REALISING SUSTAINABLE DEVELOPMENT GOALS IN THE INDIAN CONTEXT

Prof. K. Viyyanna Rao

Honorary Director, S.E.A. Group of Institutions, Bengaluru

Formar Vice Chancellor, Acharya Nagarjuna University, Andhra Pradesh

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The Context

In the context of the accelerating pace of global warming, depletion and largescale plundering of natural assets, growing corporate failures, and the increasing number of fugitive economic offenders, the need to make economies sustainable is becoming more pronounced. According to the Intergovernmental Panel on Climate Change *(IPCC, 2023 [1])* and the United Nations Environment Programme, the Earth's temperature has recorded the highest at 1.55°C in 2024 above the pre-industrial level due to rising CO_2 levels and other greenhouse gases, owing to the burning of coal, natural gas, and deforestation.

Further, glaciers are melting at an accelerated and record-setting pace, with ice loss doubling over the past two decades. The forest cover has shrunk by about 100 million hectares between 2000 and 2020 worldwide, with tropical countries losing the most *(FAO, 2020 [2])*. There is large-scale exploitation of Earth's natural and non-renewable resources without proper planning and foresight. The United Nations has expressed serious concern about the unabated multi-fold extraction of the Earth's primary materials and warned that it may turn hollow within no time *(UNEP, 2019 [3])*.

Major corporate scandals happening abroad and in India have subjected people everywhere to great surprise. Beginning with Enron (2001), Tyco International (2002), Lehman Brothers (2008), and Volkswagen (2015) abroad, and Satyam Computers (2009), Sahara (2010), Kingfisher Airlines (2012), and many others in India and abroad, these cases are making holes in the façade of banking and other crucial sectors of the economy. The latest onslaught, particularly in countries like India, is the growing number of economic offenders called 'fugitives,' without adequate checks on these organized economic offenses(4).

The phenomenon narrated thus far clearly indicates the need to insulate economies from such unexpected and untoward happenings and make them more sustainable. ‘Sustainability’ as a concept prompts one to be judicious in utilizing available natural and human resources in such a manner that values the dignity, decency, and decorum of present and future generations *(Brundt Commission, 1987 [5])*. ‘Economics’ as a major discipline of human knowledge confirms this philosophy. Lionel Robbins *(1932[6])* aptly defined economics as the “science which studies human behaviour as a relationship between ends and means which have alternative uses.” It is all about human behaviour focusing on the judicious allocation of scarce resources.

As a matter of fact, sustainability as a concept and practice permeates all dimensions—environmental, economic, and social—with a focus on liberty, equity, and justice, and eventually the dignity with which people of a nation lead their lives, as enshrined in Article 21 of the Constitution of India.

Sustainable Development Goals and the Role of Human Capital

Keeping in view of the precarious position to which both the developed and developing nations are led into, the United Nations has formulated the Millennium Development Goals (MDGs) in 2000, to be realised in 2015. As an offshoot of these, the UN has carved out the Sustainable Development Goals (SDGs) in 2015 to be realised in 2030. Going by the facts, neither the MDGs, nor the SDGs could be achieved. Nevertheless, the formulation and adoption of SDGs is a clear reflection of the deplorable plight of the nations in the areas of Hunger, Poverty, Water and Sanitation, Energy, Work Life, Inequalities in income and Wealth distribution, growing Urbanisation, Climatic uncertainties, Pollution of Oceans, depletion of natural resources and forest cover, delayed justice and poor coordination among the delivery mechanisms. The fact is that the human capital is intertwined with the realisation of these SDGs. Not only is the quality of the human resources, but also the very existence and longevity are dependent on these goals. It is in this context; sustainability assumes added significance.

The factual position available against these essential indispensables for creating and sustaining human capital is that about 10 per cent of the World’s population is suffering from extreme poverty and about 1.5 billion are experiencing the multidimensional poverty. Hunger is still a reality in the present-day world. According to the data of the Global Hunger Index (GHI), about 300 million across the world are facing critical, crisis-level hunger and the same is more pronounced in Asia and Africa *(von Grebmer et al., 2023 [7])*. As a matter of fact, these are the most vulnerable groups of people, including women and children that are frequently subjected to undernourishment and malnutrition.

Looking at the position prevailing in India, the hard reality staring at us is that in the 2024 Global Hunger Index, India stands at 105 out of 127 countries surveyed, with a score of 27.3. The GHI uses a 100-point scale; where '0' represents the situation of 'no hunger'. According to the estimate of Food and Agriculture Organisation (FAO), there are about 20 crore people of India that are going to sleep without food and around 7000 persons are dying every day due to hunger. These two organisations have expressed the opinion that it is unlikely that India would be able to be free from hunger 'by any specific year'. Without being supported by any scientific study, political parties in power assure people that they would wipe out poverty by the end of their present term, if not by the next term. The bare fact is that no country is infallible to poverty. Making guesses regarding eradication of poverty is like 'chasing the wild goose' and targeting would prove still disastrous.

In the long march towards Viksit Bharat, many fundamental infirmities are conveniently being ignored. One such issue is about the growing inequalities between the rich and the poor. Inequality among them is severe and that the top 1 per cent of the Indians are controlling about 40 per cent of the wealth and also receiving about 23 per cent of the incomes *(World Inequality Report, 2022 [8])*. The 'Billionaire Raj' is deepening with the number of Indians joining the club year after year at 358 dollar-billionaires; occupying the third place, next only to USA and China. Secondly, the basic principle of 'socialistic pattern of society' is glossed over in preference to private participation almost in every sector, including Defence. Time alone shall decide whether the nation is making right choice in a country devoid of equal opportunities in education, health and even in political power. The situation in the context of having a fair deal in respect of other parameters is not impressive either. Talking about the Business Transformation for Sustainable Development in a situation of abject poverty, lack of basic amenities for education and health, would be something like a mirage.

The Status of Human Capital in India

It is established by now that human capital came to prominence by relegating the other factors of production such as land, capital and organisation to the background. Economies are now dubbed as the 'knowledge societies'; where knowledge is created, nurtured and disseminated by the humans. Besides the number, the quality of human resources matters much in terms of their intellect, innovation and the capability to set up suitable organisation structure to lead the economies into the state of development. It is therefore, Peter F. Drucker *(1999 [9])* had to remark that "there are no underdeveloped countries; there are only undermanaged ones". By virtue of the growing significance of human capital, the thesis of the early Scotland economist Adam Smith *(1776 [10])* had to go into oblivion. Adam Smith through his pioneering work titled *"An Inquiry into the Nature and Causes of the Wealth of Nations"* published in 1776 proposed that 'profits flow from capital and that capital is directed to the ventures where profits can be generated most'. This philosophy sprung at the latter part of the 18th century, stayed almost up to the first half of the 20th century. Humans have started taking control of the economic operations by virtue of their sheer knowledge and innovation.

Due to rapid strides in Science and Technology, services rendered by humans have started occupying the prime place in generating the much-needed Gross Domestic Product (GDP). In a majority of the countries, service sector is the major contributor to the GDP. The composition of the GDP of India also reflects the dominant position of services at 55 per cent; while agriculture (with 18 per cent) and industry (with 22 per cent) are being moderate. The basic feature of the service sector is the human intervention and creativity.

By now India has emerged the most populous country with about 1.47 billion people; representing nearly 18 per cent of the world's population. A few positive aspects of this mammoth size of population are: i. The median age of India's population is just 28 years *(UNFPA, 2023 [11])*; ii. The youth component (below 35 years of age) is significant at 65 per ce; iii. The sex-ratio is getting neutralised with a fair share of females at almost 50:50 *(Government of India, 2021 [12])*. These positive features need to be converted into potential and make the development process centre around human capital.

But what is holding back India is the quality of human capital, evidenced by the low index of human development. The quality of human resources of India is not of any reckoning in terms of education, health and social security. The literacy rates are low with significant divergence between rural and urban, men and women, plains and hilly areas; certainly not comparable with any advanced country. The rank of the country on HDI is neither appreciable and India is placed at 130th position out of 193 countries. Claim is that there has been a significant reduction in poverty levels and the poverty rates are estimated at 5.3 per cent only during 2022–23 for extreme poverty. But India is put under 'serious category' with a score of 25.8 by the Global Hunger Index (GHI) and the country having been placed at 102nd position out of 123 countries surveyed. The Report is also categorical about the challenges of malnutrition, stunting and wasting faced by our young kids.

Informal sector is a reality in India with about 450 million, constituting about 90 per cent of the labour force and contributing about 50 per cent to the GDP of the economy *(ILO, 2023 [13])*. Another startling revelation in this regard is the growing presence of Gig economy, accounting for about 2 per cent of India's work force *(NITI Aayog, 2022 [14])*. It is noted that the number of Gig workers are increasing at a phenomenal rate of about 55 per cent from 7.7 million to 12 million in a period between 2020–21 and 2024–25. The plight of these persons is that about 40 per cent of them are earning just below Rs. 15,000; which is well below the minimum wage fixed by the Central Government for unskilled workers *(Government of India, 2023 15])*.

Unless these issues are sorted out, business transformation for sustainable development remains very distant. As a matter of fact, the Central Budget 2026– 27 has incorporated a few measures in the name of "kartavya" to fulfil the aspirations of the youth and build capacity *(Government of India, 2026 [16])*. These included: (i) Renewed emphasis on the service sector with a slogan 'Education to Employment and Enterprise'; (ii) Creation of skilled career pathways; (iii) Regional Medical Hubs; (iv) New Institutes of Ayurveda; (v) Scaling veterinary professionals; (vi) Promotion of AVGC sector; (vii) University Townships.

While it is laudable that the Government of India is conscious of the need to strengthen the quality of our Human Resources, the gaps are persisting even after 75 years of Independence. As has been rightly commented, the Budget is 'long on intent and short in action'. Therefore, what is called for is the implementation of the projects and schemes in a given time frame; lest the outcome should be of limited utility.

The Agenda for Action

The crucial issue in the domain of 'sustainable human capital and leadership' pertains to the large-scale investments in human resources. In spite of our existence for over 75 years as independent nation, we are speaking the language of an underdeveloped country. The panacea for all these shortcomings and drawbacks could be pumping in of investments in the required scale. Intellect is not an issue in the Indian context. It has been proved beyond doubt by way of our dent into the software sector *(NASSCOM, 2023 [17])*. India is now a recognised 'soft power' *(Nye, 2004 [18])*. We should also emerge as the 'economic power' soon. Target fixation in the sphere of GDP to make India 5-trillion economy, may not yield the desired result, unless there is an improvement in the quality of life, standard of living and eventually the gross capability of the human resources till the last mile. Against this backdrop, a few measures are recommended as the agenda for future action to make Human Capital sustainable with effective endowment of leadership at the national and global levels.

Setting Up of Poverty Action Labs (PALs)

The issue of poverty got international attention when the Nobel Prize in Economics in 2019 was awarded to Esther Duflo, Abhijit Banerjee and Michael Kremer for their experimental approach towards alleviating global poverty *(Duflo et al., 2019 [19])*. They have taken the initiative to establish a Poverty Action Lab to conduct experimental research through randomized controlled trials in the name of "Abdul Latif Jameel Poverty Action Lab (J-PAL)," which consists of a network of about 500 researchers around the world *(J-PAL, 2023 [20])*. The Ministry of Rural Development, Government of India, has signed an MoU with the South Asia

Wing on March 15, 2024. It is suggested that the Governments of both Andhra Pradesh and Telangana also partner with this Office and commission a few actionoriented research studies. These studies could be taken up at a micro level district as the focal unit.

Enhancing Allocation to Education

One of the long pending demands of the education sector is the allocation of sufficient funds. The Kothari Commission has recommended to the Governments to earmark at least 6.00 per cent of the

GDP. This has not been achieved and it is hovering at around 4.1 to 4.6 per cent.

This implies the long way to tread. Even the limited allocations made by the Governments are meant mainly for school education and the higher education remained unattended for a long time. In the Budget for 2026–27, the Centre has made an allocation of Rs. 1.39 lakh crore, of which the major share (i.e., 60.11 per cent) is earmarked to school sector. And even the funds meant for higher education are flowing towards Central Sector institutions and the State Public Universities are getting a raw deal perennially. Unless these issues are taken into consideration, building quality in the education sector remains a mirage.

Strengthening the Health Care Ecosystem

In spite of the marked improvement in the life expectancy of the people of India, the health care system is highly precarious and largely unatten. Besides the issue of qualified personnel, the institutions catering to the health at the primary level are hopefully substandard. The corporatisation of the health care has made the medical service unreachable to many in the country. The infant mortality rate (IMR) and the maternity mortality rate (MMR) are les s comparable to any advanced country or even newly industrialised countries in Asia. This issue needs to be attended on a priority basis.

Skill Enhancement and Upgradation

Skilling has become a buzz word now and is sought to be made integral to the education. The National Education Policy2020 has incorporated the skilling as the major plank *(Government of India, 2020 [21])*. The national credit framework and the national skill qualification framework are aimed at achieving this objective and see that skill development of the youth be taken on a priority basis. There is a separate Ministry looking after the issue of skill development. In view of the fact that entrepreneurship is promoted among youth to make them self-reliant and orient them towards Start up culture, skill development should be seen as the major vehicle of development. It is for these reasons, promotion of MSMEs is considered highly appreciable.

Implementation of the Scheme of Universal Basic Income (UBI)

In the context of Direct Benefit Transfer (DBT) spreading across the length and breadth of the country, it is high time that the lower strata of the people are provided with a minimum assured transfer of money in the name of 'Universal Basic Income', as a social welfare measure *(Standing, 2017 [22])*. The Governments are already ensuring the distribution of food items as an obligation under the National Food Security Act, 2013 to 75 per cent of rural households and 50 per cent of urban dwellers *(Government of India, 2013 [23])*. In addition, there are many other schemes which are aimed at doling out benefits either in cash or in kind. As a measure of streamlining the entire mechanism, UBI may be thought of an 'overarching measure' to replace all the existing schemes.

Vocational Education as the Major Plank

Since times immemorial India is prominent in vocational education. It used to inherit as a legacy. India is known for highly intricate artistic work and fine-tuned muslin and many other handicrafts. Realising this potential, Mahatma Gandhi emphasized on the rural economy and the preference to be given to village and khadi industries *(Gandhi, 1938 [24])*. Unfortunately, the policy makers at the beginning chose a different model of development and the rural industries were relegated to the background. Countries like Switzerland and Japan developed due to their preference to artisans. If India had chosen such a model of economy, it would have been in the list of advanced economies by now. As a matter of fact, the educational institutions started before independence have courses pertaining to vocational education only.

For the past decade, the Governments have started speaking the language of 'Skill Development', as if vocationalisation is something different from skill development. The NEP-2020 has correctly identified the nexus between skill development and vocational education and thus advised the educational institutions and policy makers to come out from the stigma attached to vocational work.

Categorisation of Universities

The National Education Policy, 2020 has proposed the categorisation of universities into two categories aimed at reorganisation with a specific focus on teaching and research. It has envisaged the labelling of the existing universities into either teaching or research universities. It is known that presently many universities, including central universities are carrying out both the objectives. This is much truer in case of State Public universities. A vast majority of admissions are taking place in state universities only. The goal of access to higher education is being realised through these institutions. It is felt that the state universities are not being able to focus on these twin objectives equally well. The idea, therefore, is to distinguish and ask them to focus on one of them, so that they would be able to reach international standards. The document is sincere in recognising the need to support them with adequate funding to realise either of the two objectives. Going by the intention, it appears that the measure may yield the desired results.

Ensuring Coordination between the Centre and the States

To begin with, education is included in the ‘State List’, whereby the states are competent to legislate for the growth and development of the institutions. In 1976, through the 42nd Amendment to the Constitution of India, education was brought to the ‘Concurrent List’, enabling the Central Government to meet varying demands of different States/UTs. The most important aspect of this measure is the task of coordination. The apprehension of the states is that the centre, in the name of coordination, is usurping the powers of the states. This needs to be looked into to reorient the purpose of higher education in India.

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