

Positive Consumption Externality: The Right to Education for Girls in India

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Abstract

This paper addresses one of the most pressing issues in Indian society: the gender-based restriction on girls' education. Using a range of secondary research, including articles and newspaper findings, the study examines the extent of this problem and its societal implications. Despite India's efforts to implement various strategies aimed at increasing access to education for girls, the research concludes that these measures remain insufficient. The study emphasizes the need for more comprehensive reforms and stronger enforcement to bridge the gap and ensure equal educational opportunities for all, regardless of gender.

Keyword: Gender Inequality, Societal Implications, Educational Reforms, Girls' Education, and Positive Consumption Externality.

Introduction

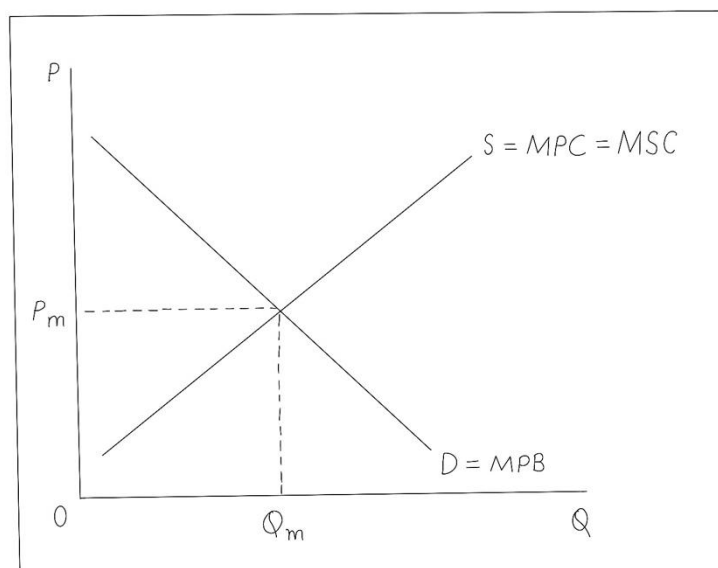
There is various externality discussed in economics. In total there are four externalities, positive externality and negative externality. The subdivision of these externalities is positive consumption externality, positive production externality, negative consumption externality and negative production externality. In this research paper we will be unrevealing the impact of positive consumption externality in relation to the right for education for girls in India. For your reference I will be discussing negative externality as well. Negative externality refers to when there a spillage of costs to a third party. For negative production externality it can occur when the production process results in a harmful effect on unrelated third parties, for example- manufacturing companies can produce loud noises when they create products, which will negatively impact the people living or working beside those manufacturing companies. For negative consumption externality it occurs when a consumption of a good reduces the well-being of others who are not compensated for this harm, for example- an individual smoking an impact an individual standing next to them since it can be a health hazard for them to inhale secondhand smoke, also known as passive smoking. Now that the basic for externality is covered, I will get into the main topic of this research paper.

Positive externality refers to when there are extra benefits created for the consumer and the producer. For positive production externality extra benefits are created by producers and likewise for positive consumption externality extra benefits are created by consumers. Now let me give you an explanation for both these types of

externalities before we jump into our main topic. Positive production externality occurs when the production of a good or service itself results in benefiting to third parties, an example would be- if a firm engages in research and development and succeeds in developing a new technology that spreads

throughout the economy, this not only positively affects the firms but also the society since there will be widespread adoption of this new technology.

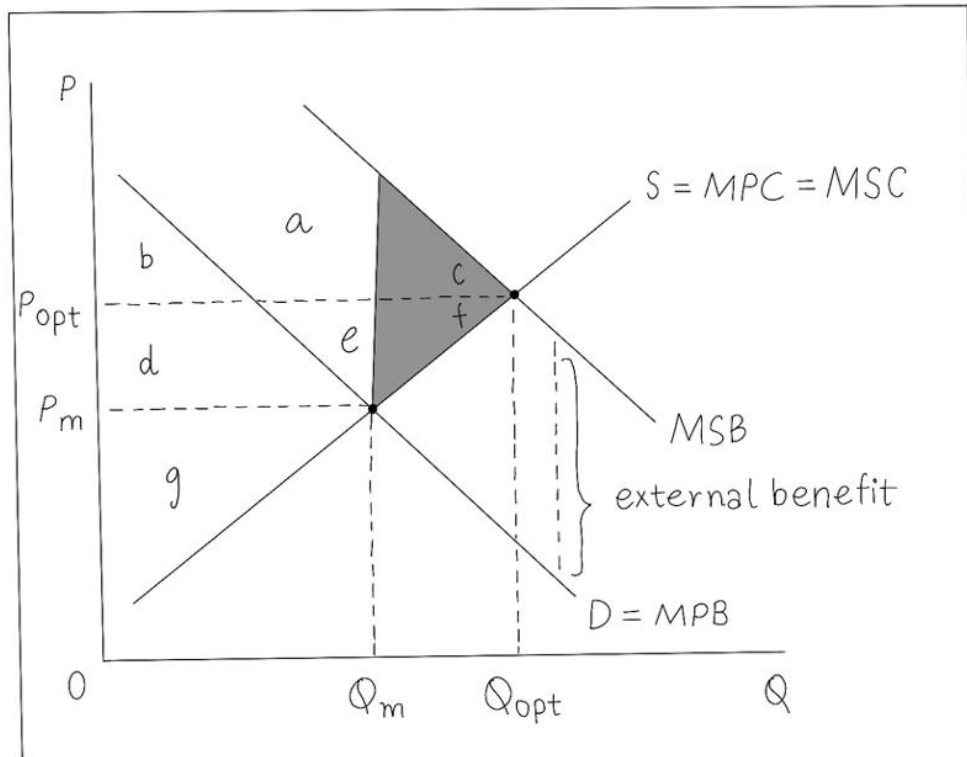
Positive consumption externality, the example I have picked up for this is education. In this paper I will talk about the urgency of educating girls in India, and why it is a rising issue. The average female literacy rate throughout the world is 79.9% while for men it is 89.2%. India lingers behind at 62.3% for women as compared to 80% for men. Many girls in India are married at a young age and drop out of school after they complete their primary education due to societal pressures or family values. 32.8% of females aged 15 years and above in India are participating in labor force. Female LFPR in age group 15-59 years is 35.6%. About 23% of females are married off before the age of 18 due to their parents' values. Now would this have happened if the girl was educated, if the girl was educated this would not only impact her positively but also help her show her family, she can be independent and does not have to be reliant on a man financially. Education can fix various issues, the biggest including financial stability, the reason most parents marry their daughter off. The economic times confirms that there are 47% of women who are financially independent and can make their own financial decisions.



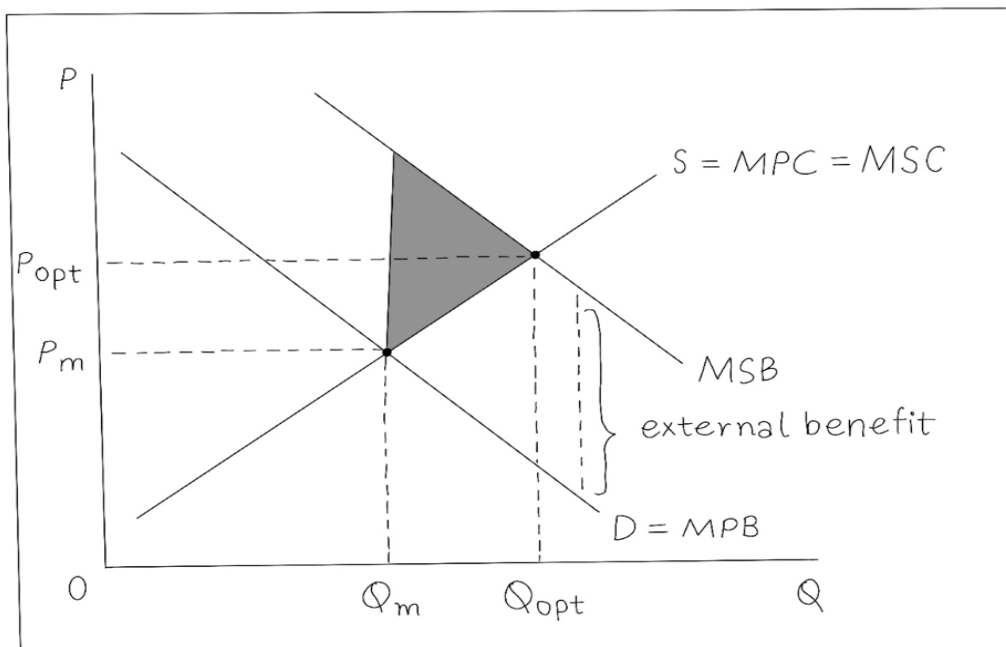
Equilibrium Graph: Demand & Supply Determining Price & Quantity

The ideal graph would have made me the intersection of the demand curve, where $d = MPB$ and the supply curve where $s = MPC = MSC$. Marginal social benefit will be greater than marginal private benefit since the benefit to society will be greater than the benefit to one individual. The space between both the demand

curves will give us the external benefits. The intersection of $D=MPB$ and $S=MPC=MSC$ will give us the equilibrium price and equilibrium quantity. The intersection of the demand curve MSB and the supply curve $S=MPC=MSC$ will give us the optimum price and optimum quantity. When there is a positive consumption externality, the free market under allocates resources to the production of the good and too little of it is produced relative to the social optimum. This is shown by $Q_m < Q_{opt}$ and $MSB > MSC$ at Q_m .



Positive consumption externality graph (welfare loss included)



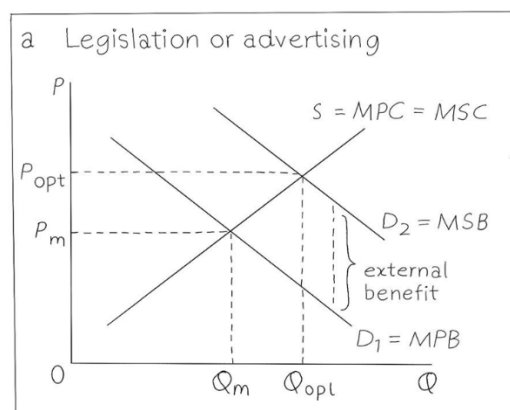
Positive consumption externality graph

The welfare loss arising from a positive consumption externality is the shaded are and is the difference between MSB and MSC curve for output that is underproduced relative to the social optimum (Q_{opt} –

Qm). It shows the loss of social benefits due to underproduction of the good. If this externality were corrected, society would gain the benefits being represented by the shaded region.

According to the United Nations Children’s Fund (UNICEF) “Worldwide, 129 million girls are out of school.” As known amongst all women’s illiteracy is increasing rapidly, ways to correcting positive consumption externality will be; the first thing government can do is spread awareness and educate the citizens. India started Beti Bachao Beti Padhao campaign in 2015. “Beti Bachao Beti Padhao (BBBP) was launched by the Prime Minister on 22nd January, 2015 at Panipat, Haryana. BBBP addresses the declining Child Sex Ratio (CSR) and related issues of women empowerment over a life-cycle continuum.” They started this initiative to promote sending girls to school and prevent gender inequality. Their mantra was “Beti Beta, Ek samaan”, saying whether it is a girl or boy you should give each equal respect, India they make showcase women as the one who stay at home, cook and clean for the house while the man makes the money for the house and provides for his children and wife because of these strong believes women are held from educating themselves and working because their family does not allow it and hence prevents this as much as possible.” The NDA Government is trying to bring about a transformational shift in the way our society looks at the girl child. PM Modi in his Mann Ki Baat lauded the Sarpanch from Bibipur in Haryana who started a ‘Selfie With Daughter’ initiative. PM

also urged people to share their selfies with daughters and it soon became a world-wide hit. People from across India and the world shared their selfies with daughters and this became a proud occasion for all those who have daughters.” This campaign allowed citizens to understand the potential their daughter hold and not discredit them. “In order to increase awareness about Beti Bachao Beti Padhao, street plays are also being organized in Pithoragarh. These street plays are not only organized at the villages, but also in markets to generate awareness among a larger audience. Through story visualization, people are getting sensitized towards the problems of sex-selective abortion. Issues related to the girl child and the series of the difficulties she faces through her lifespan are very well portrayed through these street plays. Through a Signature Campaign, Pledge and Oath Ceremony, message of BBBP has reached out to 700 students from PG colleges and several Army Personnel.”



Impact of legislation/advertising on positive consumption externality

This campaign shifts the demand for education to the right, the demand curve D1 = MPB shifts to the right. Ideally, it will shift until it reaches MSB curve, where D2 = MSB and Q optimum is produced and consumed Another way to correct positive consumption externality is through subsidy. Balika Samridhhi

Yojana. This is a scholarship initiative that provides financial support to young girls and their families who live in poverty. This initiative was launched on 2nd October 1997. The schemes key aim is to raise girls social status, increase their marriageable age and increase enrolment as well as girls enrolment for school studies. This girl child benefit programme is available in both urban and rural areas. Following the birthday of a baby to a mother of a girl child, all qualifying beneficiaries are given a cash reward. Later, when still in school, a girl child will earn an annual scholarship ranging from Rs. 300 to Rs. 1000. The girl will remove the remaining funds from the scheme until she reaches the age of 18.

Conclusion

This research paper emphasises on the importance of girl education in India and the possible consequences of it, it included statistical data to support my hypothesis and claim and provides real life example of what the Indian government is already doing to work towards. Although they are making a great effort in order to provide education for all there are still some rural areas with individuals who are not getting this opportunity hence, they should enforce more stricter rules and laws, as well as

give families grants for sending their child to school so they can encourage this and give girls the opportunity to be educated.

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