Inclusive Growth for Social Justice: An Imperative for India’s Development Efforts

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ABSTRACT

Inclusive growth is the new paradigm that is related essentially to equality and opportunity to all for achieving a productive and meaningful life with freedom, equality and dignity. There is a lot of talk on growth with equity but it has not been dovetailed with the development effort. An immediate plan for achieving equitable development is needed and the challenge before the Government is to evolve a system in which reforms and globalisation can proceed on one track, and the poor can be protected from the ill effects of it, on the other. Local communities and markets should be reinforced to take advantage of finance, trade and investment changes flowing from the national and global levels. Investing to improve productivity in agriculture is essential for sustainable poverty reduction. In essence, therefore, there has to successful localisation first to reap the benefits of globalisation.

Keywords: Inclusive growth, equitable development, justice, empowerment.

1.0 Meaning and Dimensions of Inclusive Growth

Inclusive growth may be defined as growth that promotes equal opportunities and increases access to these opportunities, i.e. growth that allows all members of society to participate in and contribute equally to development efforts, regardless of individual circumstances. Asian Development Bank’s (ADB) Strategy 2020 examines the extent of inequality of opportunities and the extent to which it can be overcome by different types of growth process (ADB, 2008). The main idea in the ADB’s approach is to focus on productive employment as an important element of inclusive growth.

Inclusive growth, defined in a broader sense has three dimensions:
1. Equity among all sections of the society.
2. Equity among all sectors of the economy.
3. Equity among all regions in the country.

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Thus, inclusive growth means inter-group, inter-sector as well as inter-regional equity. Growth is inclusive when it creates economic opportunities along with ensuring equal access to them. Inclusive growth is different from poverty reduction, where the focus is on re-distributing wealth and making transfers through public expenditure activities. In poverty reduction, the poor are primarily passive recipients of donation. In inclusive growth, the objective is to enable the poor with the opportunities to empower them in a better way. In other words, inclusive growth is a concept that advances equitable opportunities for economic participants during economic growth so that benefits are incurred by every section of the society. (Anand et al., 2013; Ranieri and Ramos, 2013)

Inclusiveness means many different things and each aspect of inclusiveness poses its own challenges for policy.

1.1 Inclusiveness as poverty reduction

Distributional concerns have traditionally been viewed as ensuring an adequate flow of benefits to the poor and the most marginalised. This must remain an important policy focus. It is worth noting that the record in this dimension of inclusiveness is encouraging. The percentage of the population below the official poverty line has been falling but even as that happens, the numbers below the poverty line remain large.

1.2 Inclusiveness as group equality

Inclusiveness is not just about bringing those below an official fixed poverty line to a level above it. It is also about a growth process which is seen to be ‘fair’ by different socio-economic groups that constitute our society. The poor are certainly one target group, but inclusiveness must also embrace the concern of other groups such as the Scheduled Castes (SCs), Scheduled Tribes (STs), Other Backward Classes (OBCs), Minorities, the differently-abled and other marginalised groups. Women can also be viewed as a disadvantaged group for this purpose. These distinct ‘identity groups’ are sometimes correlated with income slabs—the SCs and STs, for example, are in the lower income category—and all poverty alleviation strategies help them directly. Women on the other hand span the entire income spectrum, but there are gender-based issues of inclusiveness that are relevant all along the spectrum.

1.3 Inclusiveness as regional balance

Another aspect of inclusiveness relates to whether all States, and indeed all regions, are seen to benefit from the growth process. The regional dimension has grown in importance in recent years. On the positive side, many of the erstwhile backward States
have begun to show significant improvement in growth performance and the variation in
growth rates across States has narrowed. However, both the better performing and other
States are increasingly concerned about their backward regions, or districts, which may
not share the general improvement in living standards experienced elsewhere. Many of
these districts have unique characteristics including high concentration of tribal
population in forested areas, or minorities in urban areas. Some districts are also affected
by left wing extremism, making the task of development much more difficult.

An important constraint on the growth of backward regions in the country is the poor
state of infrastructure, especially road connectivity, schools and health facilities and the
availability of electricity, all of which combine to hold back development. Improvement
in infrastructure must therefore be an important component of any regionally inclusive
development strategy.

1.4 Inclusiveness and inequality

Inclusiveness also means greater attention to income inequality. Perfect equality is
not found anywhere and there are many reasons why it may not even be a feasible
objective. However, there can be no two opinions on the fact that inequality must be kept
within tolerable limits. Some increase in inequality in a developing country during a
period of rapid growth and transformation may be unavoidable and it may even be
tolerated if it is accompanied by sufficiently rapid improvement in the living standards of
the poor. However, an increase in inequality with little or no improvement in the living
standards of the poor is a recipe for social tensions. Static measures of inequality do not
capture the phenomenon of equality of opportunity which needs special attention. Any
given level of inequality of outcomes is much more socially acceptable if it results from
a system which provides greater equality of opportunity. As a society, we therefore need
to move as rapidly as possible to the ideal of giving every child in India a fair
opportunity in life, which means assuring every child access to good health and quality
education.

1.5 Inclusiveness as empowerment

Inclusiveness is not just about ensuring a broad-based flow of benefits or economic
opportunities, it is also about empowerment and participation. It is a measure of the
success achieved in building a participatory democracy that people are no longer
prepared to be passive recipients of benefits doled out by the Government. They are
slowly beginning to demand these benefits and opportunities as rights and they also want
a say in how they are administered. This brings to the fore issues of governance,
accountability and peoples’ participation to much greater extent than before. This also
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covers areas like access to information about government schemes, knowledge of the relevant laws and how to access justice. The growing concern with governance has also focused attention on corruption.

Each of the dimensions of inclusiveness discussed above is relevant, and public attention often focuses on one or the other at different times. The aim should be to achieve steady progress in each of these dimensions. Accelerated growth in recent years has yielded distinct benefits to many and the prosperity which this has generated is visible to all, raising the expectations of all sections of the population, and creating a demand for a fair share of the benefits of growth. Policymaking has to be watchful of developments in each dimension of fairness and be quick to take corrective steps as soon as the need arises.

2.0 Need for Inclusive Growth

Although high overall economic growth rates have been recorded in many Asian countries in recent years, increasing concern has been voiced that this growth has been too uneven and often accompanied by rising income inequality. Disadvantaged groups in the remote rural area, women, and members of ethnic minorities have not benefited proportionately from rapid economic growth. These disparities, if left unchecked, could threaten the fragile political consensus for economic reforms or even political stability. To overcome such inequalities and disadvantages, the Government in India laid focus on inclusive growth as a strategy in its Eleventh Five Year Plan (2007-12).

Inclusive growth entails responsible and sustainable creation as well as just distribution of both wealth and welfare. Social cohesion and human dignity lie at its core. It requires extending access to opportunities more widely. It is a key response to the rising inequalities undermining the sustainability of the global market economy, growth and development. Inclusive growth seeks to redirect and broaden the flows of globalization towards its intended beneficiaries: the excluded ones. It has two mutually reinforcing strategic pillars: sustainable growth (to unleash greater economic opportunities for those excluded) and diffusion of opportunities (through investment in education, health and infrastructure). Good governance—understood as a mechanism linking inclusion, decision-making and accountability—is fundamental to advancing each of these pillars.

Inclusive growth is an absolute imperative for global market economy to be sustainable and indeed one could say for peace to reign. If globalisation is to be sustained, with all the benefits it can bring to humanity, growth must be inclusive. It has to be seen to benefit the greatest numbers, and good and transparent governance has a key strategic role to play.
Apart from addressing the issue of inequality, inclusive growth may also make the poverty reduction efforts more effective by explicitly creating productive economic opportunities for the poor and vulnerable sections of the society. Inclusive growth by encompassing the hitherto excluded population, sectors and regions, can bring in several other benefits as well to the economy. The concept inclusion should be seen as a process of including the excluded as agents whose participation is essential in the very design of the development process, and not simply as welfare targets of development programmes. Policy makers are sometimes criticised for focusing too much on GDP growth, when the real objective should be to achieve an improved quality of life of the people across both economic and non-economic dimensions. It should be fully recognised that the objective of development is broad-based improvement in the economic and social conditions of the people. However, rapid growth of GDP is an essential requirement for achieving this objective.

There are two reasons why GDP growth is important for the inclusiveness objective. First, rapid growth of GDP produces a larger expansion in total income and production which, if the growth process is sufficiently inclusive, will directly raise living standards of a large section of people by providing them with employment and other income enhancing activities. The focus should not be just on GDP growth itself, but on achieving a growth process that is as inclusive as possible. For example, rapid growth which involves faster growth in agriculture, and especially in rain-fed areas where most of the poor live, will be much more inclusive than a GDP growth that is driven entirely by mining or extraction of minerals for exports. Similarly, rapid growth which is based on faster growth for the manufacturing sector as a whole, including MSME, will generate a much broader spread of employment and income earning opportunities and is therefore more inclusive than a growth which is largely driven by extractive industries.

The second reason why rapid growth is important for inclusiveness is that it generates higher revenues, which help to finance critical programmes of inclusiveness. There are many such programmes which either deliver benefits directly to the poor and the excluded groups, or increase their ability to access employment and income opportunities generated by the growth process. Examples of such programmes are the Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA), Sarva Siksha Abhiyan (SSA), Mid Day Meals (MDMs), Pradhan Mantri Gram Sadak Yojana (PMGSY), Integrated Child Development Services (ICDS), National Rural Health Mission (NRHM), and so on. This is also relevant for the sustainability objective since programmes aimed at making development more sustainable also involve additional costs.
3.0 Strategy for Inclusive Growth

According to the Eleventh Five Year Plan (2007-12), “The strategy for achieving faster growth with greater inclusiveness involves several interrelated components. These are: (i) a continuation of the policies of economic reform which have created a buoyant and competitive private sector capable of benefiting from the opportunities provided by greater integration with the world, (ii) a revival in agricultural growth which is the most important single factor affecting rural prosperity, (iii) improved access to essential services in health and education (including skill development) especially for the poor, which is essential to ensure inclusiveness and also to support rapid growth, (iv) a special thrust on infrastructure development which is a critical area for accelerating growth, (v) environmental sustainability which is becoming increasingly important, (vi) special attention to the needs of disadvantaged groups, and (vii) good governance at all levels, Central, state, and local.

As in most market economies, the dominant impulse for growth will come from the private sector. India is fortunate in having a strong private sector capability ranging from agriculture, which is entirely dependent on private farmers, most of whom have modest land holdings, through small and medium entrepreneurs in industry and services to larger domestic corporate entities, many of which benefit from FDI to varying degrees. The Eleventh Plan must ensure a policy environment that is supportive of this vibrant and globalized private sector which has an important contribution to make in India’s future development.

Emphasizing the importance of the private sector is not to downplay the role of the government. On the contrary, apart from the usual role of government in providing a stable macroeconomic policy, the Eleventh Plan envisages a very large role for public policy in a number of sectors.” [Government of India, 2007-12]

Financial inclusion of all individuals and all sections of population is very vital from the point of view of ensuring inclusive growth of the national economy. Adoption and implementation of inclusive practices by all banks and financial institutions and also by insurance companies and mutual funds will go a long way in bringing about financial inclusion of all those who presently stand financially excluded. Financial inclusion refers to the process of bringing into the financial and banking fold all those who are outside and giving them opportunities to utilize various banking and financial services at affordable cost.

Inclusive growth calls for a high degree of attitudinal transformation of individuals, institutions, administrative and governing agencies towards concern and commitment for work coupled with ethical and social values of development. More than policies and
reforms, good governance, is the key to achieving inclusive growth by translating outlay into outcome.

The liberalisation of the Indian economy has no doubt resulted in rapid economic growth but has also led to increased income inequalities. Therefore, the very objective of inclusive growth is defeated if the poor do not benefit from the economic growth. Inclusive economic growth can be achieved by focusing on expanding the regional scope of economic growth, expanding access to assets and thriving markets and expanding equity in the opportunities for the next generation of Indian citizen no matter whom they are or where they live.

Although the government is taking various steps for the welfare of the poor and weaker sections of the society, measures cannot prove to be effective as long as the institutional delivery system is weak. Further, the Government alone cannot do all the things as the scale of resources is limited. Therefore, corporates should also take initiatives for the socio-economic development of the disadvantaged groups.

The objective of inclusiveness can be achieved, *inter alia*, through the following: (a) reduction of regional imbalances, (b) support to institutions located in border, hilly, remote, small towns, and educationally backward areas, (c) support to institutions with larger student population of SCs, STs, OBCs, minorities, and physically challenged, and (d) support to the SCs, STs, OBCs, minorities, physically challenged, and girl students with special scholarships/ fellowships, hostel facilities, remedial coaching, and other measures.

### 4.0 Hurdles to Inclusive Growth

In the face of shining and progressive India, there is the problem of corruption coupled with black money. The nexus between the politician, bureaucrats and the criminals is well-known and that those who escape the net escape with mere tokenism. India has seen an all-round rise in illegality which erodes the institutions of democracy and enables the block money to flourish. This parallel economy works against the objective of inclusive growth concept. Recent scams like Adarsh, 2G spectrum allocation and Commonwealth Games corruption allegations are the black shadow on the fate of inclusive growth in India.

New challenges have emerged since 2008 with the cumulative impact of the food, fuel and financial crisis slowing down the development progress. Even though Asia has demonstrated remarkable resilience to the crisis, India felt the impact of the crisis through one or the other combination of lower export, slower pace of growth, worsening inequalities, increased cost of living, higher unemployment levels and fall in foreign
There is much that needs to be done to build up India’s potential. Better governance, more and better educational institutions, higher agricultural productivity, controlled inflation, improvement in infrastructure, improved global competency are some of the major and more important steps required in this direction. Better governance is the need of the hour, more so because the Government in India still has a majority stake in almost all essential sectors, viz. health, education, infrastructure and other basic services. Hence, the successful implementation of social welfare programmes mainly depends upon the efficient and honest implementation authorities.

Government should give special focus to improving the productivity and efficiency of the agriculture sector. For raising crop yield, public investment in agriculture needs to be stepped up. In spite of the directions from the Supreme Court, the refusal of the Central Government to distribute foodgrains, rotting in the open, to the poor free of cost indicates the indifference of the authorities towards inclusive growth.

Concentration and development of industrial activity in and around urban agglomerations needs to be changed in favour of semi-urban and rural areas. Special Economic Zones should be promoted in rural areas for creation of productive employment.

5.0 Enabling Role of the State for Inclusive Growth

For achieving inclusive growth there is critical need to rethink the role of the State. The early debate among economists about the size of the Government can be misleading. The need of the hour is to have an enabling Government. India is too large and complex a nation for the state to be able to deliver all that is needed. Asking the Government to produce all the essential goods, create all the necessary jobs, and keeping a curb on the prices of all goods is to court failure, and lead to a large, cumbersome bureaucracy and widespread corruption. The aim must be to stay with the objective of inclusive growth that was laid down by the founding fathers of the nation, but to take a more modern view of what the state can realistically deliver. This is what leads to the idea of an enabling state—a Government that does not try to directly deliver to the citizens everything that they need. Instead, it creates an enabling environment for the market so that individual enterprise can flourish and citizens can provide for the needs of one another. Besides, government steps in to help those who do not manage to do well for themselves, because there will always be individuals, irrespective of the system, who need support and help. Therefore, the need is for a government which, when it comes to the market, sets effective, incentive-compatible rules and remains on the sidelines with minimal interference. At the same time, it plays an important role in directly helping the poor by
ensuring that they get basic education and health services and receive adequate nutrition and food. This rollback of the Government in the former will enable it to devote more energy and resources to and be more effective in the latter.

The Government of India has much to deliver as it tries to reconcile India’s vast socio-economic inequalities. The need of the hour is to strengthen the following key enablers of inclusive growth: (a) infrastructure inclusion, (b) global inclusion, (c) financial inclusion, (d) digital inclusion, (e) talent and social inclusion, and (f) agriculture productivity upgradation. These are the key enablers which can play a significant role in the promotion of inclusive growth in India.

Inclusive strategy involves a much greater role of the States, and closer coordination between the Centre and the States, than would be needed for a purely corporate-led growth strategy. This is because most of the policy measures and institutional support required for small and medium entrepreneur-led growth lie in the domain of State Governments and local bodies. The Centre’s contributions would lie mainly in creating the appropriate macroeconomic framework, financial sector policies and national level infrastructure.

6.0 Green Growth and Inclusiveness

Green growth involves rethinking growth strategies with regard to their impact on environmental sustainability and the environmental resources available to poor and vulnerable groups. It is significant to note that many stimulus packages announced globally to combat recession incorporated a green component. The international experience is that green growth promotes inclusivity. Further, the renewable energy sector is relatively labour-intensive, with the potential for generating more jobs than the oil and gas industries.

Environment must not be considered as just another sector of national development. It should form a crucial guiding dimension for plans and programmes in each sector. This becomes clear only if the concern for environmental protection is understood in its proper context. Ecological degradation compromises the quality of life in the long-run.

6.1 Requirements of Green Growth

Low-carbon green growth is a pattern of development that decouples economic growth from carbon emissions, pollution and resource use, and promotes growth through the creation of new environment-friendly products, industries and business models that also improve people’s quality of life. Thus, low-carbon green growth entails the following:
- Using less energy, improving the efficiency with which resources are used and moving to low-carbon energy sources.
- Protecting and promoting the sustainable use of natural resources such as forests and peat lands.
- Designing and disseminating low-carbon technologies and business models to reinvigorate local economies.
- Implementing policies and incentives which discourage carbon intensive practices.

Green growth is not anti-growth; rather, it represents a change in how we manage economies to reflect a broader conception of what constitutes effective and sustainable growth. Environmental assets—water, land, air, ecosystems and the services they provide—represent a significant share of a country’s wealth. Just like physical and human capital, natural capital requires investment, maintenance, and good management if it is to be productive and fully contribute to prosperity.

The lack of general awareness of green growth options and climate risks remains an important obstacle for the adoption and adaptation of effective policy. (Perrin, 2011)

Green growth requires policies that are on their own terms good for growth, as well as for the environment, such as reforming energy subsidies or trade barriers that protect pollution-intensive sectors. It entails politically difficult reforms in the patterns of pricing, regulation, and public investment, and it calls for complex changes in behaviours and social norms. Importantly, green growth requires knowing when to go for the politically expedient rather than the economically optimal.

6.2 Advantages of Green Growth

The amount of CO₂ a country emits into the atmosphere depends on a wide range of factors, including the size of its economy, the level of industrialisation, and the efficiency of its energy use, as well as population, lifestyle choices and land use changes. As a consequence of rapid and carbon-intensive growth, the Asian region has been fast becoming a major source of greenhouse gas emissions. The transition to a low-carbon economy will benefit emerging Asia in the following ways:

1. Many low-carbon interventions have important co-benefits for Asia at different levels, including the enhanced energy security associated with energy efficiency (on both the supply and demand side) and renewable energy projects. Human health benefits from interventions that reduce air pollutants, such as those from transport; and the environmental benefits that can be achieved through forestry and agricultural management, waste reduction programmes and employment programmes.
2. Interventions, which have positive economic rates of return and short pay-back time and should be undertaken irrespective of climate change considerations, can contribute substantially to the economic development of emerging Asian countries.

3. Asian countries that pursue low-carbon development, including the transfer of financial resources through the carbon market and new public programmes that support the reduction of emissions are likely to reap strategic and competitive advantage at the regional and international levels.

4. Emerging countries of Asia are likely to suffer disproportionately from the impacts of climate change (drought, increased severity of tropical storms, sea level rise, etc.). Asia has a strong interest in becoming a leading participant in global efforts on both emissions reduction and adaptation.

5. Low-carbon green growth will become more important as countries seek to take a pro-poor, pro-employment economic development path based on innovation.

6. Emerging Asia will have real social gains in the low-carbon green growth process by involving local communities to promote equity and fairness, along with improved air quality and other eco-system services.

7. Emerging Asia will become a leader in key green technologies and business models, and an important destination for the commercialisation of key low-carbon technologies, green products and services.

8. Emerging Asia will be able to sweep away the short-term developmental thinking that has plagued the past several decades and replace it with paths delivering development that flourishes within ecological limits.

Low-carbon green growth is a unique opportunity to invest in change. Many analysts believe that the sooner emerging Asian countries take advantage of low-carbon green growth, the better it will be for their long-term development prospects, economic restructuring and their quest to find new drivers of growth. Even though the transition to a low-carbon green growth paradigm is a long-term process, the following years are crucial for Asia to seize the economic, social and environmental opportunities, gain competitive advantage and show global leadership through regional cooperation.

6.3 Inclusive Green Growth

Sustainable development has three pillars: economic, environmental, and social sustainability. It cannot be presumed that green growth is inherently inclusive. Green growth policies must be carefully designed to maximise benefits for, and minimise costs to, the poor and most vulnerable, and policies and actions with irreversible negative impacts must be avoided.
Rapid growth is necessary to meet the urgent development needs of the world’s poor. However, growth will be unsustainable in the long-run unless it is both socially inclusive and green—the latter by ensuring that the earth’s natural assets are able to adequately provide the resources and environmental services on which humans depend. Inclusive green growth requires tackling political economy constraints, overcoming deeply entrenched behaviours and social norms, and developing innovative financing instruments to change incentives and promote innovation, and thus address the market, policy, and institutional failures that lead to the overuse of natural assets. Greener growth is necessary, efficient, and affordable. It should focus on what needs to happen in the next 20 to 30 years to avoid getting locked into unsustainable paths and causing irreversible environmental damage.

Economic and social sustainability, on the one hand, and social and environmental sustainability, on the other, have been found to be not only compatible, but also largely complementary. Not so with economic and environmental sustainability, as growth has come largely at the expense of the environment which is why green growth aims to ensure that economic and environmental sustainability are compatible.

7.0 Globalisation and the Poor

The issue that concerns developing countries is how one can ensure greater participation of the weaker economies in the global process and what needs to be done to ensure that the course of globalisation benefits more people in more countries. The uneven and unequal nature of the present globalisation is manifested in the fast growing gap between the rich and poor people of the world and between developed and developing countries; and by the large differences among nations in the distribution of gains and losses.

This imbalance leads to polarisation between countries and groups that gain, and the many countries and groups in society that lose out or are marginalised. Globalisation, polarisation, wealth concentration and marginalisation are therefore linked through the same process. In this process, investment resources, growth and modern technology are focused on a few countries, mainly in North America, Europe, Japan and a few East Asian countries. A majority of developing countries are excluded from the process, or are participating in it in marginal ways.

Although the developed world is in a dominant position and has been prepared to use this to further their control of the global economy, the developing countries have not done well in organising themselves to co-ordinate on substantial policy and negotiating positions. The developed countries, on the other hand, are well-organised within their
own countries, with well-staffed departments dealing with international trade and finance, and with university academics and private and quasi government think tanks helping to obtain information and map policies and strategies. They also have well-organised associations and lobbies associated with their corporations and financial institutions, which have great influence over the government departments.

On the positive side, globalisation has compelled developing countries to improve overall economic management, and make their economies efficient. To get a share of global capital and technology, developing countries have to upgrade their social and economic institutions through administrative, legislative and legal reforms. The quality of governance has to improve to encourage productivity and efficiency. Political stability has to be established. In this context, following lessons can be drawn from East Asian countries:

1. Developing human capital is a basic pre-requisite. Successful globalisation and the knowledge economy require educated, healthy and skilled people.
2. It is necessary to build up domestic savings and put them to productive use.
3. Sound economic management and macro-economic balances are necessary. Large fiscal deficit is a serious obstacle to globalisation.
4. Good governance at the national and sub-national levels builds confidence among investors.
5. Transparency has to be established in the functioning of both government and business units.
6. Free and open market economies require effective regulatory authorities because role of government changes from control and regulation to governance and facilitation.
7. Modernised capital markets with effective regulatory authorities are necessary to impart confidence to investors by maintaining stability and regulating speculative forces.

The socio-economically disadvantaged are yet to benefit from globalisation. The challenge to overcome the scourge of poverty remains a daunting task. The support of the poor for reforms and their involvement in the development process can be achieved only if they start benefiting from government policies. It is necessary to ensure that the poor and the deprived have a greater stake in economic reforms than at present for mobilising their enthusiastic participation in the development process. Economic reforms must be guided by compassion and distributive justice. Improvement of living conditions of the poorest and the weakest sections of society should be high priority areas of welfare and development programmes/schemes of the government.

While India has witnessed significant economic reforms during the last two decades, they have failed to generate sufficient income and employment for the poor. In order to
extend the benefits of inclusive growth, to one and all, the Government need to reorient itself to provide transparent and corruption free administration in the country.

8.0 Conclusion

To sum up, the growth in India has been pro-rich and pro-urban to a larger extent. The financial sector has had urban bias and globalisation intensified this, as the macro policies have not been pro-employment and pro-poor in India. India has the potential of becoming a leading economy and has the unique opportunity to make that growth inclusive, provided that there is willingness on the part of all sections of society to put in hard and disciplined work, together with serious, sustained and purposeful planning.

A major weakness in the economy is that the growth is not perceived as being sufficiently inclusive for many groups, especially Scheduled Caste (SCs) Scheduled Tribes (STs), and minorities. Gender inequality also remains a pervasive problem and some of the structural changes taking place have an adverse effect on women. The lack of inclusiveness is borne out by data on several dimensions of performance.

Growth with justice is the cornerstone of the Indian planning so that every household and each individual gets the benefits of the economic growth. That is the reason so much of emphasis is being placed on the inclusiveness of the economic growth. The nature of economic growth in terms of inclusiveness implies, inter alia, putting more people in productive and sustainable jobs. However, despite the entire well-intended plans, programmes, and reasonably good growth since the early 1980s, poverty one of the strongest manifestations of exclusiveness has remained at unacceptably high level.

The Government of India has much to deliver as it tries to reconcile India’s vast socio-economic inequalities. The need of the hour is to strengthen the following key enablers of inclusive growth: (a) infrastructure inclusion, (b) global inclusion, (c) financial inclusion, (d) digital inclusion, (e) talent and social inclusion and (f) agriculture productivity upgradation. These are the key enablers which can play a significant role in the promotion of inclusive growth in India.

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economic growth in terms of inclusiveness implies, *inter alia*, putting more people in productive and sustainable jobs.

Progress towards inclusiveness is more difficult to assess because inclusiveness is a multi-dimensional concept. Inclusive growth should result in lower incidence of poverty, broad-based and significant improvement in health outcomes, universal access for children to school, increased access to higher education and improved standards of education. It should also be reflected in better opportunities for both wage employment and livelihoods and in improvement in provision of basic amenities like water, electricity, roads, sanitation and housing. Particular attention needs to be paid to the needs of the scheduled castes (SCs)/scheduled tribes (STs) and other backward classes (OBCs) population, women and children as also minorities and other excluded groups. To achieve inclusiveness in all these dimensions requires multiple interventions, and success depends not only on introducing new policies and government programmes, but on institutional and attitudinal changes, which take time.

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