shall not be carried out on pregnant women.³⁹ The right to be free from inhuman or degrading treatment or punishment.⁴⁰ The freedom from slavery and servitude.⁴¹ The rights to liberty and freedom from arbitrary arrest or detention.⁴² People deprived of their liberty shall be treated with humanity.⁴³ The right privacy and its protection by the law and the freedom of constitutions and religion.⁴⁴ Since these rights are regarded as most basic from at all times, no derogation from them is permitted even during a serious emergency situation. They are expected to afford minimum protection to the people. It is submitted that if greater protection is to be afforded to the people, more and more rights need to be trade treated as non-derogable.

Relationship between Human Rights and IHL

Both IHL and Human Rights Law are international law subjects. All IHL treaties are international in scope; Human Right treaties can be international or regional. Like IHL is applied during the time of war or armed conflicts alone, the law of human rights law applies at all times. The state becomes a party to a Human Rights Treaty bounds within the provisions of the treaty, humanitarian treaties have wider implication. The former indicates how a party to a conflict is to behave in relation to people at its mercy, whereas human rights law concentrates on the rights of the recipients of a certain treatment. There is also difference in the appearance of the treaty texts is that humanitarian law seems long and complex, whereas human rights treaties are comparatively short and simple. Both sets of law protect persons against arbitrary and unnecessary cruel treatment. IHL is to seeks make balance between military necessity and humanity. Developed through practice and then through treaty law; contains a very large number of detailed rules that reflect the balance. Human right expected as rights, and then balance between individual and state

created through limitation clauses and derogation possibilities. Treaty rules brief detail developed through case-law and interpretation by treaty implementation bodies. IHL divided into two main areas; law on the conduct of hostilities and law for the protection of victims. Law on the protection of victims (mostly in four Geneva Conventions 1949). Also, there is a phenomenon in human rights law; which is quit alien to humanitarian law, namely, the concurrent existence of both universal and regional treaties and also treaties make a distance between so-called “civil and politician rights” and “economics, social and cultural” rights. The most important change as for as humanitarian law is concerned is the fact that recourse to war is no longer a legal means of regulating conflict.

In general, humanitarian law is now less received as a code of honour for combatants than as a means of sparing non-combatants as much as possible from the horrors of war.⁴⁵ From human rights point of view, it is on respect for human life and wellbeing; whereas the use of force in is in itself a violation of human rights. Human rights can classified as follows; First generation rights which include civil and political rights, Second generation rights such as economic, social and cultural rights, Third generation rights such as the right of self-determination and the right to participate in the benefits from mankind’s common heritage⁴⁶ and Human rights may be either positive or negative. An example of the former is the right to a fair trial and an example of the latter is the right not to be tortured.⁴⁷ There is less treaty law applicable in non-international armed conflicts then in international.

This is not relevant to human rights law, although issues relating to prisoner-of-war status will affect the application of judicial guarantees to captured persons. HR law traditionally divided into civil and political rights (CPR), and economic social and cultural right (ESCR) (also a third category: group rights). ESCR taken less seriously and use of them requires precise knowledge of how they have been interpreted by the UN Committee for ESCR. There is no such problem for IHL, many provisions of which are ESCR in nature (provision of food, shelter, medical care). Both IHL and HR require national implementation measures to make them reality i.e. legislation, training and publicity. For IHL, both required to some degree training of the military and the legal profession, but obviously more attention needs to be given to the military for IHL and to the legal profession for HR. In addition, both need to be generally known in outline by the general public and all persons in authority or influence. IHL does not have systems like those of HR. There is an international fact-finding

commission which has not been used. A supervisory mechanism exists in that the ICRC has access to prisoners of war (since 1929) and interned civilians (since 1949) in international armed conflicts (including occupation). The ICRC may also offer to visit places of detention in non-international armed conflicts and other situations of violence. This is done very widely.

IHL and international human rights law are two separate branches of international law with a common and complementary purpose to safeguard human dignity in all circumstances. While some of their rules are similar, these two bodies of law have developed separately and are contained in different treaties. Both seek to protect the individual, though they do so in different circumstances and in different ways. Humanitarian law applies in situation of armed conflict whereas human rights, or at least some of them, protect the individual at all times, in war and peace like.

Unlike IHL, many provisions in human rights law may be suspended during an armed conflict. While the purpose of humanitarian law is to protect victims by and endeavoring to limit the suffering caused by war, human rights law seeks to protect the individual and further his/her development. Humanitarian law is primarily concerned with the treatment of persons who have fallen into the hands of the adverse party, and with the manner in which hostilities are conducted, whereas by limiting the power of the State over individuals, human rights essentially seek to prevent arbitrary behaviour. It is not the aim of human rights to regulate the ways in which military operations are conducted. In order to ensure that it is respected, humanitarian law establishes mechanism that institute a form of ongoing control over its implementation; it places the emphasis on cooperation between the parties to the conflict and natural intermediary with a view to preventing violations. Consequently, the approach of ICRC, whose role it is to ensure respect for IHL, gives precedence to persuasion. The mechanism for monitoring human rights are extremely varied. In many case, the appropriate institutions are required to establish whether or not a State has respected the law. For instance, the European court of Human Rights may, upon completion of proceedings brought by an individual, declare that the European Convention on Human Rights has been violated by a national authority. The latter is then obliged to take the steps necessary to ensure that the internal situation meets the requirements of the Convention. The mechanism for implementing

human rights are essentially intended to make good any damage sustained.

Conceptual Similarities in Regards to the Present Context

A conceptual question can be raised that whether human rights law can be applied in armed conflict as well? The philosophical basis on human rights advocates that by virtue of the fact that people are human, they always possess them. The answer in one sense is that they do continue to be applicable because certain rights are known as “hard-core rights”, which the States are bound to respect in all circumstances. However, the major difficulty of applying human rights law as enunciate in the treaties is the very general nature of the treaty language. What is therefore needed is a code of action applicable in advance. Human rights lawyer has constantly turned to humanitarian law because, despite of its different origins and formulation, compliance with it has the result of protecting the most essential rights both civil and economic and social type. The protection of children and family life⁴⁸, respects for religious faith of prisoners of war and detained civilians⁴⁹ is also given a great deal of importance in humanitarian law.

Mutual Influence-Human Rights and Humanitarian Law

In connection of mutual influence Article 3⁵⁰ common to the all four Geneva Conventions reveals a real miniature treaty. It diverges from the traditional approach of humanitarian law, which is principle did not consent itself with the relations between a State and its Nationals.⁵¹ International Conference of Human Rights in Tehran, in 1968 considered as the turning point as U.N. for the first times concerned the application of human rights in armed conflicts. The Commission was set up to promote the implementation of human rights, it does not hesitate to invoke humanitarian law when the situation so requires. It is becoming apparent that legal instruments should be drawn up combining elements of both humanitarian and human rights law in order to provide rules that can be applied if peacetime as well as in wartime. This objective was behind till adoption in 1990 of the declaration of Minimum Humanitarian Standards, the so-called Turku Declaration. This text makes it clear not to take a position on any dichotomy between humanitarian law and human rights law.

Applicability of Humanitarian Law and Human Right

IHL is a branch of international law that provides protection to human beings from the consequence of armed conflicts. The application of humanitarian law as it appears to contravene the general principles of *ex injuria non oritur ius* (no one should obtain a legal benefit from his own illegal action). IHL obviously has much in common with the law of human rights since both the bodies of rules are concerned with the protection of the individuals. The International Court of Justice in *Nicaragua* case had observed that the principles of humanitarian law are identical with the elementary consideration of humanity.⁵² It being so there is a close relationship between the two. The General Assembly of the United Nations has adopted quite a number of resolutions regarding humanitarian law under the title of “Respect of Human Rights in Armed Conflicts”, thus emphasizing for obvious reasons the close relationship existing between them. This question can be answered in various ways. Some claim that ignorance of the law is largely to blame, others that the very nature of war so sills it, or that is because of the international law and therefore humanitarian law is not matched by an effective centralized system for implementing the sanctions, among other things, because of the present day structure of the international community. However, some measures at international level have received warm welcome like the penal repression of war crimes can be seen as one means of implementing humanitarian law.¹⁴ The international community has created a permanent International Criminal Court, which will be competent to try war crimes, crime against humanity and genocide. IHL applies to all armed conflicts as well as non-international armed conflicts (like civil war, civil strife and threshold internal conflicts). The above question was raised and distinction was drawn in two Protocols adopted on June 3, 1977 by the Diplomatic Conference on the Reaffirmation and Development of IHL Applicable in Armed Conflicts, which finally stated that the Humanitarian law is applicable to both the categories of armed conflicts. The extent of applicability of humanitarian law has been extended various areas.

Judicial Attitude: In India also the awareness regarding to the rights of the individual had gone through the pivotal shift as Justice J.S. Verma while addressing United Nations Commission on Human Rights²², detailed the increasing concerns of India and positive contribution to the jurisprudence of human rights and to an

understanding of their universality and indivisibility. The Supreme Court had delivered various judgements to set precedents and had brought radical change in the concept of human rights. The Court had discussed the universality of human rights in *Chairman Railway Board v. Chandrima Das*²³ where the issue related to compensation payable to a foreign tourist who was raped at Yatri-Niwas was at question. The defendant contented that she cannot invoke Article 21 of the Constitution for compensation, because she was not an Indian national. The court overruled the argument, and held that the fundamental rights enshrined in the Constitution are in consonance with the *Universal Declaration of Human Rights*, 1948. Also court while discussing about the rights of the prisoners in *State of AP v. Challa Ramkrishna Reddy*²⁴ held that fundamental rights, which include basic human rights, continue to be available to a prisoner. The Court declared that a prisoner does not cease to be a human being, and his rights can't be seized on the ground of sovereign acts.

Human Rights Law: Enforcement and Implementation

With all the conventions and declarations added up, it would be difficult to imagine the human rights of any individual or a group of individual remaining unprotected. The real problem, therefore, is not an agreement on protection, but regarding implementation and enforcement. The main burden for enforcement must have been carried by some international organization, because in majority of cases an individual's rights are violated by his or her own state, and so one could hardly count upon that state for satisfaction. The paradox is that at least since the end of World War II, the protection of human rights of every person as a general international obligation has been a most prominent topics in international meetings. Yet, it has become binding only on those states that have ratified the relevant conventions along with reservations convenient to the parties. The individual still has to rely mainly on the state to get his her rights, when most likely it is the state which is party to the process of violations. In fact, the maltreatment of nationals by their respective states including those that have signed and ratified different conventions has increased considerably. Despite obstacles to information a rough picture emerges. In its First Report of Torture⁵³, amnesty international discussed a similar number of countries and presented clear evidence that violations take place in most of them.⁵⁴ Again in its report of 1993, "conspiracy of terror" it is reported that millions of men, women and children have

been slaughtered or have disappeared since 1960. They have not the victims of war between nations, but have been the victims of deliberate government policies of repression who were singled out because of their political views, their ethnic origin, or simply because they were poor. Their killings or disappearances have been ordered or condoned by state officials, the very people entrusted with job to protect them.⁵⁵ Since its inception, the UN has been swamped with complaints alleging violations of human rights and fundamental freedoms. In certain situations, such communications are of sufficient volume and weight to create an image of systematic and mass violations of human rights. It was not until 1967 that the UN started to some form of coordinated attention to such communications. Prior to this, the commission on human rights was of the opinion that it had no power to take action with regard to any complaints concerning human rights. This opinion given in 1947 was confirmed by the economic and social council in 1959. However, at present both the commission on Human rights and its sub-commission are authorized by ECOSOC through its resolution of June 6, 1967:

To examine information relevant to gross violations of human rights and fundamental freedom ...Contained in the communication listed – pursuant to resolution.⁵⁶ There are several difficulties with the enforcement by external agencies:

- (i) UN has to justify a violation as a threat to international peace because major function of the UN is to maintenance of peace and security.
- (ii) UN agencies do not generally interfere in matters which fall essentially within the domestic jurisdiction of states.
- (iii) Giving individuals the right to address themselves directly to international agencies would make them subjects of international law, a right which for the obvious reasons the states are reluctant to grant;
- (iv) Many states have conferred specific rights based on universal, generally stated but abstract human rights. International documents do not generally override these national legislations.

A valid domestic jurisdiction defence can no longer be founded on the proposition that the manner in which a state treats its own nationals is ipso facto a matter essentially within its domestic jurisdiction. A government's human rights policy is no longer prima facie a domestic matter. A state engaging in gross violations of human rights must be considered to be violating obligations under the charter and consistently may not be protected by the domestic jurisdiction clause of the charter.⁵⁷

Non-International Armed Conflicts (NIACs) and IHL

Traditionally NIACs were considered as purely internal matters for the states, in which no international law provisions applied. This view was radically modified with the adoption of Art. 3 common to 4 GCs. For the first time, the society of states agreed on a set of minimal guarantees to be respected during NIACs. Prior to 1949 attempts were made by ICRC, but regarded by lawful governments as unfriendly acts of interference in their internal affairs.⁵⁸ In 1864 as result of pioneering work of Henry Dunant, who had been appalled by the brutality of the *battle of Solferino*. In 1868, the declarations of St. Petersburg prohibited the use of small explosive and incendiary projectiles. Laws of war were further codified at the Hague conferences of 1899 and 1907. The 'Martens Clause' it is 'legal safety-net'. Where there are loopholes in the rules of positive law, says the martens clause, then a solution based on basic humanitarian principles must be found.⁵⁹ The law on the protection of the victims of war has been developed, revised and codified in the four Geneva conventions of August 12, 1949. The essence of these Geneva Conventions is the principle that persons not actively engaged in warfare should be treated humanely⁶⁰. Although the GCs of 1949 were primarily aimed at IACs, yet CA 3 did provide in case of NIACs occurring in territory of one of the parties, a series of minimum guarantees for protecting those not taking active part in hostiles including sick and wounded. In *Nicaragua Case* the ICJ held CA 3 to be applied as a minimum yardstick, in addition to the more elaborate rules which are also to apply to CA 3 developed and supplemented by AP-II, 1977.

Collective Responsibility for Implementation of IHL

Breaches of IHL by members of the armed force of a state entail the responsibility in international law of the state concerned. This means that the state must answer to the injured state for the consequences of each and every case of unlawful conduct by each and every member of its armed forces. The injured party may also turn to the ICRC requesting it, as part of its humanitarian work to urge the adverse party to observe the rules of IHL. In *Nicaragua Case*⁶¹, the ICJ stated that the Geneva Conventions were in certain respects the extension of the general principles of International Humanitarian Law and, in another respect, simply the expression of those principles. The object of the principles is the protection of the human being and of inherent

human dignity. They are, therefore not concerned with the interests of the parties to conflict. Grave breaches of the protection provided by IHL are, therefore of concern to more than just the parties directly involved in the conflict. They affect all states bound by the humanitarian conventions. The primary objective of United Nation Charter, to prevent war, to regulate the conduct of it, makes IHL peripheral. In fulfilling this objective, the UN Charter permits the Security Council to authorize use of force under chapter VII⁶². It no doubt that within the competence of the United Nations to act in the event of breaches of IHL. The establishment of ICTY and ICTR shows that UN take the violation of IHL takes threats to peace and security. The UN charter makes no mention of IHL. The UN purposes and principles are expressed in human terms. Therefore, the UN refers to IHL as “human rights in armed conflict.”⁶³ The GCs virtually fail to refer the UN. Under the UN Charter, the main aim of the UN while comforting an armed conflict is to stop it and solve the underlying controversy.

Conclusion

Human rights bodies are now recognizing the importance of judicial guarantees to protect hard-core rights. This is because those drawing up humanitarian law treaties had seen from experience the crucial importance of judicial control in order to avoid arbitrary executions and their inhuman treatment. A perception, of human rights has motivated the perception of honour in combat which has otherwise lost influence in modern society. Given that human rights law is primarily concerned with behaviour within a State, it is possible that resistance to further responsibility in internal armed conflicts will be eroded by human rights pressure.

Although, law of human rights and humanitarian law are different in respect of origin but now IHL is increasingly perceived as part of human rights law applicable in the armed conflict because both are based on human considerations and therefore the subject of both the law is protection of human beings. So, there can be no harm even if both are considered as same as far as there question of application arises because ultimate aim of both the laws is to save the persons from suffering of hell on the earth itself. IHL is applicable all situations. All but the non-derogable provisions the “hard-core” of international human rights law, may however be suspended, under certain conditions. While it is an important rule of international human rights law that all human beings equally benefit from these rights, the traditional

approach of IHL, consistent with its development as inter-state law aims mainly at protecting enemies. Nevertheless, victims or armed conflicts who are not “protected” do not completely lack protection. In conformity with and under the influence of international human rights law, they benefit from a growing number of protective rules, which however, never offer the full protection foreseen for “Protected persons”. The IHL and international human rights law have developed separately. They even vary greatly in content, a fact easily explained by the differences in their fields of application. Human rights law sets limits to the power of the state with respect to all persons subject to its authority, apply all times. IHL is a special law created for war which influences relations between the belligerents for the purpose of guaranteeing the human rights of persons in the power of the enemy. In civil wars, the protections provided under international human rights law and IHL overlap. Though in a state of emergency human rights guarantees are incomplete, yet the well developed international monitoring procedures and implementation mechanisms of human rights treaties supplements the more “indirect” effects of the law Geneva. Human beings can consider themselves protected by both sides of standards. In situations which are not governed by IHL, all human beings are protected by international human rights law, though in exceptional circumstances, the duty to guarantee the exercise of some rights may be waived. Such absolutely fundamental rights, which can be revoked and which must be observed at all times, and in, whatever, circumstances constitutes the essential core of respect for human rights. They are true cases of *Jus-cogens* in the present international situation whose violations entail the nullity of the legal act which infringes them, whatever its nature.

The fundamental Convergence and shared concerns of international human rights law proper and IHL are further borne out by the fact that ICRC has extended its sphere of protective action, on the basis of humanitarian principles but not on those of GCs, to political prisoners, even when they have been imprisoned as a consequence of an armed conflicts, but as result of political repression. This is an application of IHL aimed at protecting certain fundamental human rights i.e., life, liberty, the right not be tortured and not to suffer degrading treatment, by an organ of IHL such as ICRC in a situation which differs from those which have traditionally determined the necessary practical and personal scope of this law. In the time of peace no one wants to think about the kind of situation where IHL is put into practice. Nor is it

easy to foster enthusiasm for legal rules which are beyond people's personal experience. But unless certain efforts are made and steps taken in peacetime, it cannot be expected that these rules will be implemented in time of crisis or war. Frequent violation of humanitarian rules and a widespread ignorance of their content, problems and limits have caused considerable difficulties for acceptance of this part of international law. Plans of action and lists of priorities for the implementation of IHL cannot be worked out unilaterally but only through joint understanding of the practical impact of this field of law even in peacetime. The coexistence of IHL and HRs appears indispensable to render complete and effective legal protection.

Footnotes

- ¹ Tim Hiller, "*Source Book on Public International Law*" P.681 (Cavendish Publishing Ltd., 1998).
- ² A right is an entitlement which one person can bring against another in the permitted legal sphere.
- ³ A.Reis Monteiro, '*Ethics of Human Rights*' p.59 (Springer Cham Heidelberg New York Dordrecht London, 2014)
- ⁴ Babylonian King Hammurabi issued a set of laws to his people which are called Hammurabi's Codes available at www.history.com/topics/ancient-history/hammurabi
- ⁵ From Manu Smiriti to Magna Carta. From French Revolution to American Declaration of Independence. From the Universal Declaration of Human Rights to the Constitution of India.
- ⁶ Tim Hiller, "*Source Book on Public International Law*" P.681 (Cavendish Publishing Ltd., 1998).
- ⁷ <http://www.jstor.org/stable/20024883> accessed on 10-2-2013.
- ⁸ Deshta Sunil (Dr.) & Singh Partap (Dr.), *Human Rights in India*, (2004), p.1 Edn. 1st Allahabad Law Agency.
- ⁹ <http://www.citelegal.com/13-human-rights-history.html> accessed on 14-02-2014
- ¹⁰ See http://avalon.law.yale.edu/18th_century/rightsof.asp. The Declaration contains 17 Articles defining various rights.
- ¹¹ Article 1 provides that men are born and remain free and equal in rights. Social distinctions may be founded only upon the general good.
- ¹² Article 4 provides that liberty consists in the freedom to do everything which injures no one else; hence the exercise of the natural rights of each man has no limits except those which assure to the other members of the society the enjoyment of the same rights. These limits can only be determined by law.

- ¹³ Article 11 stated that the free communication of ideas and opinions is one of the most precious of the rights of man. Every citizen may, accordingly, speak, write, and print with freedom, but shall be responsible for such abuses of this freedom as shall be defined by law.
- ¹⁴ Law is the expression of the general will. Every citizen has a right to participate personally, or through his representative, in its foundation. It must be the same for all, whether it protects or punishes. All citizens, being equal in the eyes of the law, are equally eligible to all dignities and to all public positions and occupations, according to their abilities, and without distinction except that of their virtues and talents. (Article 6)
- ¹⁵ See Virginia Declaration of 1776, The Constitution of the US of 1787, American Bill of Rights 1789, The Geneva Convention 1864.
- ¹⁶ The use of force by one or more States to stop the maltreatment by a State of its own nationals was deemed to be lawful when that conduct was so brutal and large scale as to shock the conscience of mankind.
- ¹⁷ The State by entering into a treaty may internationalize a subject which would otherwise not be regulated by international law.
- ¹⁸ The Covenant of the League of Nations was formed in 1920. Article 22 established the mandates system by which the former colonies of the States which had lost the 1st World War were transformed into so-called mandates of the league and place under the administration of various victorious powers.
- ¹⁹ Ibid.
- ²⁰ Member states of the United Nations pledged to promote respect for the human rights of all. To advance this goal, the UN established a Commission on Human Rights and charged it with the task of drafting a document spelling out the meaning of the fundamental rights and freedoms proclaimed in the Charter. The Commission, guided by Eleanor Roosevelt's forceful leadership, captured the world's attention. On December 10, 1948, the Universal Declaration of Human Rights (UDHR) was adopted by the 56 members of the United Nations. The vote was unanimous, although eight nations chose to abstain.
- ²¹ It contains 30 Articles. The rights enshrined under it includes equality for all (Art. 1), Life, liberty and security (Art. 3), prohibition of inhuman treatment (Art. 5) and arbitrary arrest (Art. 9), fair and public hearing (Art. 10), right to privacy (Art. 12), asylum (Art. 14), marry (Art. 16), own property (Art. 17), social security (Art. 22), rest and leisure (Art. 24), a standard of living adequate for the health and well-being of himself and his family (Art. 25), education (Art. 26), participation in cultural life (Art. 27), and freedom of movement and residence (Art. 13), thought, conscience and religion (Art. 18), opinion and expression (Art. 19), peaceful assembly and association (Art. 20) and presumption of innocence until guilt is proved (Art. 11).

- ²² See generally International Convention on the Elimination of All Forms of Racial Discrimination (1965).
- ²³ International Covenant of Economic, Social and Cultural Rights (ICESCR) and the International Covenant on Civil and Political Rights (ICCPR) (1966). The ICCPR focuses on such issues as the right to life, freedom of speech, religion, and voting. The ICESCR focuses on such issues as food, education, health, and shelter. Both covenants trumpet the extension of rights to all persons and prohibit discrimination.
- ²⁴ Donnelly, J. (1999): The social construction of international human rights. In Dunne, T. & Wheeler, N.J. (eds.): Human rights in global politics. Cambridge : Cambridge University Press : 71 – 102.
- ²⁵ Resolution 1235 of 1967 authorized the UN Commission on Human Rights to make a thorough study of situations which reveal a consistent pattern of violations of human rights as exemplified by the policy of apartheid as practiced in the Republic of South Africa and racial discriminations as practiced notably in Southern Rhodesia and Resolution 1503 of 1970 empowered the UN Sub-Commission on prevention of Discrimination and Protection of Minorities.
- ²⁶ Convention Relating to the Status of Refugees, 1951.
- ²⁷ Convention on the Elimination of All Forms of Discrimination against Women, 1979.
- ²⁸ Convention on the Rights of the Child, 1989.
- ²⁹ For example, African states have created their own Charter of Human and People's Rights (1981), and Muslim states have created the Cairo Declaration on Human Rights in Islam (1990).
- ³⁰ Jimmy Gurule, Geoffrey Corn, '*Gurule and Corn's Principles of Counter-Terrorism Law (Concise Hornbook Series)*' P.57 (Thomson Reuters 2011).
- ³¹ Supra 30.
- ³² J John O'Brien, '*International Law*' P.6 (Cavendish Publishing Limited Edn. 2001).
- ³³ J.S. Starke, "Introduction to International Law". 10th ed. 1989.
- ³⁴ Article 3 states that: Persons taking no active part in the hostilities, including members of armed forces who have laid down their arms and those placed hors de combat by sickness, wounds, detention, or any other cause, shall in all circumstances be treated humanely, without any adverse distinction founded on race, colour, religion or faith, sex, birth or wealth, or any other similar criteria. To this end, the following acts are and shall remain prohibited at any time and in any place whatsoever with respect to the above-mentioned persons: violence to life and person, in particular murder of all kinds, mutilation, cruel treatment and torture; taking of hostages; outrages upon dignity, in particular humiliating and degrading treatment; and the passing of sentences and the carrying out of executions without previous judgement pronounced by a regularly constituted court,

affording all the judicial guarantees which are recognized as indispensable by civilized peoples. The wounded and sick shall be collected and cared for.

³⁵ J. Moreillon, “The fundamental principles of the Red Cross, peace and Human Rights”. Geneva-ICRC. 1980.

³⁶ Noor Mohd Bilal, “*International human rights law and IHL*” XII KULR (2005) p. 82.

³⁷ Marco Sassoli, A Bouvier, “*How Does Law Protect in War?*” (ICRC-1999) P.264

³⁸ Derogation of rights to be limited to specific circumstances, certain rights may not be derogated from and derogation must be consistent with certain rules.

³⁹ Article 6 of ICCPR, 1966

⁴⁰ Article 7 of ICCPR, 1966

⁴¹ Article 8 of ICCPR, 1966

⁴² Article 9 of ICCPR, 1966

⁴³ Article 10 of ICCPR, 1966

⁴⁴ Article 17 and 18 of ICCPR, 1966

⁴⁵ The main justification of the continued applicability of humanitarian law is that most of the rules have as their aim the protection of the vulnerable in armed conflict and that these rules can, be applied in practice only if they are applicable to both sides. Further, as with human rights philosophy, humanitarian law has as its major premise the applicability of protection of all persons, irrespective of whether the individuals are perceived as – “good” or “bad”.

⁴⁶ P. L. Mehta and S. S. Jaswal, “Human Rights: Concept and Ideology”, 30 (1&2) Indian Socio Legal Journal (2004) at 83-85.

⁴⁷ Human Rights (J. R. Pennock and J. W. Chapman, New York: New York University Press, 1981) at 19-21.

⁴⁸ The article are too numerous to list individually, but the majority is to be found in the Third and Fourth Geneva Conventions and their Additional Protocols.

⁴⁹ Article 34, Third Geneva Convention, and Articles 27 and 38(3), Fourth Geneva Convention.

⁵⁰ Articles 3 lays down the basic rules which States are required to respect when confronted with armed groups on their own territory.

⁵¹ Although the Lieber Code did make some mention of forms of protection that could be accorded in civil wars, treaty law did not do so until common Article 3 of the Geneva Conventions.

⁵² ICJ Report 986, p. 112. ut there are certain reasons why humanitarian laws are not always respected and violations are not always repressed?

⁵³ Amnesty international, report on torture (1973).

⁵⁴ Amnesty international, Torture in the eighties” (1984).

- ⁵⁵ Amnesty international briefing, “political killings and disappearances in 1990s” (Oct. 1993).
- ⁵⁶ ECOSOC Res. 1235 (XLII) June-6, 1967
- ⁵⁷ Jusctice Mohd. Haleem, “the domestic application of international human rights norms”. In developing Human Rights jurisprudence” (Common Wealth Secretriatic-1988) p-22.
- ⁵⁸ Ralf Zaklin, “International Law and the promotion of Civilins victims of NIACs” in M L Nawaz (Ed.) essay on International Law. (1975) P.285
- ⁵⁹ Hans Peter Gasser, “International Humanitarian Law-An Introduction” (Henery Dunant Institute Haupt-1933) p. 10.
- ⁶⁰ Malcolm Shaw, “International Law” (4th ed, 1997) P. 807.
- ⁶¹ ICJ (1986) Para 218
- ⁶² Action with Respect to Threats to the Peace, Breaches of the Peace, and Acts of Aggression Articles 39 to 51.
- ⁶³ UNGA Res.2444 of Dec. 19, 1968.

Corporate Communication

Dr. Saad Bin Hamid

Corporate communications is a set of activities involved in managing and orchestrating all internal and external communications aimed at creating favourable point of view among stakeholders on which the company depends. It is the messages issued by a corporate organization, body, or institute to its audiences, such as employees, media, channel partners and the general public. Organizations aim to communicate the same message to all its stakeholders, to transmit coherence, credibility and ethic. Corporate Communications help organizations explain their mission, combine its many visions and values into a cohesive message to stakeholders. The concept of corporate communication could be seen as an integrative communication structure linking stakeholders to the organization.

Methods and Tactics

Three principal clusters of task-planning and communication form the backbone of business and the activity of business organizations. These include *management communication*, *marketing communication*, and *organizational communication*.

- *Management communication* takes place between management and its internal and external audiences. To support management communication, organizations rely heavily on specialists in marketing communication and organizational communication.
- *Marketing communication* gets the bulk of the budgets in most organizations, and consists of product advertising, direct mail, personal selling, and sponsorship activities.
- *Organizational communication* consist of specialists in public relations, public affairs, investor relations, environmental communications, corporate advertising, and employee communication.

The responsibilities of corporate communication are:

- to flesh out the profile of the “company behind the brand” (corporate branding)

- to minimize discrepancies between the company's desired identity and brand features
- to delegate tasks in communication
- to formulate and execute effective procedures to make decisions on communication matters.
- to mobilize internal and external support for corporate objectives
- to coordinate with international business firms

A conferences Board Study of hundreds of the US's largest firms showed that close to 80 percent have corporate communication functions that include media relations, speech writing, employee communication, corporate advertising, and community relations. The public is often represented by self-appointed activist non-governmental organizations (NGOs) who identify themselves with a particular issue.

Most companies have specialized groups of professionals for communicating with different audiences, such internal communication, marketing communication, investor relations, government relations and public relations.

Components

Corporate branding: A corporate brand is the perception of a company that unites a group of products of services for the public under a single name, a shared visual identity, and a common set of symbols. The process of corporate branding consists creating favourable associations and positive reputation with both internal and external stakeholders. The purpose of a corporate branding initiative is to generate a positive halo over the products and businesses of the company, imparting more favourable impressions of those products and businesses.

In more general terms, research suggests that corporate branding is an appropriate strategy for companies to implement when:

- there is significant "information asymmetry" between a company and its clients; that is to say customers are much less informed about a company's products than the company itself is;
- customers perceive a high degree of risk in purchasing the products or services of the company;
- features of the company behind the brand would be relevant to the product or service a customer is considering purchasing.

Corporate and Organizational Identity

There are two approaches for identity:

- Corporate identity is the reality and uniqueness of an organization, which is integrally related to its external and internal image and reputation through corporate communication.
- Organizational identity comprises those characteristics of an organization that its members believe are central, distinctive and enduring. That is, organizational identity consists of those attributes that members feel are fundamental to (central) and uniquely descriptive of (distinctive) the organization and that persists within the organization over time (enduring).

Four types of identity can be distinguished:

- **Perceived identity:** The collection of attributes that are seen as typical for the 'continuity, centrality and uniqueness' of the organization in the eyes of its members.
- **Projected identity:** The self presentations of the organization's attributes manifested in the implicit and explicit signals which the organization broadcasts to internal and external target audiences through communication and symbols.
- **Desired identity (also called 'ideal' identity):** The idealized picture that top managers hold of what the organization could evolve into under their leadership.

Applied identity: The signals that an organization broadcasts both consciously and unconsciously through behaviours and initiatives at all levels within the organization.

Corporate Responsibility

Corporate responsibility (often referred to as corporate social responsibility), corporate citizenship, sustainability, and even conscious capitalism are some of the terms bandied about the news media and corporate marketing efforts as companies jockey to win the trust and loyalty of constituents. Corporate Responsibility (CR) constitutes an organization's respect for society's interests, demonstrated by taking ownership of the effects its activities have on key constituencies including customers, employees, shareholders, communities, and the environment, in all parts of their operations. In short, CR prompts a corporation to look beyond its traditional bottom line, to the social implications of its business.

Corporate Reputation

Reputations are overall assessments of organizations by their stakeholders. They are aggregate perceptions by stakeholders of an organization's ability to fulfill their expectations, whether these stakeholders are interested in buying the company's products, working for the company, or investing in the company's shares.

In 2000, the US-based Council of PR Firms identified seven programmes developed by either media organizations or market research firms, used by companies to assess or benchmark their corporate reputations. Of these, only four are conducted regularly and have broad visibility:

- "America's Most Admired Companies" by Fortune Magazine;
- The "Brand Asset Valuator" by Young & Rubicam;
- "Rep Trak" by Reputation Institute.
- "Best Global Brands" by Interbrand.

Crisis Communications

Crisis communication is sometimes considered a sub-speciality of the public relations profession that is designed to protect and defend an individual, company, or organization facing a public challenge to its reputation.

These challenges may come in the form of an investigation from a government agency, a criminal allegation, a media enquiry, a shareholders lawsuit, a violation of environmental regulations, or any of a number of other scenarios involving the legal, ethical, or financial standing of the entity. The crisis for organizations can be defined as follows:

A crisis is a major catastrophe that may occur either naturally or as a result of human error, intervention, or even malicious intent. It can include tangible devastation, such as the destruction of lives or assets, or intangible devastation, such as the loss of an organization's credibility or other reputational damage. The latter outcomes may be the result of management's response to tangible devastation or the result of human error. A crisis usually has significant actual or potential financial impact on a company, and it usually affects multiple constituencies in more than one market.

Internal/Employee Communications

As the extent of communication grows, many companies create an employee relations (ER) function with dedicated staff to manage the

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numerous media through which senior managers can communicate among themselves and with the rest of the organization. Internal communication in the 21st century is more than the memos, publications, and broadcasts that comprise it; it's about building a corporate culture on values that drive organizational excellence. ER specialists are generally expected to fulfill one or more of the following four roles:

- *Efficiency*: Internal communication is used primarily to disseminate information about corporate activities.
- *Shared meaning*: Internal communication is used to build a shared understanding among employees about corporate goals.
- *Connectivity*: Internal communication is used mainly to clarify to connectedness of the company's people and activities.
- *Satisfaction*: Internal communication is used to improve job satisfaction throughout the company.

Investor Relations

The investor relations (IR) function is used by companies which publicly trade shares on a stock exchange. In such companies, the purpose of the IR specialist is to interface with current and potential financial stakeholders-namely retail investors, institutional investors, and financial analysts.

The role of investor relations is to fulfill three principal functions:

- comply with regulations;
- create a favourable relationship with key financial audiences;
- contribute to building and maintaining the company's image and reputation.

Public Relations: Issues Management and Media Relations

The role of the public relations specialist, in many ways, is to communicate with the general public in ways that serve the interests of the company. PR therefore consists of numerous specialty areas that convey information about the company to the public, including sponsorships, events, issues management and media relations. When executing these types of activities, the PR specialist must incorporate broader corporate messages to convey the company's strategic positioning. This ensures the PR activities ultimately convey messages that distinguish the company vis-à-vis its competitors and the overall

marketplace, while also communicating the company's value to target audiences.

Issues Management

A key role of the PR specialist is to make the company better known for traits and attributes that build the company's perceived distinctiveness and competitiveness with the public. In recent years, PR specialists have become increasingly involved in helping companies manage strategic issues – public concerns about their activities that are frequently magnified by special interest groups and NGOs. The role of the PR specialist therefore also consists of issues management, namely the “set of organizational procedures, routines, personnel, and issues”. A strategic issue is one that compels a company to deal with it because there is “a conflict between two or more identifiable groups over procedural or substantive matters relating to the distribution of positions or resources”.

Media Relations

To build better relationships with the media, organizations must cultivate positive relations with influential members of the media. This task might be handled by employees within the company's media relations department or handled by a public relations firm.

Company/Spokesperson Profiling

These “public faces” are considered authorities in their respective sector/field and ensure the company/organization is in the limelight.

- Managing content of corporate websites and/or other external touch points.
- Managing corporate publication – for the external world
- Managing print media

Formal and Informal Communication Networks

A communication network refers to how information flow within the organization. Information within an organization generally flow through a system, rather than being a free flow. In the words of Adler, “Communication networks are regular patterns of person-to-person relationships through which information flows in an organization.”

This means that the flow of information is managed, regulated, and structured.

Communication networks may be formal or informal. We will deal with each of these in some detail.

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Formal Communication Network – A formal communication network is one which is created by management and described with the help of an organizational chart. An organizational chart specifies the hierarchy and the reporting system in the organization. Therefore, in a formal network, information is passed on only through official channels such as memos, bulletins and intranet (email within the organization).

The organizational chart implies that information can flow in any of three directions – vertically, i.e., upward or downward, and horizontally.

1. Upward Communication – This may be defined as information that flows from subordinates to superiors. Some of the reasons for upward communication include discussing work related problems, giving suggestions for improvement and sharing feelings about the job and co-workers.

This type of communication has both benefits and disadvantages. One of the biggest benefits is problem-solving. Once a subordinate has brought a problem to his superior's notice, chances are that the problem will not recur, since the subordinate learns from his superior how to tackle it the next time. Thus, his ability to solve new problems and therefore his managerial ability, improves. Another benefit that could arise from upward communication is that valuable ideas and suggestions may sometimes come from lower level employees. Therefore organizations should encourage this kind of communication.

A third benefit is that employees learn to accept the decisions of management and thereby work as a team.

The biggest problem associated with this type of communication is that it may lead to “handing down” of decisions by superiors. When subordinates frequently seek the superior's guidance, the latter may adopt an authoritarian approach and merely give instructions, disregarding the subordinate's opinion completely.

2. Downward Communication – This may be defined as information that flows from superiors to subordinates. The most common reasons for downward communication are for giving job instructions, explaining company rules, policies and procedures and giving feedback regarding job performance. A number of studies have indicated that regular downward communication in the form of feedback given to employees is the most important factor affecting job satisfaction. Therefore, organizations today are trying to encourage more of this type of communication.

There are both benefits and disadvantages associated with this type of communication. Downward communication that provides regular feedback will be beneficial if the feedback or review of performance is constructive. A constructive review is one where a manager “counsels” an employee, or advises him on how to improve his performance. On the other hand, a destructive review can destroy employee morale and confidence. Regular downward communication also creates a climate of transparency or openness, where information is passed on through official channels, rather than through rumours.

Thirdly, downward communication boosts employee morale, since it indicates that management is involved in their progress. The problems with this type of communication are the danger of doing destructive reviews, as mentioned, and that of “message overload”. This means that superiors may sometimes burden their subordinates with too many instructions, leading to confusion.

3. Horizontal Communication – This type of communication also known as “lateral” communication. It may be defined as communication that takes place between co-workers in the same department, or in different departments, with different areas of responsibility. For example, Sales Managers and Advertising Managers in the Marketing department or Marketing Managers and Finance Manager.

The reason for this type of communications are for coordination of tasks, sharing of information regarding goals of the organization, resolving interpersonal or work related problems and building rapport.

The biggest potential benefit of horizontal communication is the sense of teamwork that is created. Regular communication of this type ensures that all co-workers work together towards achieving a common goal in the overall interest of the organization. The biggest potential problem is that conflicts such as ego clashes are bound to arise, when co-workers at the same level communicate on a regular basis.

In spite of these problems, horizontal or lateral communication has become more important in today’s business scenario than upward or downward communication. This is because the “organizational pyramid” indicating the different hierarchies or levels in an organization has flattened. This is illustrated by the diagrams given below.

Informal Communication Network – Another name for informal networks is the “grapevine”. In this type of network, information does not flow in a particular direction, as we have seen with formal networks. The information is also not passed on through official channels such as memos, notices or bulletin boards. The information need not be

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circulated within the organization, but could be passed on outside the work environment, wherever co-workers or colleagues meet socially. Thus, informal networks are based more on friendship, shared personal or career interests.

Example – Co-workers may meet outside the work environment at a company picnic, party or a car pool and discuss areas of common interest that may or may not be work related. Information may then be passed on to each other about happenings in the company, such as layoffs, the company's plans for acquisitions and so on.

This type of informal network is not just for idle rumours and may be useful in many ways. First of all, it sometimes fill in the "transparency gaps" left by formal networks. Such gaps usually occur during times of crisis such as strikes or layoffs. The strikes and layoffs may not be officially announced. Secondly, it may help to confirm important information, such as the fact that the company is going in for a major acquisition. Thirdly, the grapevine can be used for a constructive purpose by the organization.

Example – The government could get the press to publish news in the local paper that there is going to be a petrol price hike soon, just to test the reactions of the general public. If the reaction is negative, then the news may be withdrawn on the basis that it is just a rumour. Similarly, organizations could deliberately plant proposals in the minds of their employees, just to test their reactions.

Given that informal communication networks have their advantages, they should not be suppressed as rumours. On the contrary, competent managers should accept the informal network. At the same time, they should make efforts to counter false rumours and to ensure transparency through the formal network. This means making all types of information – both positive and negative, available to everyone in the organization through official channels.

To conclude, it should be remembered that both formal and informal networks should be cultivated and allowed to co-exist, so that information of all types flows freely to all levels in the organization.

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Corporate Social Responsibility and Financial Performance

Sonam Tomar

Community development (CD) is a broad term applied to the practices and academic disciplines of civic leaders, activists, involved citizens and professionals to improve various aspects of local communities.

Community development seeks to empower individuals and groups of people by providing these groups with the skills they need to affect change in their own communities. These skills are often concentrated around building political power through the formation of large social groups working for a common agenda. Community developers must understand both how to work with individuals and how to affect communities' positions within the context of larger social institutions.

There are complementary definitions of community development. The Community Development Challenge report, which was produced by a working party comprising leading UK organizations in the field (including Community Development Foundation, Community Development Exchange and the Federation of Community Development Learning) defines community development as:

“A set of values and practices which plays a special role in overcoming poverty and disadvantage, knitting society together at the grass root and deepening democracy. There is a CD profession, defined by national occupational standards and a body of theory and experience going back the best part of a century. There are active citizens who use CD techniques on a voluntary basis, and there are also other professions and agencies which use a CD approach or some aspects of it.”

Community Development Exchange defines community development as:

“Both an occupation (such as a community development worker in a local authority) and a way of working with communities. Its key

purpose is to build communities based on justice, equality and mutual respect.”

Community development involves changing the relationships between ordinary people and people in positions of power, so that everyone can take part in the issues that affect their lives. It starts from the principle that within any community there is a wealth of knowledge and experience which, if used in creative ways, can be channelled into collective action to achieve the communities’ desired goals. Community development practitioners work alongside people in communities to help build relationships with key people and organisations and to identify common concerns. They create opportunities for the community to learn new skills and, by enabling people to act together, community development practitioners help to foster social inclusion and equality.

A number of different approaches to community development can be recognized, including: community economic development (CED); community capacity building; Social capital formation; political participatory development; nonviolent direct action; ecologically sustainable development; asset-based community development; faith-based community development; community practice social work; community-based participatory research (CBPR); Community Mobilization; community empowerment; community participation; participatory planning including community-based planning (CBP); community-driven development (CDD); and approaches to funding communities directly.

The History of Community Development

Community development has been a sometimes explicit, sometimes implicit goal of community people, aiming to achieve, through collective effort, a better life, and has occurred throughout history.

In the Global North

In the 19th century, the work of the early socialist thinker Robert Owen (1771-1851), sought to create a more perfect community. At new Lanark and at later communities such as Oneida in the USA and the New Australia Movement in Australia, groups of people came together to create utopian or intentional utopian communities, with mixed success.

In the United States in the 1960s, the term “community development” began to complement and generally replace the idea of urban renewal, which typically focused on physical development

projects often at the expense of working-class communities. In the late 1960s, philanthropies such as the Ford Foundation and government official such as Senator Robert F. Kennedy took an interest in local nonprofit organizations – a pioneer was the Bedford-Stuyvesant Restoration Corporation in Brooklyn – that attempted to apply business and management skills to the social mission of uplifting low-income residents and their neighborhoods. Eventually such groups became known as “Community Development Corporations” or CDCs. Federal laws beginning with the 1974 Housing and Community Development Act provided a way for state and municipal governments to channel funds to CDCs and other nonprofit organizations.

National organizations such as the Neighborhood Reinvestment Corporation (founded in 1978 and now known as Neighbor Works America), the Local Initiatives Support Corporation (founded in 1980 and known as LISC), and the Enterprise Foundation (founded in 1981) have built extensive networks of affiliated local nonprofit organizations to which they help provide financing for countless physical and social development programs in urban and rural communities.

The CDCs and similar organizations have been credited with starting the process that stabilized and revived seemingly hopeless inner-city areas such as the South Bronx in New York City.

In the Global South

Community planning techniques drawing on the history of utopian movements became important in the 1920s and 1930s in East Africa, where Community Development proposals were seen as a way of helping local people improve their own lives with indirect assistance from colonial authorities.

Mohondas K. Gandhi adopted African community development ideals as a basis of his South African Ashram, and then introduced it as a part of the Indian Swaraj movement, aiming at establishing economic interdependence at village level throughout India. With Indian independence, despite the continuing work of Vinoba Bhave in encouraging grassroots land reform, India under its first Prime Minister Jawaharlal Nehru adopted a mixed-economy approach, mixing elements of socialism and capitalism. During the fifties and sixties, India ran a massive community development programme with focus on rural development activities through government support. This was later expanded in scope and was called integrated rural development scheme (IRDP). A large number of initiatives that can come under the community development umbrella have come up in recent years.

Community Development became a part of the Ujamaa Villages established in Tanzania by Julius Nyerere, where it had some success in assisting with the delivery of education services throughout rural areas, but has elsewhere met with mixed success. In the 1970s and 1980s, Community Development became a part of “Integrated Rural Development”, a strategy promoted by United Nations Agencies and the World Bank. Central to these policies of community development were

- Adult Literacy Programs, drawing on the work of Brazilian educator Paulo Freire and the “Each One Teach One” adult literacy teaching method conceived by Frank Laubach.
- Youth and Women’s Groups, following the work of the Serowe Brigades of Botswana, of Patrick van Rensburg.
- Development of Community Business Ventures and particularly cooperatives, in part drawn on the examples of Jose Maria Arizmendiarieta and the Mondragon Cooperatives of the Basque Region of Spain.
- Compensatory Education for those missing out in the formal education system, drawing on the work of Open Education as pioneered by Michael Young.
- Dissemination of Alternative Technologies, based upon the work of E. F. Schumacher as advocated in his book *Small is Beautiful: Economics as if people really mattered*
- Village Nutrition Programs and Permaculture Projects, based upon the work of Australian Bill Mollison and David Holmgren.
- Village Water Supply Programs.

Community development in Canada has roots in the development of co-operatives, credit unions and caisses populaires. The Antigonish Movement which started in the 1920s in Nova Scotia, through the work of Doctor Moses Coady and Father James Tompkins, has been particularly influential in the subsequent expansion of community economic development work across Canada.

In the 1990s, following critiques of the mixed success of “top down” government programs, and drawing on the work of Robert Putnam, in the rediscovery of Social Capital, community development internationally became concerned with social capital formation. In particular the outstanding success of the work of Muhammad Yunus in Bangladesh with the Grameen Bank, has led to the attempts to spread microenterprise credit schemes around the world. This work was honoured by the 2006 Nobel Peace Prize.

The “Human Scale Development” work of Right Livelihood Award winning Chilean economist Manfred Max Neef promotes the idea of development based upon fundamental human needs, which are considered to be limited, universal and invariant to all human beings (being a part of our human condition). He considers that poverty results from the failure to satisfy a particular human need, it is not just an absence of money. Whilst human needs are limited, Max Neef shows that the ways of satisfying human needs is potentially unlimited. Satisfiers also have different characteristics: they can be violators or destroyers, pseudo satisfiers, inhibiting satisfiers, singular satisfiers, or synergic satisfiers. Max-Neef shows that certain satisfiers, promoted as satisfying a particular need, in fact inhibit or destroy the possibility of satisfying other needs: eg, the arms race, while ostensibly satisfying the need for protection, in fact then destroys subsistence, participation, affection and freedom; formal democracy, which is supposed to meet the need for participation often disempowers and alienates; commercial television, while used to satisfy the need for recreation, interferes with understanding, creativity and identity. Synergic satisfiers, on the other hand, not only satisfy one particular need, but also lead to satisfaction in other areas: some examples are breast-feeding; self-managed production; popular education; democratic community organizations; preventative medicine; mediation; educational games.

Poverty Alleviation

Poverty has historically been accepted as inevitable as non-industrialized economies produced very little while populations grew almost as fast making wealth scarce. Poverty reduction, or poverty alleviation, has been largely as a result of overall economic growth. Food shortages were common before modern agricultural technology and in places that lack them today, such as nitrogen fertilizers, pesticides and irrigation methods. The dawn of industrial revolution led to high economic growth, eliminating mass poverty in what is now considered the developed world. World GDP per person quintupled during the 20th century. In 1820, 75% of humanity lived on less than a dollar a day, while in 2001, only about 20% do.

Today, continued economic development is constrained by the lack of economic freedoms. Economic liberalization requires extending property rights to the poor, especially to land. Financial services, notably savings, can be made accessible to the poor through technology, such as mobile banking. Inefficient institutions, corruption and political instability can also discourage investment. Aid and government support

in health, education and infrastructure helps growth by increasing human and physical capital.

Poverty alleviation also involves improving the living conditions of people who are already poor. Aid, particularly in medical and scientific areas, is essential in providing better lives, such as the green revolution and the eradication of smallpox. Problems with today's development aid include the high proportion of tied aid, which mandates receiving nations to buy products, often more expensive, originating only from donor countries. Nevertheless, some believe (Peter Singer in his book *The Life Can Save*) that small changes in the way each of us in affluent nations lives our lives could solve world poverty.

Economic Liberalization

Extending property rights protection to the poor is one of the most important poverty reduction strategy a nation could take. Securing property rights to land, the largest asset for most societies, is vital to their economic freedom. The World Bank concludes increasing land rights in 'the key to reducing poverty' citing that land rights greatly increase poor people's wealth, in some cases doubling it. It is estimated that state recognition of the property of the poor would give them assets worth 40 times all the foreign aid since 1945. Although approaches varied, the World Bank said the key issues were security of tenure and ensuring land transactions were low cost. In China and India, noted reductions in poverty in recent decades have occurred mostly as a result of abandonment of collective farming in China and the cutting of government red tape in India.

New enterprises and foreign investment can be driven away by the results of inefficient institutions, notably corruption, weak rule of law and excessive bureaucratic burdens. It takes two days, two bureaucratic procedures, and \$280 to open a business in Canada while an entrepreneur in Bolivia must pay \$2,696 in fees, wait 82 business days, and go through 20 procedures to do the same. Such costly barriers favour big firms at the expense of small enterprises, where most jobs are created. In India before economic reforms, businesses had to bribe government officials even for routine activities, which was a tax on business in effect.

However, ending government sponsorship of social programs is sometimes advocated as a free market principle with tragic consequences. For example, the World Bank presses poor nations to eliminate subsidies for fertilizer even while many farmers cannot afford them at market prices. The reconfiguration of public financing in former

Soviet states during their transition to a market economy called for reduced spending on health and education, sharply increasing poverty.

Trade liberalization increases total surplus of trading nations. Remittances sent to poor countries, such as India, are sometimes larger than foreign direct investment and total remittances are more than double aid flows from OECD countries. Foreign investment and export industries helped fuel the economic expansion of fast growing Asian nations. However, trade rules are often unfair as they block access to richer nations' markets and ban poorer nations from supporting their industries. Processed products from poorer nations, in contrast to raw materials, get vastly higher tariffs at richer nations' ports. A University of Toronto study found the dropping of duty charges on thousands of products from African nations because of the African Growth and Opportunity Act was directly responsible for a "surprisingly large" increase in imports from Africa. Deals can sometimes be negotiated to favour the developing country such as in China, where laws compel foreign multinationals to train their future Chinese competitors in strategic industries and render themselves redundant in the long term. In Thailand, the 51 percent rule compels multinational corporations starting operations in Thailand give 51 percent control to a Thai company in a joint venture.

Capital Infrastructure and Technology

Long run economic growth per person is achieved through increases in capital (factors that increase productivity), both human and physical, and technology. Improving human capital, in the form of health, is needed for economic growth. Nations do not necessarily need wealth to gain health. For example, Sri Lanka had a maternal mortality rate of 2% in the 1930s, higher than any nation today. It reduced it to 0.5-0.6% in the 1950s and to 0.06% today. However, it was spending less each year on maternal health because it learned what worked and what did not. Knowledge on the cost effectiveness of healthcare interventions can be elusive but educational measures to disseminate what works are available, such as the disease control priorities project. Promoting hand washing is one of the most cost effective health intervention and can cut deaths from the major childhood diseases of diarrhea and pneumonia by half.

Human capital, in the form of education, is an even more important determinant of economic growth than physical capital. Deworming

children costs about 50 cents per child per year and reduces non-attendance from anemia, illness and malnutrition and is only a twenty-fifth as expensive to increase school attendance as by constructing schools.

UN economists argue that good infrastructure, such as roads and information networks, helps market reforms to work. China claims it is investing in railways, roads, ports and rural telephones in African countries as part of its formula for economic development. It was the technology of the steam engine that originally began the dramatic decreases in poverty levels. Cell phone technology brings the market to poor or rural sections. With necessary information, remote farmers can produce specific crops to sell to the buyers that brings the best price.

Such technology also helps bring economic freedom by making financial services accessible to the poor. Those in poverty place overwhelming importance on having a safe place to save money, much more so than receiving loans. Also, a large part of microfinance loans are spent on products that would usually be paid by a checking or saving account. Mobile banking addresses the problem of the heavy regulation and costly maintenance of saving accounts. Mobile financial services in the developing world, ahead of the developed world in this respect, could be worth \$5 billion by 2012. Safaricom's M-Pesa launched one of the first systems where a network of agents of mostly shopkeepers, instead of bank branches, would take deposits in cash and translate these onto a virtual account on customers' phones. Cash transfers can be done between phones and issued back in cash with a small commission, making remittances safer.

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Jawahar Lal Nehru and Industrial Policy of Independent India

Aynal Hoque

Economic Policies

Nehru presided over the introduction of a modified, India version of state planning and control over the economy. Creating the Planning commission of India, Nehru drew up the first Five-Year Plan in 1951, which charted the government's investments in industries and agriculture. Increasing business and income taxes, Nehru envisaged a mixed economy in which the government would manage strategic industries such as mining, electricity and heavy industries, serving public interest and a check to private enterprise.

Nehru pursued land redistribution and launched programmes to build irrigation canals, dams and spread the use of fertilizers to increase agricultural production. He also pioneered a series of *community development programs* aimed at spreading diverse cottage industries and increasing efficiency into rural India. While encouraging the construction of large dams (which Nehru called the "new temples of India"), irrigation works and the generation of hydroelectricity, Nehru also launched India's programme to harness nuclear energy.

For most of Nehru's term as prime minister, India would continue to face serious food shortages despite progress and increases in agricultural production. Nehru's industrial policies, summarized in the Industrial Policy Resolution of 1956, encouraged the growth of diverse manufacturing and heavy industries, yet state planning, controls and regulations began to impair productivity, quality and profitability. Although the Indian economy enjoyed a steady rate of growth, chronic unemployment amidst widespread poverty continued to plague the population.

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Mixed Economy

A mixed economy is an economic system that includes a variety of private and government control, or a mixture of capitalism and socialism.

There is not one single definition for a mixed economy, but relevant aspects include: a degree of private economic freedom (including privately owned industry) intermingled with centralized economic planning and government regulation (which may include regulation of the market for environmental concerns, social welfare or efficiency, or state ownership and management of some of the means of production for national or social objectives).

For some states, there is not a consensus on whether they are capitalist, socialist, or mixed economies. Economies ranging from the United States to Cuba have been termed mixed economies.

The mixed economy as an economic ideal is supported by social democrats as a compromise between socialism and free-market capitalism, among others.

Economic Policies of Jawaharlal Nehru

To economic policies of Jawaharlal Nehru have been subject to much controversy in the past few decades. However, it is important to place Nehru's economic policies in context for a proper appreciation of his policies. Nehru's commitment to the cause of India's development remains unquestioned, and it is no doubt that much of his plans and speculations were jeopardized by the unexpected partition that came along with the independence of India, which brought about an unprecedented fissure in the economic resources of the India mainland. Nehru himself confessed that the partition brought about a large share of problems, including a great rift in the agricultural and the industrial sectors.

A large portion of the most productive agricultural lands fell in Pakistan whereas the corresponding industries remained in Indian dominion. The problem faced by the Jute industry soon after Independence can be stated as a case in the point. The jute producing areas were in Pakistan whereas the Jute processing factories remained in India, thereby affecting jute productions on both sides of the border.

Early Economic Reforms of Nehru: Nehru started his career as the Prime Minister of independent India in 1947, and immediately launched a number of economic reforms. Nehru was a firm believer in state control over the economic sectors. His socialist ideals revealed

themselves in the way he introduced laws for land redistribution, in order to curtail the economic disparity in India among the landed and the landless classes. One of Nehru's key economic reforms was the introduction of the Five Years Plan in 1951. It was introduced to determine the mode of government expenditure and grants in important development sectors like agriculture, industries and education.

The Ideology guiding Nehru's Economic Policies: Nehru's economic policies have often been considered to be Socialist in nature. It is no doubt that Socialism did play a very important role in Nehru's ideological make-up. But at the same time, it is also important to consider that Nehru himself denied any kind of overt Socialist tendencies in the economic policies adopted by him. Nehru advocated a kind of mixed economy. Any kind of unquestioned ideological adherence to any form of economic tenet, or 'ism', he realized, would be detrimental to India's growth. He wanted a practical approach in farming the Indian economy, which would suit best the country's needs. On the one hand, as a devoted Gandhian, he had strong belief in the betterment of rural economy. On the other hand, he had a strong belief that heavy industrial development would be the best way to serve India's economic interests.

Nehru's Industrial Policies: Nehru wanted to create a balance between the rural and the urban sectors in his economic policies. He stated there was no contradiction between the two and that both could go hand in hand. He denied to carry forward the age old city versus village controversy and hoped that in India, both could go hand in hand. Nehru was intent to harness and fully exploit the natural resources of India for the benefit of his countrymen. The main sector he identified was hydroelectricity, and he constructed a number of dams to achieve that end. The dams would not only harness energy, but would also support irrigation to a great degree. Nehru considered dams to achieve that end. The dams would not only harness energy, but would also support irrigation to a great degree. Nehru considered dams to be the very symbol of India's collective growth, as they were the platforms where industrial engineering and agriculture met on a common platform. Nehru also considered the possibility of nuclear growth during his tenure as the prime minister of India.

Nehru and Foreign Investment: Nehru inspired the industrialists to provide a fillip to India's economy. However, he had strict reservations on the question of foreign investment. Nehru was wary of foreign investment. Nehru's nationalist ideals confirmed in him the belief that India was self-sufficient to bolster her own growth. Although

he did not officially decry the possibility of foreign investment in direct terms, he did stress that the sectors of foreign investment would be regularized, and the terms and conditions of investment and employment would be strictly controlled by government rules in case there were possibilities of a foreign investment. Nehru, moreover, emphasized that the key sectors will always be in government hand. This step of Nehru is much criticized now. Yet, it cannot be denied that Nehru aptly looked forward to long term investments for which he banked more on Indian industries. It is also often suggested that his endeavour to harness international support to develop India's infrastructural profile between 1947 and 1955 did not meet with much success. It, however, remains a fact that Nehru's regime was not one of great economic growth for India. Although his economic policies are blamed for the failure of India to turn into a major economic force in the aftermath of independence, yet Nehru was probably thinking on a more long term basis. It is often inferred that the economic liberation of the later years was possible only because of Nehru's policies in the initial stages.

The State Control in Nehru's Economic Policies: The most distinctive, and often debated feature of Nehru's economic policies, was the high level of state and central control that was exercised on the industrial and business sectors of the country. Nehru emphasized that the state would control almost all key areas of the country's economy, either centrally or on a state-wise basis. His Socialist emphasis on state control somehow seemed to undermine his stress on industrial policies. The rigorous state laws and License rules put a great degree of restraint on the free execution of industrial policies. Even the farmers, along with the business personnel, found themselves to be at the receiving end of rigorous state control policies and high taxation. Poverty and unemployment were widespread throughout Nehru's governance.

Nehru's Views on Rural Economy: Nehru's policy towards the rural economy of India was also significant. Nehru felt for the rural self-development of India very strongly. He tried to boost India's cottage industries. Much on the lines of Gandhi, Nehru believed that the rural and cottage industries of India played a major role in the economic fabric of the country. But most of his cottage industry development programs were meant as a part of community development. He was also of the belief that small scale industries and cottage industries were effective solutions to the massive employment problems that remained a perpetual issue of concern throughout his tenure.

The economic policies of Nehru are often blamed for the poor economy of India in the subsequent years. However, it cannot be denied that his decisions were necessitated by the needs of the times. India needed to effectively harness its domestic means as well as strengthen its governmental control to lay the base for future privatization. It is often speculated that Nehru would have embraced the economic reforms and economic liberalization of the late twentieth century if he was alive.

India knows it has something to celebrate Wednesday, the 60th anniversary of its independence from Britain. That may sound obvious, but it isn't, because 10 years ago many people said they were not sure what there was to be proud of on the 50th anniversary.

People bemoaned the country's failure to get to grips with endemic social and infrastructure problems, especially poverty, education, health, roads, and power. There had been a spate of economic reforms after a humiliating international financial crisis in 1991, but they had sputtered to a virtual halt. Business was not doing anything very dramatic, and there were only glimmerings of the information technology-led boom and more recent manufacturing renaissance.

Today, many of the problems – especially social – are little improved. Vast proportions of the country's 1.1 billion people are undernourished and hungry, as well as poorly educated and illiterate. Blighted by a lack of drinking water and proper sanitation, many are plagued with poorly-treated ill health.

But the country's overall self-confidence, and its economic performance, is being transformed. In the past four or five years, a spirit of "can-do" has inspired businesspeople – big and small, ranging from names like Ratan Tata, Mukesh Ambani, Azim Premji and the Infosys founders to small niche players – who invest, manage, deliver, and grow both at home and abroad. Funds are more often than not raised legitimately, rather than via a friendly politician's influence on a pliant public sector bank.

Companies operate in a mostly open market, knowing that they must manage efficiently and deliver quality or fail. Many of the names at the top of the business league tables have changed in the 10 years from old Marwari trading caste families, which thrived in a controlled economy, to new entrepreneurs. Family control of companies is still widespread, but the newcomers have an ambition to succeed in India and abroad that was previously often lacking. That has been shown most dramatically by the recent surge of takeovers overseas,

spearheaded by the Tata group and by IT and pharmaceutical companies. Similarly, the growth in the number of executives from abroad who are prepared to work in India – foreign as well as of Indian origin and not just on lucrative posting – reflects both the availability of internationally competitive salaries and a more conducive working environment.

Consequently, economic growth has risen in the 10 years from around 6% to almost 10%. The Mumbai stock market's Sensex index has gone from under 3,500 to a peak last month of over 15,800. The rupee has recovered a decades-long slide and is now strengthening against world currencies (not just because of the declining dollar), and foreign exchange reserves have rocketed from \$26 billion to around \$230 billion.

India is also earning new respect as an international players, not least with the United States, which is on the brink of signing a nuclear deal that will transform the two countries' diplomatic and business relationship.

On the flip side, some things are getting worse. The quality of governance is declining, especially in the states, because many politicians and bureaucrats are becoming more corrupt and self-serving. Parts of the country are appallingly run, especially Uttar Pradesh and Bihar, which for years have been almost as bad as Pakistan in terms of political failure – and their economies are worse. Maoist Naxalite rebels control vast areas of other states.

There is little urban planning or respect for regulations: construction of new buildings takes little account of environmental standards or the need, for example, for adequate drainage and other services.

Even more seriously, the economic boom is leading to intense pressure on land in a country where 70% of the population relies on it for its living. In the next ten years, it is quite possible that social unrest will be caused more frequently by land disputes than by traditional religious and ethnic differences.

Ten years ago, that work ethic had not materialized. Today it is operating in the private sector, generating most of the successes.

India's Fifty Years of Economic Development

When India gained its independence after a long period of subjugation, its land and people were a picture of distress, removed from great events of its past glory and splendour. A whole creative side of Indian civilization had shrunk under the foreign rule. Common

man, burdened by poverty, hunger and ignorance, had lost the will to exercise its productive might. Out of the dust, they had to be raised by men of great vision, like Gandhi and Nehru. In his memorable speech, delivered to the Constituent Assembly on 14th August, 1947, Nehru said: “The future is not all of ease and resting, but of incessant striving...”

India was a stagnant economy at the time of independence. The economy was predominantly agrarian with little industrial development. Most people lived in villages, in hunger and despair. Bullock carts, wooden ploughs, spinning wheels and thatched huts-life made of small things, unimaginatively hard, dull and cruel. Agricultural growth was around 0.3% per annum in the first half of this century. The colonial government took little interest in the improvement of cultivation practices, except in the case of export crops like cotton, jute and tea. The railway system was built only for connecting the ports with the export production centres and the import markets; all other infrastructural facilities were lacking. Local enterprise was confined largely to trade and commerce, mainly in and around port cities like Bombay, Calcutta and Madras. A few industrial centres grew around these cities through private entrepreneurship. There had been an adverse impact on the artisan sector under British rule.

The old crafts were left to languish and decay-ill prepared to modernize. Large factories, few in number, produced mainly consumer goods, like textiles and sugar. Intermediates like steel, cement and jute machinery were mostly imported. The extremely narrow base of industrialization remained confined to a very few cities and states and was the monopoly of a few privileged families. The export strategy was not conducive to the country's interests. Exports were seen as a mechanism to transfer raw materials cheaply to the metropolitan cities in the United Kingdom, which, in turn, processed them into final goods for exporting back to the colonies.

Social indicators were equally poor; illiteracy was as high as 84%; public health services were inadequate to face even epidemics such as influenza, malaria and cholera. Some efforts were made by the state to prevent epidemics like malaria which continued to revisit again and again. The mortality rate remained high at around 27 per thousand in 1947. Children cried for milk but mothers could not feed them. Famines devastated human lives, adding to the interminable misery in a barren wasteland.

The first task of the Indian Government, in the immediate post-independence period, was to improve the material and human

conditions of life by motivating rapid growth in a stagnant economy and to set the country on a path for higher growth with social justice. The objective of India's development strategy has been to establish a socialistic pattern of society through economic growth with self-reliance, social justice and alleviation of poverty. These objectives were to be achieved within a democratic political framework using the mechanism of a mixed economy where both public and private sectors co-exist.

India initiated planning for national economic development with the establishment of the Planning Commission, in 1950. The aim of the First Five Year Plan (1950-56) was to raise domestic saving for growth and help the economy resurrect itself from the twisted wreckage caused by colonial exploitation and the aftermath of Partition. The real break with the past in planning came with the Second Five Year Plan, celebrated as the Nehru-Mahalanobis Plan. The industrialization strategy, articulated by Professor Mahalanobis, placed emphasis on the development of heavy industries and envisaged a dominant role for the public sector in the economy.

The entrepreneurial role of the state was evoked to develop the industrial sector. Commanding heights of economy were entrusted to the public sector. Commanding heights of economy were entrusted to the public sector. In brief, the emphasis of the first three Five Year Plans, was on economic growth with marginal stress on institutional changes like land reforms. The objectives of industrial policy were: a high growth rate, national self-reliance, reduction of foreign dominance, building up of indigenous capacity, encouraging small-scale industry, bringing about balanced regional development, prevention of concentration of economic power, reduction of income inequalities and control of the economy by the state.

During the Second Plan period, the emphasis was to build heavy industries which would lay down the basis of rapid industrialization ("machines to build machines"). The planners and policy makers suggested the need for using a wide variety of instruments, licensing and other regulatory controls to steer Indian industrial development on a closed economic basis.

The strategy underlying the first three Plans assumed that, once the growth process gets established, the institutional change would ensure that benefits of growth would trickle down to the poor. But doubts were raised in the early 70's about the effectiveness of the "trickle down" approach and its ability to banish poverty. Further, the growth itself generated by the planned approach, remained too weak to create adequate surpluses-a prerequisite for the "trickle down" mechanism

to work. Public sector did not live up to the expectations of generating surpluses to accelerate the pace of capital accumulation and help reduce inequality.

Agricultural growth remained constrained by perverse institutional conditions. Unchecked population explosion made the twin historic tasks of industry more difficult. Though the growth achieved in the three Five Year Plans was not insignificant, yet, it was not sufficient to meet the aims and objectives of development. A diversified industrial structure was established. Professional, managerial and technical manpower and skills were created. Similarly, in the field of agriculture, land under cultivation and irrigation increased, but their impact on economic growth and human development remained marginal. These brought into view the weakness of economic strategy. A shift of policy was called for. The country had also witnessed calamities of nature, war and oil-shocks.

Continuing the Fourth Plan's targeted programmes, the Fifth Plan (1974-79) corrected its course by initiating a programme emphasizing growth and distribution. To accelerate the process of production and to align it with contemporary realities, a mild version of economic liberalization was started in the mid-1980's. Three important committees were set up in the early 1980's: (1) Narimham Committee on the shift from physical to fiscal controls; (2) Sen Gupta Committee on the public sector; and (3) The Hussain Committee on trade policy.

The Committees recommended a shift from physical controls to fiscal controls, promotion of greater public sector autonomy and more freedom to business and financial institutions. The result of such thinking was to reorient our economic policies. As a result, there was some progress in the process of deregulation during the 1980's. Two kinds of delicensing activity took place. First, 32 groups of industries were delicensed without any investment limit. Second, in 1988, all industries were exempted from licensing except for a specific negative list of 26 industries. Entry into the industrial sector was made easier but exist still remained closed and sealed.

The Eighth Five Year Plan (1992-97), was launched against the backdrop of balance of payments crisis, leading to the debt trap experienced in 1991. The crisis led to a second rethinking about our economic strategies and far reaching changes were effected. India launched a major programme of economic liberalization (stabilization and structural adjustment) in July 1991, under the able stewardship of Dr. Manmohan Singh, the Finance Minister in Narasimha Rao's Government.

Trade and exchange controls were further liberalized and structural adjustments were carried out in the industrial sector through delicensing and accompanying measures. The reforms, as they emerged, gave primacy to employment-related growth as a means of providing credible solutions to the problem of mass poverty, an expanded role to the private sector, both domestic and foreign, import liberalization, disinvestment in public enterprises, increased public investment in agriculture, physical infrastructure and social sector.

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