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Three Pillars of Economic Well-Being Technology, Trade and Human Resource

Shiv Parsad Gupta

Masters in Commerce (M.Com), Indira Gandhi National Open University, New Delhi, India

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Abstract - *In this era, each and every individual, family, and community strives to maintain their basic needs, i.e., food, clothing, shelter, health, education, etc., and tries to control their day-to-day finances. But, when we think of it on a macro-economic level, an economy does seek financial security as well. Hence, to secure both present and future financial security, and economy makes economic policies and procedures. So, here we will discuss the three most important pillars which an economy must concentrate upon while framing such policies so as to achieve the goal of maximum economic well-being. These three pillars are Technology, Trade, and Human resources.*

Keywords - *Corporate and government's role, Human resource, Technology, Trade.*

I. INTRODUCTION

The first pillar, i.e., Technology, around which the whole world is engulfed, is a panacea for some while an impediment for the others. So, here, we will discuss that how an economy strikes to maintain parity between both sides of technology and can provide for the highest economic well-being.

Speaking about the second pillar, we can say that trade adds to the GDP of an economy and hence an essential element or pillar in economic well-being. But, at certain times, the economic policies or rules hinder the successful development of trade in the economy. Thus, we will examine that how an economy can ensure that there are the least setbacks to the efficient trade in the economy.

The Human Resource or particularly saying Human Capital is the essential ingredient in the economic well-being. It is a proven fact that the economies which are in the third stage of demographic transition where the working population is higher grow and develop significantly. So, here, we will discuss that how an economy can build and develop its human resource potential so as to generate higher demographic dividends.

Therefore, let us discuss these three pillars in detail to have a clear portray with regard to the vital role being played by them and securing that they bring about maximum returns in the economy.

II. TECHNOLOGY

It is a common saying that – "If Technology is a pebble tossed in a pond, then innovation is the rippling effect the pebble causes."

But the question arises- Is this technology just linked to innovation? Is this technology always have a positive connotation in our lives? Is this technology always mean better lives?

The answer to these questions is a big 'NO.' Technology does not always bring better lives. Technology can have a negative connotation as well.

Technology is the stimulator of growth and development, be it society, country, or the world. Technology is all-pervasive and is used in almost all the fields and levels of an economy. It has paved its way in the form of better communication technology, be it 4G /5G, Robotic technology, Electronic technology, Space technology, Defense technology, and is developing in terms of new and rising technologies like Artificial Intelligence, the Internet of Things, Machine Learning, etc. Thus, the role technology has performed in all our lives can't be underestimated.

We all know that as technology develops, the level of easiness in our lives too increases. We have moved from an era of handmade records to electronic records. We have automated processes, procedures being used in various sectors, be it corporate level or administrative level. So, certainly, from this, it appears to us that the correlation between developing technology and the impact on human lives is positive. Moreover, there is no denying the fact that as the technology develops; a greater number of people derive benefits in the form of-

A. Better access to livelihood and governmental initiatives-

With the adoption of Direct Benefit Transfer of subsidies, as a tool of e-governance, by the Government to the people in their respective accounts, the leakages in the transfer process have been abandoned with and has brought transparency and helped in preventing corruption.

B. Garnishing the Education System

An improvement in the delivery of the education system via smart classes, the influx of new learning models, the use of various Educational Soft ware's, etc., has ushered in a new era of the Education system.

C. Advancements in Health Sector

Medical technology via the use of Biotechnology, development of medical devices has brought out ample benefits. For instance- the use of MRI devices, artificial organs, Telehealth, etc., has revolutionized the healthcare sector. Moreover, the uses of technologies such as the three-parent baby concept, Test-tube baby concept have modernized the birth of a child.

D. Revitalizing the way of life

The use of Internet of Things (IOT) based devices has complemented the life-critical systems, has been used to gather live pedological data in precision agriculture, better crime, traffic, and transportation management as well and thus revitalized the way of life.

E. Development through BlockChain Technology

Blockchain technology has been employed in Supply chain Auditing, file storage, land title registration, better governance, and in the field of finance via the use of Cryptocurrency like Bitcoins, thus acting as a catalyst in the development of an economy.

F. Automation through Artificial Intelligence

Artificial Intelligence can help in paving the way for Driverless cars, robotics, etc., and can redefine the pattern of human lives.

G. Benefits from the Space Technology

It is being applied in the discovery of new resources that can be used for human welfare and can be employed in Disaster Management as well.

But we can't even ignore the fact that it has degraded the lives of people in the following respects-

- The use of Genetically Modified(GM)crops like Bt-cotton, Bt-Brinjal, though has tended to increase crop production but has raised several ethical as well as health concerns.
- The use of Gene Modification or Gene Editing technologies like Crispr-Cas9 technology has been taken as a serious violation of ethical standards.
- Artificial Technology can increase unemployment in the long run, can increase inequality, and the idea of intelligent machines is considered anti-human and immoral. Moreover, increased penetration of intelligent machines will make human life more mechanical.
- The use of Cryptocurrency like Bitcoins can be used for criminal transactions, money laundering, and other illicit activities, causing a magnified negative impact.
- Defense types of equipment, i.e., submarines, missiles, fighter aircraft, bombs, chemical weapons, etc., are all aiding in the large-scale destruction of man and property, especially during the wars. For instance- the famous Hiroshima and Nagasaki in Japan became a victim of a bomb thrown by the US during the Second World War. Thanks to Technology!
- With the developing technology, various new cyber attacks like juice jacking, Botnets, ransomware, etc., are emerging. Various cybercrimes are a product of this developing technology, inflicted especially against women and children like transmission of child pornography, etc.
- Excessive use of computers, mobile phones by the students can divert them from their motives, and they may go astray and can even reduce their eye-sight. For instance –Playing video games like PUBG and the youth becoming addicted to it and even committing suicides, due to this, clearly reflects the bane side of the technology.
- Cloning technology whereby the genetically identical copy of an original cell, DNA, or organism is created also raises certain ethical, moral, religious, and psychological concerns.

Thus, technology can be either a bane or boon and thereby can improve and uplift the lives of the people or can destroy or degrade their lives. Technology, per se, is not bad, but it is the attitude and the usage of the human that decides whether the technology is beneficial or harmful. Moreover, the same technology can lighten the lives of some while darkening the lives of others who do not use it optimally.

So, the correlation between the rising technology and the impact on human lives can't be determined with clear certainty. For instance- BlockChain Technology, if used for supply chain auditing, is of immense help, but if the same is employed for illicit or unscrupulous activities, it can prove to be ineffective.

Thus, it is we who make technology better or worse, as rightly pointed by Christian Lange – "Technology is a useful servant but a dangerous master."

Hence, it can be said that there is the need for all of us to come together and pledge that we will use any equipment or technology in such a way that it can emit powerful beams of promising future and can usher in a new era for the betterment of the economy in general and humanity in particular.

III. TRADE

Today, India is the fifth-largest economy in the world in terms of GDP and the third-largest economy in terms of Purchasing Power Parity. When India got Independence in 1947, India's GDP was very low, and from there onwards, it has constantly improved in amplifying investment and production. And after the adoption of LPG policy, i.e.,

Liberalization, Privatization and Globalization in 1991, India has improved significantly in the corporate world.

So, the above facts and statements clearly point out that India has been improving its capability in terms of trade and is ensuring that the trade, businesses, industries, and companies are provided with a plethora of opportunities and a viable environment where they can grow, develop and thus, compete with the rest of the world.

The ample opportunities include-

1. The state plays the role of a facilitator instead of being a regulator, which ensures adequate liberty and freedom for the companies to take their decisions and carry on their operations.
2. Different schemes of the Indian Government are also aimed at boosting production levels and thereby creating a pool of supplementary value-addition. These schemes include-
   - Product-linked Incentive Scheme- Under this scheme, an incentive of 4% to 6% shall be extended on the incremental sales made over the goods manufactured in India. This scheme targets large-scale electronics manufacturing in India.
   - Digital India Scheme- Indian Government launched this scheme to empower India and thus, paved the way for amplifying the growth of the IT sector and hence, revolutionizing the digital infrastructure. This includes- Bharat Net, National Knowledge Network, GI-cloud, e-sign, etc.
   - Start-up India and MUDRA Scheme- To bring innovative ideas into action, start-ups come into the picture, and to provide them with adequate finance and infrastructure is the need of an hour. So, to cope with this need, the MUDRA scheme was launched whereby affordable loans are given to eligible enterprises. Moreover, to incentivize the growth of Startups, tax concessions and rebates are also given.
   - Stand-up India Scheme- To uplift the depressed classes in the economy, i.e., Scheduled Castes, Scheduled Tribes, and Women, this scheme was launched whereby they are being given loans to become entrepreneurs.
   - Make in India Mission- It is aimed at boosting production and manufacturing in India through increased investment in the economy and the use of technology.
3. National Manufacturing Policy has been brought up in the year 2011 with the twin objectives of raising the share of manufacturing in the GDP to 25% and, secondly, creating 100 million jobs in the economy. For achieving these objectives, National Investment and Manufacturing Zones (NIMZs) have been created.
4. Special Economic Zones have been created under the Special Economic Zones Act, 2005. These zones are the duty-free enclaves in the country with lesser restrictions on investment, manufacturing, and exports,
5. International Financial Services Authority Act, 2019 provides for the creation of a unified authority for the regulation of all financial services in the International Financial Services Centers (IFSCs) in India. The first such IFSC in India is GIFT city, Gandhi Nagar, Gujarat.
6. National Policy on Electronics, 2019 has been approved by the Ministry of Electronics and Information Technology, Government of India, which envisions India as a global hub for Electronic System Designs and Manufacturing (ESDM).

So, these are the opportunities being provided by the Indian Government to nurture the trade sector in the economy. But here, a question arises that how nurturing the trade sector can increase economic well-being? So, let us discuss it and answer this question with our further discussion.

A. Link between the Trade and Economic Well-Being

Trade has been touted as one of the most important pillars towards economic well-being. An economy can derive a lot of benefits from well-developed trade, and these benefits are enlisted below-

1. It will add to the value-addition to the economy, thereby increasing the level of National as well as Domestic Income.
2. It is a source of foreign currency, which can help an economy to cover its Balance of Payment Crisis.
3. The higher the number of suppliers, the higher is the level of competition and the higher the competition among the suppliers means lower prices for the consumers.
4. Falling prices for the consumers, in turn, will lead to higher real incomes.
5. It will increase the employment opportunities for the people, which will be an added benefit to society.

Moreover, the Indian Companies Act provides for Corporate Social Responsibility (CSR), whereby a certain percentage of net profits of the company should be employed for societal welfare. So, this initiative is a portrayal of how trade has a positive correlation with economic well-being.

Though the Indian Government acts as a stimulator by providing them a window to grow and develop, the major issue concerning the businesses is the Legal and Contractual Issue**.** The way the legal and contractual issues create a hurdle in the ease of doing business is explained below-

a) For Manufacturing

Firstly, starting a business is not that easy. Clearances are required from multiple agencies. Moreover, it has to comply with the taxation laws and with the payment of minimum wages, gratuity, etc.

b) For Digital Businesses

Digital Businesses have to comply with the fin-tech regulations whereby the Reserve Bank of India has kept a tight rein on licenses and has brought several regulations like Regulatory Sandbox, which are though progressive but restrictive in nature. Apart from this, the absence of Data Protection law can be a threat to Data Protection and Privacy.

c) For Defense and Aerospace

In India, while the offsets and foreign investment rules encourage Joint Ventures and Licensed Production in Defense, however, the dispute resolution mechanism in case of conflict between the partners is a very long process and, thus, may inhibit the purpose for which it was carried on.

d) For Businesses into Renewable Energy

The lack of uniformity in the Power Purchase Agreements (PPA's) and their inability to provide security against payment defaulters serve as a major impediment on the road to success. Moreover, EPC contracts are being carried on in an unstructured way, i.e., they do not clearly demarcate the responsibilities and risks.

Hence, it is the need of the hour that the provisions of the laws which serve as challenges be turned into opportunities, and this can be done via-

1. Rolling out Intellectual Property and Data Protection Law,
2. Rationalized Dispute Resolution Mechanisms,
3. Simplification of the process of Enactment of Business,
4. Better Contract Enforcement,
5. Electricity and Labor Reforms,
6. Repealing Obstructionist laws,
7. Allow Crowdfunding of small Businesses, etc.

The Ease of Doing Business Index, 2019 published by the World Bank ranks India at 63rd position among 190 countries, and if these legal and contractual issues are eliminated through viable steps, some of them being mentioned above, then it can spur the entrepreneurial spirit in the Indian economy and can help India to further increase its ranking in the index**.**

IV. HUMAN RESOURCE

It is a well-known statement that finance is the lifeblood of business, and without adequate finance, it is very difficult to carry on its operations smoothly. Hence, funds play a very vital role as these funds can be used for making the long-term investment into the fixed-assets such as land and building, machinery, types of equipment, etc., and for meeting the working capital needs as well. But the question arises that even with having the required amount of capital, can an enterprise run only with the machines?

The answer to this question is a big NO. It is quite true that today, the technology is all-pervasive, and these machines and types of equipment do help an enterprise to grow and achieve its aims, i.e., assist in increasing the productivity, but these machines cannot completely replace the human resource required for efficiently managing the enterprise. Hence, it is the combined efforts of humans and machines, which provide the required outcome.

Economic well-being and human resource are closely related to each other. Educating the workforce is a type of investment. Though this is not a capital investment like types of equipment, machinery, it is an investment into human capital. Such an investment is not only done by the corporate sector but by the government as well.

A. Role of Government

To develop the human resource, the Indian Government has launched Skill India Mission. These missions are directed towards scaling up the skill development efforts so that there is no mismatch between the demand and supply of the workforce and thereby create a sustainable livelihood. It includes- National Skill Development Mission, Pradhan Mantri Kaushal Vikas Yojana, and National Policy for Skill Development and Entrepreneurship.

B. Corporate Sector's Role

The companies invest in human resources by providing them requisite training, be it on-job training or off-job training. This helps to fill in the required skill sets in the individual who can further add value to the company in particular and the economy in general.

Now here, some would think of, what if the trained employee leaves the company and joins another company or starts a new company?

So, here, we should think of the economy as a whole. Though the company who has provided the training may suffer a loss if the trained employee leaves the company because he (trained employee) will not be able to apply his new skills acquired via training in solving the diverse and complex issues in the company, wherever he moves to, be it another company or even if he starts a new company on his own, then he can apply his skills and ideas into that respective company. Thus, it will ultimately add to the economic growth because on a macro-economic level, an economy will have a value-addition, no matter which company adds it.

Can you think of a situation where the economy will suffer? It is possible that after leaving the company, the trained employee neither gets recruited to another company nor starts a new company/firm. So, in this situation, both the company and economy will be at a loss since there would be no value-addition

Table 1. Options with the trained employee

O	Options	Who will Benefit
1	1.Remains with the same company	Both the company and economy will be benefitted
2.	2.Leaves and joins another company	Another company and the economy will be benefitted
3.	3.Leaves and starts a new company	The new company and economy will be benefitted
4.	4.Leaves and sit idle	No one will be at the benefit

So, the above table clearly represents the different situations a company can see after providing the training to the employee and its ultimate effect on the company and economy. Hence, though India does not provide for written employment contracts but to avoid these types of situations, it is advisable that the companies should enter into such contracts in writing. So, managing the human resource is of utmost importance.

In addition to this, an important issue being faced by a country like India with respect to the human force is Migration of the human resource to other countries. There has been a trend whereby the skilled workforce moves to the developed countries for better employment opportunities, living conditions, and wages (or salaries). This, in turn, poses several challenges for the home country, such as reducing the population, level of value-addition, and economic spending. Moreover, students are too moving to other countries for pursuing their studies in developed nations and thereby permanently settling over there, which weakens the home country. So, an economy should understand that each and every individual is an asset, and losing any such asset, especially the skilled and trained workforce, due to its failure to provide them better opportunities puts a question mark on the economic well-being. Hence, an economy should try to absorb every individual in its economic set-up in a way that they don't even think of going to other economies for permanent settlement over there.

V. CONCLUSION

Hammering the last nail, it can be said that an economy should deal with these three pillars in such a way that they are put to their best possible use; that is, there should be more research and development with respect to newer technologies, and every effort should be made that they are being used in a manner that brings more number of benefits than challenges. More flexibility and incentives should be given to the businesses, and the focus should be to encourage the start-up businesses which can contribute positively to the trade of the economy. And the human resource should be trained, developed and must have adequate opportunities so that they do not migrate to other countries for the sake of employment opportunities. Hence, using a mix of these three pillars, an economy can rise to new heights of success.

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