

GLOBAL WARMING BRINGS ECONOMICAL RECESSION

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ABSTRACT

This paper is based on the results of an action oriented research project with an objective of improving Indian Economy, more specifically the socio economic conditions of the people. The project aims at enhancing the production or output and wealth by developing, conserving and utilizing the vital natural resources base. The enhanced output provides not only socio economic improved state to the people but also in developing business and controlling inflation. This will undoubtedly promote and improves the living stands of people. All these shall contribute to the increase to the rupee value by controlling inflation, fiscal deficit and CAD (Current Account Deficit).

KEYWORDS: Global Warming, Uncertain Rainfall, Increasing Humidity, Financial Institutions

INTRODUCTION

Climate change is an universal phenomenon which is manifested In global warming, which has tremendous impact on environmental conditions across the countries of the world. The other manifestations of climatic change are air pollution, raising of sea levels, droughts, uncertain rainfall, increasing humidity, deteriorating soil conditions, pollution of water- both water inland and ocean. These entire have tremendous impact both on living and non-living things. The important living things include humans, flora and fauna. Human beings contribute to the climate change and at the same time they are also impacted by climatic change. Thus human beings form the cause and effect of climate change. The climate change or environmental change affects severely and seriously the sectors like, Agriculture, Business, Government and Socio-Economic aspects.

As already indicated air pollution is caused by various activities of the human beings, Air pollution increases humidity in different localities. Humidity also adversely affects the earth and sea levels as well (please see annexure 1). The increasing humidity has become responsible for increasing changes in sea level, which intern lead to natural calamities like storms, cyclones, floods etc. Despite the rains over humidity cause water shortage and food scarcity, up course, increasing population worsens this situation.

Further poverty is primarily contributed by drought on one side and heavy rains on other side. The rain water or flood water is unfortunately not stored in tanks, ponds, reservoirs, dams etc. The flood water or rain water is going waste (please see annexure 2). Consequently several areas are flooded or inundated with water and this affects the life and livelihood of the people. The people may loose their land, live stock, shelter, and other properties and even their lives in the worst circumstances. The flooded water also causes the silt up in the dams. This may create a problem of irrigational water scarcity, drinking water scarcity and lower power supply. The people will suffer an account o these scarcities, further the sand water is flown in to the seas with out filtrations, which would cause harm to sea animals.

Temperature either arid or semi arid and cold regions If increased or decreased the life of the animals and human beings will be severely affected. However melting of snow shall facilitate the flow of water into rivers or tributaries. Rivers may also dry up due to lack of rainfall and early melting of snow in the upper regions.

Impact of changes in climate – environment:

As stated earlier the environmental changes affects the sectors like Agriculture, Business, Government and Socio-Economic conditions of the people.

Agricultural Disasters

The increased humidity, evaporation losses and lack of stored water facilities cause the scarcity of water, Depletion of ground water etc. The depletion of ground water, makes cultivation, bore well cultivation an extraordinarily expensive proposition (please see Annexure 3). Fertilizer absorption by the crop plants is limited by increased humidity; hence lot of fertilizers is wasted and used by the plants. This adds to the cost of cultivation. In the humidity conditions there will be a serious pest and disease attack to the plant. It is not easy to control crop pests and diseases in such conditions. Added to this the cost of plant protection increases. Spraying of pesticides pollutes soil, water and air. The quality o food products also become inferior due to pesticides residues. Excess humidity causes dry conditions and hence continuous water supply required for the plant in the cultivated lands. Due to lack of water the farmers are not able to reap good harvests.

From January onwards, the humidity levels would increase and this reduces the cultivation period. Hence the farmers and laborers have less number of working days. The labor would suffer from this crop cultivation is also affected adversely due to floods. They may loose crop partly or totally.

It is due to variety of reasons in addition to the above, the cost of cultivation of crops is tremendously increasing (please see Annexure 4). The agriculture in the above circumstances has become highly risky. They have to invest a lot on crop production. Since they are poor in economic status, they have to go for loans for investment. Farmers incurring losses, and mounting debts have resorted to suicides. According to National crime records bureau, Government of India, about 3,50,000 – farmers committed suicides during the last decade and a half.

Loss of Business

Agriculture is the basis for the nation's economy. Industry and business largely depends on the production in Agriculture sector. Since agriculture is declining due to environmental factors, the people dependent on the sector have lost their employment and incur production losses. Their purchasing power also came down and poverty has increased. Therefore the demand for manufactured goods has come down. Hence, the industry and business are at a loss. Further, the cost of raw material, wages, salaries, have sharply increased and inturn cost of production of manufactured goods also increased. With the increased prices, industrial manufactured goods of the customers both internal and external have been responding rather unsatisfactorily and slowly. Hence, most of manufacturing enterprises are closed down as business transactions have come to stand still. Further the customers have to face four challenges.

- Out migrations from rural areas, this is causing a severe competition for the facilities like housing, water, sanitation, traffic, jobs etc. Even law and order also has become problem.

- The customers are forced to put up with increasing prices of various commodities.
- The economic problems are leading to recession and customers are forced to face this.
- The Government has been steadily and continuously increasing the taxes and also user charges like electricity, water etc.

The people are unable to face this burden. It is due to slow growth in agriculture industry and declining business and the financial institutions specially the banks are facing crises. This also directly or indirectly affects the socio-economic conditions of the people. It is now widely recognized that global warming brings recession in any country.

It is, therefore, necessary that agriculture production should be improved on sustainable basis without harming the ecology and environment.

Climate change causing droughts and floods reduces the Gross Domestic Product (GDP). Hunger, Starvation, Malnutrition, Un-employment and Poverty and inequalities in society shall pose a big threat to the law and order.

Loss Will Never Match the Laws

Everyone have right to live on earth (Please see annexure 05). The damage of resources and income resources impacts adversely the different areas and disturb legal structure.

As the cost of living is increasing continuously, the impact is falling on child employment, prostitution, crime rate, bad debts and death rate (especially farmers). These things are increasing from year to year. Once the crop season started, small labor families are sending their children for work for securing money for their livelihood (Please see annexure 06).

Government may not provide employment for all. So, people should create self employment with available resources. They are investing in their business and earning profits. Due to low purchasing power, these business people are suffering with losses. Their debts with banks and private lenders are increasing year by year. Bankrupts are increasing. Bankrupts increase banks bad debts and evaporating depositors' cash.

Natural disasters are eroding-off income generating resources (productivity) and leading to inflation in all areas. High inflation leads to low income, low savings and un-employment, which makes people take adverse and alternative source of income through negative activities viz. Theft, Prostitution, Bribe, Naxalism, terrorism, child employment, etc.

Recently some of the countries started printing excess currency and releasing as a package to overcome the existing recession problems. Though, those countries are able to overcome recession problem for time being by providing employment, sources of additional income for their people by introducing such excess currency package. Those governments are not able to understand or realize the adverse results once such packages are withdrawn as the situation will turn to square one. This kind of will decrease the values of currency, stock markets, rating of country and growth of the country.

CONCLUSIONS

The foregone analysis clearly and convincingly brings out that every human activity either in Agriculture and other economic sectors, the impact of environmental change or climate change has been quite significant.

It affects the lives of vast majority of people and the economies of the countries across the world. This is particularly important to our country which is facing slow down of agriculture industry and business on one hand and rising prices, falling currency value, increasing inflation, fiscal deficit and CAD on the other. To correct and rectify the above maladies correct policies and programs dealing with climate change Vis a Vis agriculture industry, business and people as a whole are required.

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