

HOW SENSITIVE ARE LABOR MARKETS TO HEAT?

EVIDENCES FROM INDIA

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ABSTRACT

As we are moving forward in the 21st century, the discussion about the erratic temperature variations among people has become very frequent. When the topic of temperature variations is put into light with respect to the Indian subcontinent, increasing temperatures or the rising heat conditions can be considered as one of the most critical concept. This is because rising heat conditions significantly affect other factors such as labor productivity, crop production and quality, and food prices and inflation. The causal effects of extreme heat would determine the efficiency of factors related to the labor markets in India through the use of panel data models. The results show that while all the other variables fall with respect to heat waves, they positively impact unemployment rate, but it has yet to be strongly significant. It will take more time to mature fully for the agreements and plans to counter these problems, along with the improvement in the technology, infrastructure and trust in the policymaking system, for it to be significant.

Keywords – Labor markets, Heat waves

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