



Cover Page



LEGAL EDUCATION AND ECONOMIC DEVELOPMENT: THE LOGICAL ASSOCIATION

Dr.Eritriya Roy

Assistant Professor (Economics),Hidayatullah National Law University, Raipur, Chhattisgarh, India

Abstract:

Legal education is undergoing major changes around the world. As expected, the opening of the market has led to increased demand for new laws and regulations to facilitate this new economic activity. And global change is having a major impact on the legal systems of these countries. It is considered a tool of change because the law governs the world and its people. This social transformation tool is very important for achieving the socio-economic development of society. The required legal requirements are usually enforced by law. Therefore, the rules of law are regarded as an essential requirement for economic growth, and legal education is essentially an interdisciplinary and multifaceted education that can develop human resources. The level and dissemination of legal education has an important prerequisite for sustainable economic growth and development. The present study deals with the varied aspects of impact of legal education and awareness on economic development. The study uses secondary sources of data and is explanatory in nature and limited to its findings and conclusions.

Keywords: Economic development, law, legal education, market.

Introduction

Education is an important factor for the development of any country, developed or developing. It is the human capital that leads to the ultimate development of the nation. "Human capital refers to a country's stock of skills and expertise at a given time." There is a close interrelationship between human capital and a country's economic growth. If a country's workforce is well educated then it will thrive to manage the country's resources efficiently and effectively, which will ultimately lead to the maximum utilization of resources, increasing productivity leads to the ultimate welfare of the nation as a whole. On the other hand, unskilled and untrained labor will exploit the country's resources, which will eventually lead to waste and the loss of this waste will be borne by the country. Also, not quantitatively but work can be improved in quality due to the knowledge and skills of the workforce. Education helps to accept modernity in a very gentle way. It helps to develop people's curiosity and therefore, they are eager to learn and adapt new things very quickly. A very limited amount of training is required for anyone trained to work on a newer setup. This leads to two consequences, one: the ability to easily adapt to new technology, and two: the benefits of using newer technology. Education helps to close the gap between rich and poor. Disproportionate income distribution is eliminated through education. It increases a person's earning capacity and helps him to earn more and make more consumer spending to improve his standard of living. Through which the circulating income stream is completed and all sectors of the economy benefit. An economy's participation rate will increase. As more people are educated, they will join the production process, which will eventually increase the GDP of the country. In addition, education will to some extent solve the problem of unemployment in our country. Emphasis can be placed on self-employment through education policies, which will make people self-sufficient instead of depending on employers to hire them. People with a higher education may also want to work abroad, so the country's foreign exchange reserves will also increase as they send money back to their families in India. One's education leads to increased innovative and creative thinking, which will lead to new ideas and creations in the country, new start-ups will appear, which will eventually lead to an increase in GDP of the country, leading to economic development Education will lead to increased foreign investment in India. As a place with an abundant supply of qualified and educated human resources, any business wants to work in such a place to reduce production costs, thereby creating job opportunities.



Cover Page



Legal education leads to the ultimate development of economy. Economic development does not necessarily mean growth and expansion. It can also mean that we can protect our financial interests. If people know the law, they will refrain from doing some actions and will be saved from the malicious web that lawyers create to deceive people and steal money.

Legal education has been described by the Law Commission of India as "a science that imparts to students knowledge of certain principles and provisions of law to help them enter the legal profession". At first glance, the main goal of legal education is to train lawyers for society, lawyers with social vision and who will work for the good of the people. In recent years, legal education has been the most sought-after career option in India. Following the introduction of an integrated 5-year law program and the establishment of national law universities, the legal profession has developed in India. It is estimated that more than 2.5 million lawyers are registered in various courts in the territory and this number is growing rapidly. In less than 50 years, the legal profession in India has grown into the largest profession in the world, being one of the main drivers of the country's growth and development. The legal profession in India is governed by an autonomous body called the Bar Council of India. From legal education, to ethics and behavior of lawyers, everything about lawyers is managed by the bar council.

One can become a lawyer in one of two ways, one: by taking a 5-year general law course after passing grade 12, two: by taking a 3-year law course after 'Graduation'. There are more than 900 law schools in India, under the Bar Council, but not all match the dynamic level of the profession. That was in 1987, which was a turning point in legal education in India, which led to many reforms in the field. In the same year, India's first national law school was established in Bangalore, the National Law School of the University of India. This university remains an unrivaled leader in legal education. Today, there are 23 national law schools in India, 22 of which have a common entrance exam called CLAT exam for admission. Other private and public law schools also hold their respective entrance exams. Today, more than 70,000 students attend the CLC each year, making legal education one of the most requested courses in the country.

In a country, development plans for socio-economic development are being implemented frequently with variety of legal work. The policies and schemes are being implemented following the objectives enshrined in constitution and the legislative procedures to as to bring the conditions of equal opportunities. The central and the state governments undertake various activities for all round development but the gap is usually found due to lack for awareness among the people of the country about their rights. Legal education and practice of legal services with ethics may become a catalyst factor to bridge up this gap and help in giving rise to equal balanced economic development.

Objectives and Research Methodology

The study aims at examining different aspects of legal education and profession and how law and legal services contributes to economic development. This study uses secondary sources to achieve the objectives of the study. The paper is descriptive and analytical in nature and reviews a variety of literature from magazines, news, websites, books, various published reports, published research papers, and more. This study is not empirical in nature. The conclusion of the study is the only result.

Review of Literature

C. Raj Kumar, Legal Education, Globalization, and Institutional Excellence: Challenges for the Rule of Law and Access to Justice in India(2013), Indian Journal of Global Legal studies, presented the challenges faced by Indian legal system and hoe to promote a system to encourage the research in legal education.



Cover Page



DOI: <http://ijmer.in.doi./2022/11.09.85>
www.ijmer.in

Niteesh Kumar Upadhyay, A Study of Legal Education Systems in Russia, India and Brazil: Issues and Suggestions for Global Education (2022), SAGE Journals, provided a detailed analysis of the education systems in three different countries, that is, Russia, India and Brazil and discussed the issues and challenges in the legal education systems in these countries, and in the end, suggested the need for bringing a change in the global education system.

M. A. Yavorskiy, Legal Education in Conditions of Digital Economy Development: Modern Challenges 2019, took into account digital technologies for optimizing the domestic educational environment.

Law: As Education and As Profession

According to the Law Commission of India, legal education is "a science that conveys to students the knowledge of specific principles and provisions of law to enable them to enter the legal profession." Primarily, the goal of legal education is to create lawyers who are socially conscious and committed to advancing the welfare of society. The legal profession is a noble calling, and its members enjoy a very high prestige, as Justice Krishna Iyer correctly notes.

In recent years, legal education has become the most desirable career option in India. This has led to the development of the legal profession in India with the introduction of a five-year integrated law program and the establishment of a national law college. More than 2.5 million lawyers is estimated to be registered with the Territory's various courts, and this number is growing rapidly. In less than 50 years, the Indian legal profession has grown to be the largest profession in the world and one of the major drivers of the country's growth and development.

Legal professionals in India are governed by a self-governing body called the Indian Bar Association. Bar associations are regulated from legal education to the ethics and behavior of lawyers to everything about lawyers.

Legal literacy among the general public is the other component of legal education. Legal literacy refers to educating people about their legal rights. The word "law" elicits a range of feelings and responses. The development industry, at least in India, is quite aggressive in court proceedings on the one hand but has little knowledge of the legal system on the other. Perhaps the main cause of ongoing litigation and a lack of enforcement actions, particularly in rural regions, is the misconception surrounding the law and legal jargon. Legal literacy is generally thought to mean having a basic understanding of the law. When citizens, especially members of marginalised or disadvantaged groups, are aware of what the law has to offer them, they are considerably better able to identify and combat injustices. When citizens, especially members of marginalised or disadvantaged groups, are aware of what the law can do for them, they are considerably better able to identify and combat injustices.

Our law school's main goal is still to prepare men to practise the law as it currently stands. The study and presentation of law as a fundamental social science will continue even if its function is well carried out historically, philosophically, and scientifically. A more accurate understanding of the nature of law has emerged as our universities have developed their colleges of law and jurisprudence.

Education and Development

Education is a sine qua non for development of any nation, whether it is an already developed or a developing nation. It is the human capital which leads to the ultimate development of the nation. "Human Capital refers to the stock of skill and expertise of a nation at a particular point of time". There exists a strong interaction between human capital and economic growth of a country.



Cover Page



DOI: <http://ijmer.in.doi./2022/11.09.85>
www.ijmer.in

If a country's workforce is well educated, it would thrive to efficiently and effectively manage the resources of the country which would eventually lead to maximum utilisation of the resources, leading to increased productivity leading to the ultimate welfare of the nation as a whole. On the other hand, an unskilled and uneducated workforce would exploit the resources of the country, which would eventually lead to wastage and the losses of such wastage will have to be borne by the nation.

Also, not quantitatively but the work can be improved qualitatively because of the knowledge and skills of the workforce.

Education helps to accept modernity very smoothly. It helps develop curiosity among people and due to which, they are eager to learn and adapt new things very fast. A very limited amount of training is required for any educated person to work on a newer setup. This leads to two consequences, one: Easy adaptability of the new technology, two: benefits of using newer technology.

Education helps to bridge the gap between the rich and the poor. The skewed income distribution is eradicated by education. It increases the earning capacity of a person and helps him to earn more and make more consumption expenditure to increase the standard of living. Due to which the circular flow of income is completed and all the sectors of the economy are benefited.

The Rate of participation of an economy will increase. As a greater number of people will get educated, so will they participate in the production process, ultimately increasing the GDP of the country. Also, education will also to an extent solve the problem of unemployment in our country. Emphasis on self-employment through educational policies can be made, which would lead people to become self sufficient instead of depending for an employer to employ them.

People with higher level of education may also wish to work abroad, due to which the forex reserve of the country will also rise when they will send money to their family back in India.

Education of a person leads to increase the innovative and creative thinking, this would lead to new ideas and innovations in the country, new start-ups will emerge, which would eventually lead to an increase in the GDP of the country, leading to economic development

Education would lead to increased foreign investment in India. A place where there is abundant supply of skilled and educated workforce, any company would want to work at such a place to reduce their cost of production, which would lead to generation of employment opportunities.

Education is a real necessity in a diverse, democratic country like India.

It is the voter who would decide who would govern the county. If the voters are educated, they will not get carried away by luring promises made by politicians to grab votes, rather would analyse critically and then cast their vote to whom they feel would make best suited policies for the welfare of the nation. Otherwise, people will get carried away and give power to the ineligible politicians which would lead the country to the path of downfall.

Education is not only limited to making more and more people educated but it relates itself to solving the interrelated problems at Macro and Micro economics level too. It not only improves the present state of the economy but also ensures that the economy will do well in the future expeditions also.



Cover Page



DOI: <http://ijmer.in.doi./2022/11.09.85>
www.ijmer.in

Laws, courts and economic growth

One of the major pillars of foundation of a society is the law of the land. The strength of a society lies in its laws. And it is laws that decide whether the growth and development of the country will take place or not. If laws are progressive in nature and promote welfare of people, such laws will definitely promote economic welfare of the people.

Judgement by courts act as a determinant of standard of living of people. For example, before the Laws of UDHR, there was no concept of fundamental rights of the man and man was treated as any other animal. With the evolution of human rights, man got dignity and liberty and made space for self-development.

This was just one and very vague example of development made by laws and judiciary. There are a lot many examples where laws and judiciary have played a vital role like –

- **Preamble of Indian Constitution** which is the supreme law talks about economic justice. It focuses on the fact that all the citizens of the country should achieve equality of status and opportunity and justice which is social, economic and political. Preamble of Indian Constitution focuses on securing equal justice to all the citizens of the country. This justice is in terms of economic, social and political. It mentions that it is the due responsibility of the state to provide equality in justice and to provide economic welfare. The economic objective of providing economic welfare to each and every individual in the society fulfills the economic aspect of the justice. This is done by redistribution of income and assets in the country. The government has framed many economic policies to eradicate the social inequality in the country and to improve the condition of the people suffering from social backwardness, for example, The Bharati Janaushadhi Pariyojna, which focuses in quality medicines at lower costs, The PM Kisan Samman Nidhi Yojna, in which Rs.8000/- per year is directly credited to the farmers bank account with the aim to increase the basic level of the farmers income, and many more such schemes follow.
- Then next comes, **The Directive principles of state policy**, which defines governments responsibility to provide economic and social welfare through economic planning and policy making. Indian Constitution declares Indian economy as a socialist economy and it is the responsibility of the State to provide the economic growth and social welfare and to achieve following aims –
 - Removal of inequalities in distribution of income. This is achieved when the government charges high taxes from the rich and spend the same amount for the welfare of the poor strata of the society.
 - Equal opportunity in employment – This objective is fulfilled when the government uses its discretion and promulgates affirmative actions. Reservations are provided to socially, politically and economically backward sections of the society to uplift their status
 - Equal pay for equal work – The labour laws and labor code prohibits any kind of discrimination. Men and women are paid equally for the equal amount of the work done by them, helping women stand on their own foot.
 - Provide decent standard of living to people – Article 21 which states about right to life shows the government's responsibility to deal with public welfare work which ultimately leads to a decent standard of living for all the individuals in the society.
 - Elimination of exploitation of laborer's – Various labor laws defines payment of wages according to the productivity of the laborer's and to provide certain social security benefits such as maternity benefit, medical benefit to the laborer's in order to protect the interest of the laborers. Not only labours of the organised sector but of the unorganised sector are being benefitted by the policies and schemes implemented by the government for example, Shram Yogi Mandhan Yojna, which gurantees pension to labourers. This would help them have sustainable income even after retirement.
- The Part XIII(B) of Indian Constitution discusses about **freedom of trade and commerce**. It is the responsibility of the state to promote free trade and commerce in the country for economic growth. The exchange of goods and services which is produced by the producer for ultimate consumption by the consumers leads to adding up in the GDP of economy which reflects economic growth. Proper and liberal policies help in promotion of free trade and commerce. Free trade and



Cover Page



DOI: <http://ijmer.in.doi./2022/11.09.85>
www.ijmer.in

commerce are also promoted by maintaining proper infrastructure roads and bridges. Article 301 and 304 states the even the government has the right to involve in trade and commerce.

→ The Constitution of India guarantees **equality before law**. Article 14 states “ The government should not deny any person to participate in the economy and hence promotes equality before law.”. According to article 15 of Indian Constitution “the government shall not discriminate any person on the grounds of gender so as to participate in social and economic activities”. Hence this concept of equality promotes proper utilization of human capital by allowing the males and females to equally participate in the economic activities and earn a living.

→ The constitution of india has ratified the **Universal Declaration of human rights** and bestowed the citizens with inalienable fundamental rights for their welfare. Human rights are applicable to each and every individual and are considered as a birth right. Human rights become operative with the birth of human beings and are essential for the protection and maintenance of dignity of the individuals and help in development of personality. Set of human rights include Right to adequate standard of living, food, health, education, housing, work and these rights helps in increasing the economic efficiency and economic well-being of the individuals in the economy.

Hence Law and Economics focuses on the aspect that certain rights are essential for the economic welfare of the individual and also these rights increase the productive efficiency of the individuals. Right to food, right to education, right to health, right to safe drinking water, right to shelter have been considered as some essential human rights which contribute to the economic efficiency of the individuals. These rights help in contributing to the total quality of life of population of country and hence these rights help in contributing to not only the economic growth but also overall economic development.

→ **Economic development** is generally defined as improvement in material welfare improving the economic well-being of the people in the economy. It is development of capacities that expands the capabilities of economic actors. These actors include individuals, firms, industries. Right to development has been included as an important aspect in the literature of law and economics. Right to development is of multidimensional in character incorporating all rights necessary for full development of an individual. It encompasses all human rights weather civil, political, economic, social and embodies the principles of equality, non-discrimination, and equal participation. Right to development guarantees employment, medical care, education and social security and it is the duty of the government to protect these rights and to frame policies and schemes so as to ensure proper implementation of these rights and eventually progressively improve the living conditions of their citizens.

In the above examples and explanations we have, by far and wide discussed about the role of law in theeconomic development of a and now moving further, we will discuss the role of courts in the process of development of the economy.

The role of courts in Economic Development

Courts have always been at a crucial position, when economic development is discussed about. From the interpretation of laws and statutes and delivery of landmark judgements our judiciary has always backed the economic developments in the country. It is courts that enable the smooth and ease of doing business in the country. From advising the law makers on the new laws, advising to replace archaic laws with newer ones, it is the judiciary which does it all.

I get reminded of a landmark case of 2017, **Shiva Shakti Sugars Limited Vs Shree Renuka Sugar Limited**, in which There were two sugar mills in the same vicinity, which was in contrary to the law passed that “There should be at least 15km distance between two sugar mills”. The plaintiff sued the defendant on the grounds of violation of the government mandate.

The court observed that the defendant had spent Rs.300 crore to set up the plant and to get it functional. This plant directly employed 377 workers and more than 7000 people were indirectly employed by the setup of this plant.

The Apex court overturned the decision of the high court of Karnataka, which ordered the plant to be shut down. The apex court held that “The court needs to avoid that particular outcome which has a potential to create an adverse effect on employment, growth of infrastructure or economy, or the revenue of the state.”



Cover Page



DOI: <http://ijmer.in.doi./2022/11.09.85>
www.ijmer.in

“The first duty of the court is to decide the case by applying the statutory provisions, however, on the application of law and while interpreting a particular provision, economic impact/effect of a decision, wherever warranted, has to be kept in mind.” Said Justices A.k. Sikri and A.m. Sapre.

This landmark judgement creates a precedent as corporate cases and project valuating over billions remain pending in the courts of law.

This would eventually lead to the ease of doing business in India and more and more foreign companies would want to work in India.

The judicial process must have become a huge obstacle for corporate houses and other stake holders due to the delay in justice delivery but it must be noted that the delay is made for the quality of justice that is delivered. The Delay of justice can be taken up as an opportunity cost to get quality justice. And courts are there to facilitate smooth running of the business and not become an obstacle for them.

Constitutional provisions

The Constitution of India basically laid down the duty of imparting education on the States by putting the matter pertaining to education in List II of the Seventh Schedule.

Though there is no specific entry in Schedule VII to the Constitution of India that deals with legal education. The regulation of standards of legal education, therefore, is through the more generic entries pertaining to higher education and entitlement to practice before courts.

Entry 25 of List III pertains to Education, including technical education, medical education and universities.

Conclusion

There may be abundance of resources, good machinery and system to utilise the resources but will an illiterate workforce be able to do justice to the resources, obviously not!

They would not utilise the resource, rather would exploit them.

Aristotle once said “Education is an ornament in prosperity, and refuge in adversity.” This one small quote is enough to explain the depth of education. It clearly brings out the picture that what ever the situation be education is something that will always back you!

As far as impact of legal education and legal developments are concerned, India has taken a giant leap from 149th rank to 63rd rank from 2014 to 2019 in ease of doing business, this very well illustrates that the plans and policies of our nation is bringing fruits for us.

The backing of our constitution and judiciary is well stable to promote budding business and remove all hindrances and lead the country on the way to development!

References

- Rao G. Manohar and Rao K. Srinivas, (2017), “Legal education in India: Challenges and Prospects”, Asia Law House.
- Jena K.C., Journal of Indian Law Institute, 44(4) p.565
- N.k. ‘The challenges of legal education’ Indian bar review, 2001, pp.107-112.
- FA Global Monitoring Report 2006- Education for ALL THE QUALITY IMPERATIVE : Report by UNESCO