

Chanakya's Concept of 'Lokasangraha' (Welfare of the People) in Global Sustainable Development Goals (SDGs)

Koncepcja 'Lokasangraha' (dobrobytu ludzi) Chanakya w kontekście globalnych Celów zrównoważonego rozwoju

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Abstract

Sustainable development calls for governance frameworks that balance economic prosperity, social justice, and environmental sustainability. While contemporary governance frameworks are predominantly Western, ancient Indian systems, particularly Chanakya's Lokasangraha, offer a unique approach to ethical leadership and sustainability. This research analyzes Lokasangraha as a governance framework consistent with the United Nations Sustainable Development Goals (SDGs), namely SDG 1 (No Poverty), SDG 10 (Reduced Inequalities), and SDG 16 (Peace, Justice, and Strong Institutions).

Using a comparative analytical approach, this study examines Lokasangraha alongside modern sustainability models such as the Nordic welfare model, the European Green Deal, and ESG concepts. The findings emphasize the importance of ethical leadership, state responsibility, and distributive justice in ensuring sustainable outcomes over the long term.

The research concludes that the incorporation of moral governance in economic and environmental policies increases social stability, economic resilience, and sustainable development. Lokasangraha offers valuable insights for modern governance, demonstrating how ethical leadership can address global sustainability challenges. Business leaders and policymakers can use Lokasangraha-inspired methodologies to enhance balanced and inclusive growth.

Key words: Sustainable Development Goals, SDGs, Lokasangraha, sustainable governance, ethical leadership, social equity, environmental sustainability

Streszczenie

Zrównoważony rozwój wymaga ram zarządzania, które równoważą dobrobyt gospodarczy, sprawiedliwość społeczną i zrównoważoność środowiska. Podczas gdy współczesne ramy zarządzania są przeważnie zachodnie, starożytne systemy indyjskie, w szczególności Lokasangraha Chanakya, oferują unikalne podejście do etycznego przywództwa i zrównoważonego rozwoju. Niniejsze badanie analizuje Lokasangraha jako ramy zarządzania zgodne z Celami Zrównoważonego Rozwoju Organizacji Narodów Zjednoczonych (SDGs), a mianowicie SDG 1 (Brak ubóstwa), SDG 10 (Zmniejszenie nierówności) i SDG 16 (Pokój, sprawiedliwość i silne instytucje). Za pomocą porównawczego podejścia analitycznego, niniejsze badanie bada Lokasangraha obok nowoczesnych modeli zrównoważonego rozwoju, takich jak nordycki model dobrobytu, Europejski Zielony Ład i koncepcje ESG. Wyniki podkreślają znaczenie etycznego przywództwa, odpowiedzialności państwa i sprawiedliwości dystrybucyjnej w zapewnianiu zrównoważonych wyników w perspektywie długoterminowej.

Badanie stwierdza, że włączenie zarządzania moralnego do polityk gospodarczych i środowiskowych zwiększa stabilność społeczną, odporność gospodarczą i zrównoważony rozwój. Lokasangraha oferuje cenne spostrzeżenia na temat nowoczesnego zarządzania, pokazując, jak etyczne przywództwo może sprostać globalnym wyzwaniom

zrównoważonego rozwoju. Liderzy biznesu i decydenci mogą wykorzystać metodologie inspirowane Lokasangraha, aby zwiększyć zrównoważony i inkluzyjny wzrost.

Słowa kluczowe: Cele Zrównoważonego Rozwoju, SDGs, Lokasangraha, zrównoważone zarządzanie, przywództwo etyczne, równość społeczna, zrównoważona gospodarka środowiskowa

1. Introduction

Sustainability has become a global aspiration, and the demand for models of governance that reconcile economic progress, social equity, and ecological sustainability (Okereke, 2006). While contemporary theories of sustainability are primarily based on Western economic and policy schools of thought, ancient schools of governance thinking also have significant contributions to make in terms of ethical leadership and sustainable management (Caradonna, JL, 2022). Of these, Chanakya's *Lokasangraha* theory, a core concept of the Arthashastra, is a paradigm of public welfare, ethical administration, and judicious management of resources (Laruffa, (2022). The term Lokasangraha stands for *people's welfare*, and it takes care of the welfare of all and not benefits to individuals, and seeks to encourage the form of administration that ensures long-term social stability (Sivakumar, 2010). This principle is most directly related to fundamental United Nations Sustainable Development Goals (SDGs), such as No Poverty (SDG 1), Reduced Inequalities (SDG 10), and Peace, Justice, and Strong Institutions (SDG 16) (Purvis B., 2019).

Ethical governance is a main enabler of sustainability in the form of establishing trust, stability, and equitable resource allocation (Du, 2025). Governance structures that prioritize transparency, accountability, and ethical decision-making promote social justice and sustainable development (Drastichová, 2022). Chanakya's Lokasangraha presents an alternative system of governance that integrates ethical leadership into sustainable policy-making (Pradeep Gautam, 2015) to ensure that economic growth does not take place at the cost of society's well-being or the environment.

Integrating Indian philosophical traditions, like Chanakya's Lokasangraha, with international frameworks of sustainability is necessary to design inclusive and diverse governance models (Ranjan Chatterjee, 2009). Existing sustainability policies, which concentrate on regulatory policies and market solutions, (Calabrese A., 2021) have been largely the focus, whereas Lokasangraha brings a moral and responsibility-based response to supplement existing approaches. Ethical leadership, as it is instituted in the Arthashastra, serves to cause the decisions governing the state to respond to societal long-term needs more than immediate economic gains (lexander, 2011). Synthesizing the Indian tradition of philosophical reflection with SDGs, this work underscores the essence of ethical rule in enhancing universal sustainability and nurturing balanced development practice.

The study aims to:

1. Examine the ideas of Lokasangraha in the framework of Arthashastra,
2. Analyse the way ethical governance can serve the purpose of achieving sustainability,
3. Compare Lokasangraha with modern means of achieving sustainability such as the Nordic welfare approach and ESG standards, and
4. Propose a model of governance that alligns ethical leadership with the demands for sustainability.

2. Literature Review

2.1. Chanakya's Philosophy of Governance and Welfare

Kautilya's Arthashastra is commonly considered to be among the oldest treatises on statecraft, economic policy, and government. Scholars like (Kangle, 1965) and (Rangarajan, 1992) have widely discussed the Arthashastra, noting its utilitarian approach to administration, economic management, and social organization. Research emphasizes that Chanakya's system of governance was deeply entrenched in ethical leadership and the notion of *Dharma* (Garde, 2006) (duty-based governance), maintaining a balance between economic development and public well-being.

Various research studies (Dutta, 2023) compare Chanakya's model of governance to contemporary welfare states. According to, Chanakya's philosophy is akin to the Nordic social-democratic models (Kuisma, 2007), where the state takes center stage for social welfare and economic equality. Such models, as in Lokasangraha, stress inclusive growth, taxation-funded social security, and moral leadership. The Arthashastra's governance practice is also compatible with modern-day sustainable governance practice (Bjorkman, 2003), especially its focus on the conservation of resources, economic autonomy, and ecological stewardship.

2.2. Concept of Lokasangraha and Its Principles

The phrase Lokasangraha has been extensively debated in both philosophical as well as governance literature. Originating from the Bhagavad Gita, it denotes collective well-being of society by selfless governance and respon-

sible leadership (Muniapan, 2013). The Gita underlines the fact that the rulers and leaders should act not for themselves but for the benefit of society at large (C.G, 2006), a notion that strongly reflects contemporary debates on ethical leadership and sustainable governance (Krambia-Kapardis, 2023)

Researchers like (Sihag, 2017) have mentioned that Lokasangraha is compatible with ethical theories of leadership, especially servant leadership and transformational leadership frameworks. According to these theories, leaders must focus on long-term benefits for society in preference to short-term economic or personal benefits. The tenets of Lokasangraha also reflect stakeholder capitalism thinking, where corporations are supposed to work in such a manner that not only do shareholders benefit but employees, local communities, and the environment are also benefited (Carroll, 2010).

2.3. Ethical Leadership, Public Welfare, and Sustainable Governance

Ethical leadership has been widely touted as an integral aspect of sustainable governance and wise policymaking (Brown, 2006). Most research works, including those of George et al. (2007), have observed that ethical leadership contributes to institutional trust, honest governance, and lasting societal stability. Chanakya's emphasis on virtuous leadership is in harmony with these, as he advocated accountability, justice, and corruption-free governance (Brown M. E., 2006).

A comparative evaluation of leadership models recognizes that current ethical systems of governance, such as the European Green Deal, Nordic welfare approach, and Japanese corporate ethics, all capture elements such as responsibility and sustainability similar to Lokasangraha (Hofstede, 2001). Scholars such as (Sen, 1999) have further argued that ethical leadership is essential to achieving social and economic justice and therefore Lokasangraha is particularly relevant to modern sustainable development frameworks.

2.4. The SDGs and Sustainable Governance: Global Vision

United Nations Sustainable Development Goals (SDGs) constitute a global development agenda for assuring equitable economic growth, social welfare, and environmental sustainability (Pedersen, 2018). The convergence between traditional governance values and the SDGs, particularly social equity, environmental protection, and ethical administration, has been examined in various studies (Chaturvedi, 2023).

Several researchers have noted the importance of culturally rooted models of sustainability. Researchers like (Desai 2020) argue that Indian schools of thought philosophies, such as Lokasangraha, offer insights into alternative sustainability models (Ranjan Chatterjee, 2009). The moral structure of the Bhagavad Gita, when applied to SDG-based policies, means that institutions and leaders must adopt long-term sustainability strategies instead of short-term economic objectives (Agarwal, 2025).

2.5. Comparative Analysis: Lokasangraha vs. Contemporary Models of Sustainability

There has also been a rise in more studies comparing Nordic government models with contemporary theories of sustainability. Others indicated that Nordic countries have welfare states in support of redistributive policies of wealth, high progressive taxes, and direct state control in the public sector, which form Chanakya's state responsibility in economic justice framework (Olli Kangas, 2025). Similarly, the European Green Deal, its efforts to marry economic prosperity and ecological sustainability find their echo in Chanakya's teaching on conservation of resources and right governance by government leaders (Subramanian, 1990).

In contrast, capitalist economic regimes, particularly those based on neoliberal values, tend to emphasize profit maximization and restricted state action (Laruffa, (2022). From research, these regimes are usually characterized by income disparities, environmental pollution, and governance failures (Piketty, 2014). This is a strong case for the inclusion of ethical and responsibility-based systems of governance, like Lokasangraha, into contemporary policy discourses (Ghosh, 2020).

2.6. Policy Implications and Applications of Lokasangraha

Policy studies on sustainability governance have also recognized the role of ethical governance in the success of SDGs (Patel, 2020) According to scholars, governments can pursue Lokasangraha-inspired policies by emphasizing:

- Progressive taxation and redistributive wealth to minimize economic inequality. (Stiglitz, 2015)
- Sustainable corporate governance models with integration of ethical leadership and social responsibility (Scherer, 2020)
- Environmental stewardship as a governance principle, e.g., Chanakya's conservation policies (Davies, 1997)

Research also indicates that stakeholder capitalism and corporate policies based on social entrepreneurship are more sustainable development friendly than the conventional profit maximization-based business model (Jose Manuel Diaz-Sarachaga, 2022)

3. Framework

Governance theory has developed over centuries, but the pillars of moral leadership, public good, and sustainability remain the foundation of good administration (Treviño, 2000). Chanakya's philosophy of state, as outlined in the Arthashastra, revolves around the state as the most crucial tool for economic security, social justice, and sustainable development (Nath, 2005). His Lokasangraha idea, or *people's welfare*, promotes a responsibility-based system of governance in which the rulers ensure social peace, fair distribution of resources, and economic stability (Bhawuk, 2018). Unlike the current governance paradigms that prioritize economic growth at the expense of social and environmental interests (Beckerman, 1992), Lokasangraha promotes a balance-oriented approach – policies that serve the common good rather than vested interests (Verma, 2025). This is an idea that is very much aligned with current sustainable paradigms of governance, especially the United Nations Sustainable Development Goals (SDGs), which emphasize inclusive, equitable, and accountable leadership (Sansthan, 2023).

Lokasangraha in essence is an ethical leadership philosophy that resonates with SDG 16 (Peace, Justice, and Strong Institutions) and SDG 10 (Reduced Inequalities). Chanakya emphasized that a just ruler must prioritize public welfare over personal interest (Chande, 1998), promote social justice, and adopt economic policies that ensure stability in the long run. His vision of governance promoted poverty alleviation, fair taxation, judicious utilization of resources, and social cohesion, values that remain at the core of current discussions of sustainable development (Pillai, 2015). Chanakya's idea of ethical governance is akin to Environmental, Social, and Governance (ESG) criteria that prompt businesses and governments to adopt ethical and sustainable conduct (Garde, 2006). The focus on ethical governance in Lokasangraha can therefore be used as a moral and strategic compass for contemporary policymakers and business leaders who want to balance economic growth with concerns about sustainability (Ranjan Chatterjee, 2009).

The SDGs offer a specific model of how to respond to governance, equity, and economic justice worldwide (Pankojini Mulia, 2016), but differences in implementation confirm the necessity of culturally adaptable models of governance (Menton, 2020). Social welfare policy and sustainability policies like the Nordic welfare state model and European Green Deal are different ways of achieving sustainability objectives (Koch, 2022). While these models are centered around regulatory frameworks and economic interests, Lokasangraha brings an ethical angle – connecting governance and moral duty as well as future communal flourishing (Giri, 2023).

4. Methodology

This study employs a comparative and inter-disciplinary research approach to investigate the potential for applying Chanakya's concept of Lokasangraha to the world models of sustainability. By reviewing Lokasangraha against contemporary models of governance such as the Nordic welfare state model, the European Green Deal, and Environmental, Social, and Governance (ESG) principles, the research aims to present its value in the achievement of the United Nations Sustainable Development Goals (SDGs). Comparative analysis methodology facilitates systematic comparison between the ethical principles of governance from the past as means to an end to transform into current-day economic justice, social equity, and environmental sustainability policy.

This study relies on a wide range of data materials, including historical texts like the Arthashastra, United Nations policy reports, world government organization sources, and international models for sustainability. The Arthashastra offers valuable insights into Chanakya's philosophy of governance, particularly its focus on ethical leadership, management, and the public good. United Nations SDG reports and policy briefs provide contemporary benchmarks for sustainable governance, enabling systematic comparison with Lokasangraha. Additionally, comparative case studies of countries with progressive sustainability policies—such as Scandinavian welfare economies, European sustainable development programs, and corporate ESG strategies—contextualize Chanakya's maxims in the modern world.

To ensure comprehensive evaluation, the research employs an analytical framework based on three critical aspects of sustainability: social, economic, and environmental. Social sustainability is analyzed by looking at how Lokasangraha promotes equal governance, poverty reduction, and shared development. Economic sustainability is studied through the lens of ethical taxation, equitable resource distribution, and long-term economic stability, as emphasized in the Arthashastra. Environmental sustainability is researched by looking at Chanakya's teachings on responsible resource management, conservation ethics, and green state policies. Through a synthesis of timeless governance wisdom with contemporary sustainability paradigms, this study attempts to present an internationally applicable vision for ethical governance for sustainable development.

5. Comparative Analysis

The theory of Lokasangraha, as imagined by Chanakya, is an ancient governance model that places collective welfare, ethical leadership, and sustainable economic policy at center stage (Chatterjee, 2016). In contrast to mod-

ern models of governance, which prioritize economic growth and market-driven solutions (Hassan, 2010), Lokasangraha advocates for a more balanced approach where economic growth is supplemented by social and environmental welfare (Giri, 2023). This comparative analysis contrasts Lokasangraha with modern models of sustainability, most significantly the Nordic model of welfare, the European Green Deal, and capitalist economic models.

5.1. Lokasangraha and the Nordic Welfare Model: A Shared Belief in Social Responsibility

One of the nearest modern-day equivalents of Lokasangraha is the Nordic model of welfare (Giri, 2018), with its high social equality, taxation that is progressive, and universal state intervention into welfare policy. Sweden, Denmark, Norway, and Finland are successful in realizing policies of universal healthcare, schooling, and distribution of income in a way which provides high standard of living for all (Kangas, 2018). All these policies are extremely in line with Chanakya's idea of a king's duty for serving the people's welfare (Jha, 1998) through moral administration and fair economic policy.

Chanakya, in the Arthashastra, gives top priority to state action in taxation and distribution of wealth as major tools to provide economic justice (Banerjee, 2012). He advocates for a tax system that is not too liberal nor too stringent, such that the state is able to collect enough revenues to finance welfare programs without burdening its citizens (Chati, 2018). Likewise, the Nordic model is founded on progressive taxation, wherein the higher-income segments contribute more to public welfare, thus minimizing income inequality and ensuring economic stability (Kangas O. &, 2005). Both models acknowledge the ethical role of governance to benefit society and not just for the accumulation of wealth.

There are, however, several distinctions in the two systems (Pedersen A. W., 2017). While the Nordic model stems from democratic government and institutionalized welfare (Christiansen, 2006), Lokasangraha operates under a monarchical or centralized system of government where the monarch has significant influence over decision-making (Haque, 2015). Despite these structural distinctions, both models emphasize ethical leadership, long-term planning, and integration of economic policy and social responsibility. This juxtaposition suggests that Lokasangraha maxims can provide greater ethical and philosophical depth to contemporary welfare governance (Ranjan Chatterjee, 2009), particularly in ensuring that state policies are ethically solid and sustainable in the long run.

5.2. Parallelisms Between Lokasangraha and the European Green Deal: Sustainable Governance and Environmental Responsibility

The European Green Deal, as envisioned by the European Union, is a comprehensive strategy that aims to make Europe the world's first climate-neutral continent by 2050 (Fetting, 2020). It is an amalgamation of economic growth and environmental protection, recognizing that long-term prosperity is founded on the sustainable use of natural resources. The core principles of sustainable government in the Green Deal are largely consistent with Lokasangraha, particularly in matters concerning resource conservation, environmental morality, and state duty in the regulation of economic activity.

Chanakya's Arthashastra dictates a model of government where the state is actively involved in control of resources, guarding the environment, and sustainability. He stresses forcefully conservation of water, agriculture planning, and conservation of resources, hoping that an equitable society depends on the ecological balance. Similarly, the European Green Deal also targets action on climate change, carbon neutrality, and environmentally friendly agriculture with the assurance that economic policy will not be undertaken at the expense of the worsening environment. This shared commitment to economic progress at the cost of environmental sustainability is a testament to the enduring usefulness of Lokasangraha as a philosophy of governing.

Though such similarity exists, there are wide differences in approach to sustainability. The European Green Deal is based on a regulation- and policy-driven system with an emphasis on market incentives, law, and innovation in order to achieve sustainability goals. On the other hand, Lokasangraha is based on ethical principle and moral responsibility, in which leaders are bound to make sustainability not only a policy goal but a moral imperative. Although newer models of sustainability are carbon-price-based, subsidy-based, and corporate-responsibility-based, Lokasangraha suggests an even deeper shift in the ethics of governance, where sustainability is embedded in state philosophy rather than asserted by regulation.

5.3. Compares to Capitalist Economic Models: Welfare-Driven vs. Profit-Driven Governance

The capitalist economic model, particularly its neoliberal form, is polar opposite to Lokasangraha because it is aimed at profit maximization, market efficiency, and individual wealth accumulation at the cost of overall welfare and sustainability. Although capitalism has brought about economic growth and innovation, it has also further boosted income inequality, environmental degradation, and short-run profit-oriented governance (Birch, 2015). On the other hand, Chanakya's political philosophy, as integrated in Lokasangraha, advocates state intervention in the economy to make economic policy for the common good, giving priority to fairness of distribution and social harmony over unrestricted market forces (Belwalkar, 2016)

Amongst these models, one of the significant differences is how they deal with corporate social responsibility and distribution of wealth. In capitalist economies, corporations operate primarily for the sake of profits, and ad hoc

corporate social responsibility (CSR) is common. However, Lokasangraha upholds that the wealth must serve society at large, which approaches the Nordic model of the welfare state and portions of the European Green Deal that include social and environmental considerations within economic policy (Pedersen A. W., 2017).

5.4. Case Analysis: Ancient and Contemporary Applications of Lokasangraha

5.4.1. Ancient Indian Applications

During Mauryan Empire (321–185 BCE), Chanakya's Arthashastra founded governance on the foundations of moral administration, social justice, and environmentally friendly economic policies. Taxation was progressive in this system so that rich people paid more into welfare schemes, a principle adopted in contemporary Nordic taxation systems (Kangas, 2018). Besides, Chanakya emphasized environmental sustainability through state-sponsored irrigation, forest conservation, and management, reflecting modern-day sustainability efforts like the European Green Deal (European Commission, 2019). Meritocratic governance was also the cornerstone of Lokasangraha, with governance favoring ability and moral character over hereditary rule, a concept that remains relevant in modern democracies (Sihag, 2017).

5.4.2. Applications in Contemporary Times

- **The Nordic Welfare Model: Ethical Governance and Social Justice**
The Nordic countries (Sweden, Denmark, Norway, Finland, Iceland) exhibit Lokasangraha in progressive taxation, universal health coverage, and subsidization of education, which guarantees economic prosperity for all citizens (Momen, 2002). Social security laws in Sweden, for instance, prevent income disparity, which contributes to social stability—one of the core principles of Lokasangraha. Norway's Government Pension Fund Global (GPF) also protects the resources' wealth for generations to come, an aspect that mirrors Chanakya's concepts of long-term governance and economic planning (Stiglitz, 2015).
- **The European Green Deal: Sustainable and Ethical Governance**
The European Union's Green Deal combines economic prosperity with conservation of the environment, as also emphasized by Lokasangraha's attention to long-term ecological balance. Germany's policy of *Energiewende* (energy transition policy) is a paradigmatic case of state-led sustainability, reducing fossil fuel consumption while driving economic progress (W. Fischer, 2016). Chanakya's philosophy of rule also aimed at resource preservation alongside economic growth, with emphasis on long-term stability over short-term benefits (Panwar, 2024).
- **Japan's Corporate Ethics and Sustainable Business Governance**
Japan's corporate governance system is centered on long-term economic planning, ethical leadership, and sustainability. CSR activities of Japan Business Federation (Keidanren) include environmental protection and social welfare, which are aligned with a governance model like Lokasangraha (Mizobata, 2014). Japan's post-Fukushima disaster management policies demonstrate state-led governance according to public welfare (Kitagawa, 2016), aligned with Chanakya's emphasis on governance as a tool for attaining societal good.
- **Bhutan's Gross National Happiness (GNH): Balancing Development Before Economic Growth**
Bhutan's Gross National Happiness (GNH) measure is the manifestation of Lokasangraha, prioritizing happiness, environmental conservation, and preservation of culture over GDP growth. The GNH approach blends sustainability, ethical leadership, and social equity to ensure economic policies promote long-term common good (Piketty, 2014). This is also in accordance with Chanakya's doctrine of governance, which demands economic policies that increase common good above mere economic returns.

5.5. Cultural Contextualisation of Sustainability Framework

While the Sustainable Development Goals (SDGs) have a common global framework, they are philosophically and culturally rooted in Western models of development and governance (Pedersen A. W., 2017). Chanakya's Lokasangraha, even though it is ancient in origin, is a culturally relevant and ethical model of governance that may be more relevant in many Eastern countries (Bhawuk, 2018) (Sihag, 2017). It is important to note that such early models cannot be directly used to shape current SDGs because they are already institutionalized through an international treaty. Nevertheless, Lokasangraha can serve as an auxiliary or interpretive model to localise and culturally align the application of SDGs (Ranjan Chatterjee, 2009). Accordingly, it is to recognize that sustainability is not a homogeneous idea; rather, it must evolve in the philosophical and cultural structures of every society. Contextually, Lokasangraha presents a robust ethical framework within the sustainability discourse, showing how every culture can tap into its own past experiences and moral traditions to engage with and contribute to the global SDG agenda in a significant way.

6. Policy Implications and Recommendations

Chanakya's Lokasangraha philosophy is eloquent in values of good administration, social well-being, and economic development policies that endure. Its principal mantra – the good of the people is the supreme order of leadership – is closely aligned with the values underlying the United Nations' Sustainable Development Goals (SDGs) (Aleksey Anisimov, 2016). Today, Lokasangraha offers a blue print to governments and corporations to redesign their policy-making, corporate governance, and social welfare approaches in such a way that economic growth does not compromise on ethical norms, environmental integrity, or social justice.

6.1. Integrating Lokasangraha for SDG Implementation

Governments everywhere are tasked with balancing economic growth with social justice and preserving the environment. The Sustainable Development Goals (SDGs) are focused on inclusive growth, action on climate change, and institution resilience, yet they are premised on policies that prioritize public good above profit (Enriko Ceko, 2024). Chanakya's Lokasangraha presents an ethical framework of governance that is aligned with sustainability in so far as it fosters long-term societal well-being and prudent decision-making.

Economic planning and allocation are one domain in which Lokasangraha can direct policy. Redistributive taxation, wealth redistribution, and investments in public works should give utmost consideration to circumstances in the worst off. Integration can be found within the Nordic model of welfare in which market economies are married to social protection without sacrificing generalized economic benefit (Esping-Andersen, 1990). As in Lokasangraha, the state should be a guardian of public good and not an instrument of corporate or elite interests.

Environmental stewardship is also a crucial consideration. Sustainable governance requires rigorous environmental regulations, green tax policies, and incentives for environmentally friendly business models (Pankojini Mulia, 2016). Chanakya emphasized long-term resource conservation in accordance with contemporary strategies like the European Green Deal and international climate action policies (Bürgin, 2021). Governments must ensure industrial development is harmonized with environmental sustainability and integrate ecological considerations into economic policies.

6.2. Ethical Leadership Principles for Sustainable Corporate Governance

The modern business era increasingly recognizes ethical business leadership and corporate social responsibility (CSR) as key to sustainable development. Lokasangraha sustains the argument that business leaders should act as trustees of public welfare rather than being profit maximizers (Friedman, 2007). Companies should adopt a stakeholder model rather than shareholder dominance, ensuring fair wages, worker well-being, and environmental sustainability. Japan's corporate ethics model, led by Toyota and Panasonic, consists of long-term sustainability, which intertwines ethical leadership and social responsibility within business operations (Porter, 2011).

CSR activities aligned with SDGs, such as poverty reduction, climate action, and social justice, must be at the heart of business strategy. Case studies of firms like Patagonia and Unilever show how profitability is also accompanied by social and environmental responsibility (Hart, 2003). Ethical leadership development must be incorporated in the governance systems of business so that business leaders accord utmost priority to sustainable decision-making based on Chanakya's principles of good governance and ethical leadership.

6.3. Policy Reforms in Balancing Social Welfare and Economic Growth

One of the gravest challenges that governance is facing today is to balance economic growth and social welfare (Lindert, 2004). The majority of nations implement capitalist systems with a focus on economic growth but at the cost of income inequality, environmental degradation, and a decline in public services. Lokasangraha philosophy provides a template for designing policies for equal growth along with the preservation of long-term sustainability.

1. Economic Policy Reforms to Foster Sustainable Development

Governments must shift from GDP-based growth patterns to comprehensive indicators of well-being, like Bhutan's Gross National Happiness (GNH) Index, which incorporates the economic, social, and environmental into national policy (Ura, 2012). Policies must be focused on job creation, income equality, and industrial development for long-term stability and social justice (Stiglitz, 2015).

2. Progressive taxation is the most significant mechanism to decrease income inequality. Scandinavian countries' redistributive taxation finances social welfare programs aimed at broad-based prosperity as opposed to the concentration of wealth (Hao, 2015). This is in conformity with the philosophy of governance of Lokasangraha, which prefers economic policies of fairness for social welfare.

3. Environmental and Sustainability Policies

Successful sustainability policies entail strict environmental policy, green investment in energy, and carbon taxes to limit industrial pollution. The Netherlands and Germany succeeded in bridging ecological accountability with economic administration and demonstrated that environmental policy and economic

prosperity do not go against each other (Meadowcroft, 2013). Chanakya's policy on conservation of resources can be used to guide current policies for sustainable agriculture, forestry, and harvesting water (Jhariya, 2019).

4. Social Welfare and Public Health Policies

Lokasangraha promotes public access to services like healthcare, education, and social security for all. Sweden and Canada have the best examples of effective universal healthcare and education systems that promote stability in society (Esping-Andersen G. , 1990). Public welfare expenditure must be taken special care of by governments to promote inclusive and strong growth

7. Conclusion

This study reiterates the relevance of Chanakya's Lokasangraha as a governance model in which ethical leadership, social justice, and sustainable development coexist. In its exploration of its alignment with the United Nations Sustainable Development Goals (SDGs) – namely SDG 1 (No Poverty), SDG 10 (Reduced Inequalities), and SDG 16 (Peace, Justice, and Strong Institutions) – this study amply demonstrates that Lokasangraha outlines a historical yet relevant model of modern-day governance. Comparison with contemporary paradigms of sustainability, including the Nordic welfare model, the European Green Deal, and principles of ESG, reveals that ethical and responsible governance can enhance environmental and social stability (Esping-Andersen G. , 1990) (Santhan, 2023).

Furthermore, the study identifies the applicability of Lokasangraha in economic planning, environmental governance, and corporate sustainability by pointing out that state intervention in the redistribution of wealth, protection of the environment, and moral leadership can lead to long-term stability (Stiglitz, 2015) (Meadowcroft, 2013). Against the backdrop of global challenges from economic inequality and environmental degradation, the integration of Lokasangraha principles in policy reforms can improve sustainable governance frameworks and help achieve the SDGs.

Other research needs to explore empirical applications of Lokasangraha in modern economies, as case studies that confirm its application in governance and sustainability. Integrating ethical principles into policymaking and corporate governance, modern institutions can create resilience and world happiness in the long term (Sen, 1999).

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