Original Article

Emerging Research Areas in Economics (India)

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Abstract

India's economy is rapidly evolving, driven by digital innovation, demographic shifts, environmental imperatives, and global integration. As a result, economic research in India is expanding into newer domains that challenge traditional theories and demand interdisciplinary approaches. This paper highlights the most prominent emerging research areas in Indian economics such as digital economy, environmental economics, informal sector formalization, gender equity, rural and urban development, and financial inclusion. These themes hold relevance for academic research, public policy, and long-term national development strategies such as Viksit Bharat @2047.

Keywords – Emerging research areas, Indian economy, Digital economy, Gender equity etc.

Introduction

India's diverse economy — comprising agriculture, industry, and an expanding services sector — faces unique developmental challenges and opportunities shaped by its demographic diversity, regional disparities, and institutional complexities. Rapid urbanization, climate change, and the global shift toward a knowledge-based economy are also exerting transformative pressures. In this evolving landscape, addressing structural issues such as unemployment, informal labor, and rural-urban migration requires innovative, evidence-based approaches. From tackling income inequality to integrating technology into economic practices, researchers are exploring new frameworks to analyze, model, and influence policy. The transformation in public policy approaches, fueled by data analytics, digital governance, and sustainable development goals (SDGs), has opened new avenues in economic thought and research, encouraging cross-disciplinary collaboration and the use of real-time data for more agile and inclusive policy formulation.

Digital Economy and Platform Economics :

India is leading a digital revolution with platforms like UPI, Aadhaar, and ONDC (Open Network for Digital Commerce).

i. **Impact of digital payments on consumption and savings**: The rise of digital payments in India, driven by platforms like UPI, has increased transactional efficiency and financial transparency. Studies are examining how this shift influences consumer behavior, potentially boosting consumption due to ease of spending, while also impacting savings patterns by promoting formal financial inclusion.

i. **Regulation of tech monopolies and platform-based employment**: As digital platforms dominate markets (e.g., e-commerce, ride-hailing), concerns over monopolistic practices and labor rights are growing. Research in this area focuses on balancing innovation with fair competition, and on creating regulatory frameworks to protect gig workers and ensure equitable digital labor practices.

i. **Crypto currencies, CBDC (Digital Rupee), and their policy implications**: The emergence of crypto currencies and India's exploration of a Central Bank Digital Currency (CBDC) raise important questions around monetary policy, financial stability, and regulation. Research explores how digital currencies can enhance financial inclusion, reduce transaction costs, and reshape the banking ecosystem, while also posing risks related to privacy, security, and volatility.

3. Informal Sector and Labour Formalization

Over 80% of Indian workers are in the informal sector. Formalizing this sector is vital for inclusive development.

- **Efficacy of labor codes**: India's recent labor law reforms aim to simplify and modernize labor regulations by consolidating 29 existing laws into four labor codes. Research in this area focuses on evaluating their effectiveness in improving labor market flexibility, worker protections, compliance rates, and impacts on employment generation, especially in the informal sector.

- **MSME digitization and credit access**: Micro, Small, and Medium Enterprises (MSMEs) are crucial to India's economic growth and employment. Digitization is helping these

enterprises improve efficiency, market reach, and financial transparency. A key research focus is how digital adoption influences credit accessibility, especially through fintech, digital lending platforms, and government schemes like the Emergency Credit Line Guarantee Scheme (ECLGS).

- **Role of platforms like E-Shram and PM SVANidhi**: Government platforms like E-Shram (for unorganized workers) and PM SVANidhi (for street vendors) aim to integrate informal workers into the formal economy. Researchers are examining how these platforms affect social security coverage, financial inclusion, and livelihood resilience, and whether they serve as effective policy tools for inclusive development.

4. Climate Change and Environmental Economics
India's climate commitments and vulnerabilities make environmental economics a high-priority research area.

- **Green Finance and Carbon Taxation**
Green finance supports investment in sustainable and eco-friendly projects like renewable energy, helping reduce carbon emissions and environmental harm.
Carbon taxation puts a price on carbon emissions, making polluters pay and encouraging the use of cleaner alternatives.

- **Economics of Renewable Energy Adoption (Solar, Wind, Hydrogen)**
Renewable energy sources like **solar, wind, and green hydrogen** are becoming cost-effective and sustainable. They reduce dependence on fossil fuels, lower pollution, create jobs, and improve long-term energy security.

- **Cost-Benefit Analysis of Climate Adaptation Policies**
This involves comparing the **cost of implementing adaptation measures** (like flood defenses, drought-resistant farming) with the **benefits of avoiding climate-related damages**. It helps ensure smart, cost-effective investments to build resilience against climate change.

5. Rural Development and Agrarian Economics
Despite urbanization, rural India still holds the key to sustainable development.

- **PM-KISAN, FPOs, and Direct Benefit Transfers**
PM-KISAN provides income support of 6,000 per year to small and marginal farmers through **Direct Benefit Transfer (DBT)**, ensuring transparency and timely financial aid.
FPOs (Farmer Producer Organizations) help farmers pool resources, improve bargaining power, and get better prices for their produce.

- **Impact of MNREGA on Employment Generation**
The **Mahatma Gandhi National Rural Employment Guarantee Act (MNREGA)** offers 100 days of guaranteed wage employment to rural households. It helps reduce rural unemployment, supports livelihoods during off-farming seasons, and improves rural infrastructure.

- **Integration of AI in Agricultural Supply Chains**
Artificial Intelligence (AI) enhances agriculture by predicting weather, optimizing crop management, and reducing supply chain losses. It improves efficiency in storage, transportation, pricing, and market access for farmers.

6. Urbanization and Infrastructure Economics
India is projected to have 40% of its population living in urban areas by 2030.

- **Smart Cities, Housing for All, and Urban Transport Economics**
Smart Cities aim to improve urban infrastructure using technology for better governance, mobility, and sustainability.
Housing for All ensures affordable housing, especially for low-income groups.
Urban transport economics focuses on cost-effective, efficient, and eco-friendly transport systems to reduce congestion and pollution.

- **Municipal Finance and Public-Private Partnerships (PPP)**
Municipal finance involves revenue generation by local bodies through taxes, user charges, and grants to fund urban services.
PPP models help mobilize private investment and expertise in urban infrastructure projects like roads, water supply, and metro systems.

- **Real Estate Regulation and Inclusive Urban Planning**
Real Estate Regulation (RERA) ensures transparency, protects homebuyers, and boosts confidence in the real estate sector.
Inclusive urban planning promotes equitable access to housing, transport, and public services for all sections of society, including slum dwellers and the urban poor.

7. Gender Economics and Inclusive Growth
Women's economic participation is essential for sustainable development.

- **Economic Valuation of Unpaid Care Work**
Unpaid care work—like cooking, cleaning, and caregiving—is mostly done by women and not counted in GDP. Valuing it economically highlights its contribution to society and supports policies for better work-life balance and social support.

- **Gender Wage Gaps and Policy Solutions**
Women often earn less than men for the same work due to discrimination, lower representation in leadership, and unpaid responsibilities. Policies like equal pay laws, maternity benefits, and skill training help reduce wage gaps.

- **Women's Access to Credit, Entrepreneurship, and Technology**
- Limited access to credit and digital tools restricts women's economic participation. Promoting women-led enterprises, digital literacy, and gender-inclusive financial services boosts entrepreneurship and empowerment.

Conclusion
India's evolving economic landscape presents a rich ground for emerging research that is both multidimensional and transformative. From the rapid growth of the **digital economy** to the urgent need for **climate resilience**, the country is navigating complex challenges with innovative policy tools, data-driven governance, and technology integration.

Research in areas such as **informal sector formalization**, **green finance**, and **renewable energy** is helping shape inclusive development models that balance growth with sustainability. Simultaneously, policies supporting **rural transformation**, **urban infrastructure**, and **gender equity** are essential for ensuring that economic progress reaches all sections of society.

The integration of **AI in agriculture**, the focus on **smart urbanization**, and the promotion of **financial inclusion through DBT and digital platforms** show how economic policy is increasingly driven by innovation, efficiency, and inclusiveness.

For India to achieve its developmental goals and the UN Sustainable Development Goals (SDGs), it is vital that economic research continues to inform and support policymaking. Encouraging interdisciplinary studies, strengthening institutional data systems, and fostering collaboration between academia, government, and industry will be key to addressing future challenges and unlocking India's full economic potential.

India's economic challenges are dynamic, and traditional models are no longer sufficient. The emerging areas discussed provide fertile ground for impactful, interdisciplinary, and policy-relevant research. These directions will support India's broader goals of Atmanirbhar Bharat, Digital Bharat, and Viksit Bharat @2047.

Conflicts of interest

The authors declare that there are no conflicts of interest regarding the publication of this paper.

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