



Inclusive Growth, Human Development and Social Equity in India

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ABSTRACT

India's health policy has evolved from a focus on basic public health in the post-independence era to a modern approach emphasizing universal health coverage, digital innovation, and comprehensive care. Despite progress, large gaps remain in equity, access, quality, and financing. NEP-2020 is big reforms Indian education system but enrolment ration is decreasing in upper education level. 93% enrolment ration in primary education, 77.4% in secondary education, 56.2% in higher secondary education and 28.4% in higher education in 2023-24. We can say that only some students can take higher education in India. Government of India has started many schemes and plans for removing of unemployment and poverty in India but unemployment rate 5.2% in April 2025 and poverty rate 21.9% in 2011-12 is remaining in India. Problems of income inequality is also present in Indian society, the top 10% of Indians earns over 55% of national income, the top 1% earns 22% of national income and the bottom 50% earn only 13% of national income. So, we can say that inclusive growth, human development and social equity is very poor in India. There are Government should make policies for promoting inclusive growth, human development and social equity in India. This paper is based on secondary data.

KEY WORDS

Inclusive Growth, Human Development, Poverty, Inequality, Gender, Social Justice.

INTRODUCTION

Economic growth in India over the past decades has been significant in aggregate terms, yet disparities in human development and social equity persist. Inclusive growth growth that is broad-based across

sectors and inclusive of the large part of the country's labour force is both an objective and instrument for enhancing human development outcomes (education, health, standard of living) and reducing inequality. This paper explores the conceptual linkages between inclusive growth, human development, and social equity, reviews empirical evidence for India, and proposes policy directions for the coming decade.

Review of Literature

1. **Growth vs. distribution debate:** Classic development economics highlights that growth is necessary but not sufficient for poverty reduction distribution matters. Empirical studies show that pro-poor growth yields greater human development gains.
2. **Human Development Literature:** Amartya Sen and the UNDP framework emphasize capabilities and the role of social arrangements in enabling people to pursue the life they value.
3. **Inequality and Social Exclusion:** Research on India underscores the persistence of caste and gender-based exclusion that limits access to education, formal-sector employment, and public goods.
4. **Policy Evaluations:** Conditional cash transfers, targeted welfare programs, and investments in primary education and health have shown mixed results success depends on design, coverage, and governance.

Research Gaps and Directions

1. **State-level Policy Evaluation:** Comparative micro-evaluations of state programs (health, education, employment) to isolate which policies most effectively convert growth into human development.
2. **Intersectional Analyses:** More work is needed on how caste, gender, and region interact to shape access to services and labor markets.
3. **Shock Resilience:** Longitudinal studies on how shocks (pandemics, climate events) affect HDI components and inequality trajectories.
4. **Measurement Innovation:** Use of administrative, satellite, and big-data sources to produce higher-frequency indicators of inclusion at local levels.

Methodology (Proposed / Mixed-Methods)

1. Quantitative component

- **Data Sources:** National-level household surveys (e.g., NSS rounds, National Family Health Survey), administrative data (education, health), and national accounts.
- **Indicators:** GDP per capita, employment rates (formal vs informal), poverty headcount, Gini coefficient, literacy and school completion rates, infant/maternal mortality, life expectancy, access to sanitation and clean water, social protection coverage.
- **Analyses:** Time-series and cross-state regressions to assess whether growth correlates with improvements in human development indicators and reductions in inequality; decomposition analyses to examine drivers of poverty reduction; poverty-growth-inequality decompositions.

2. Qualitative component

- **Case Studies:** Comparative state-level case studies (e.g., states with high growth but lagging human development vs states with modest growth and better human outcomes).
- **Policy Review:** Analysis of flagship policies (education, health, MGNREGA, food security, cash transfers) to assess design and implementation.
- **Key informant Interviews:** Policymakers, local administrators, civil society actors.

Analysis of Data

A. Health Policy in India

Health policy in India aims to provide accessible, affordable, and quality healthcare to a population of over 1.4 billion. Over the decades, the Government of India has adopted several policies and programs to strengthen public health systems, reduce disease burden, and promote equitable access to health services. India's health policy framework is guided by constitutional provisions, national health policies, five-year plans, and contemporary flagship initiatives.

1. **Bhore Committee Report (1946):** Recommended comprehensive public health services and a three-tier system of health institutions and Emphasized preventive and promotive care.
2. **National Health Policy 1983:** Focused on *primary healthcare, universal access*, and growth of the rural health infrastructure and Significant expansions: Sub-centres, PHCs, CHCs.
3. **National Health Policy 2002:** Aimed at achieving an acceptable standard of health and encouraged private sector participation, health insurance, and decentralization.
4. **National Health Policy 2017:** Current guiding policy and there are following Goals:
 - (i) Move towards Universal Health Coverage (UHC).
 - (ii) Increase public health expenditure to 2.5% of GDP.
 - (iii) Strengthen trust in public healthcare.
 - (iv) Emphasis on quality, technology, and preventive health.
5. **Constitutional Framework:** Directive Principles of State Policy:
 - (i) **Article 47:** State's responsibility to improve nutrition, public health. Fundamental Rights: -
 - (ii) Right to Health implied under *Right to Life (Article 21)*.
 - (iii) **State subject:** Health is primarily the state's responsibility, with central support via programs and funding.

There are following Current Health System Structure:

(iv) Public Sector

- (i) Sub-centres ' ! Primary Health Centres (PHCs) ' ! Community Health Centres (CHCs) ' ! District Hospitals ' ! Medical Colleges
- (ii) **Staff:** ASHA workers, ANMs, multipurpose health workers, doctors, specialists.

(v) Private Sector

- (i) Provides about 70% of outpatient care and 60% of inpatient care.
- (ii) Rapid growth but high out-of-pocket expenditure (OOPE).

Major Health Programs and Missions

1. National Health Mission (NHM)

(a) Umbrella mission including

- (i) NRHM (Rural Health Mission)
- (ii) NUHM (Urban Health Mission)

(b) Interventions

- (i) Infrastructure strengthening, JSY (maternal health), ASHAs, immunization, disease control programs.

Ayushman Bharat (2018)

A Landmark Reform with two Components

- 1. Health and Wellness Centres (HWCs) - Goal: 1.5 lakh HWCs providing *comprehensive primary healthcare*.**
- 2. PM-JAY (Insurance scheme) -**
 - (i) 15 lakh annual health cover per family.
 - (ii) **Target:** 10.74 crore vulnerable families.

Other Key Programs

- (i) Pradhan Mantri Swasthya Suraksha Yojana (PMSSY) — Establish AIIMS & upgrade medical colleges.
- (ii) National Digital Health Mission (NDHM) — Digital health IDs, telemedicine.
- (iii) Mission Indradhanush — Intensified immunization.
- (iv) National AIDS Control Programme, TB Elimination Programme, Vector-borne disease control, etc.

Key Challenges in India's Health Sector

- 1. Low Public Health Expenditure**
 - (i) Around 1.3% of GDP, lower than many developing countries.
 - (ii) Result: reliance on private care and high OOPE.
- 2. Workforce Shortages**
 - (i) Uneven distribution of doctors and specialists.
 - (ii) Rural areas face shortages of MBBS doctors, nurses, and laboratory staff.
- 3. Infrastructure Gaps**
 - (i) Inadequate PHCs/CHCs, low number of beds per population.
 - (ii) Many facilities lack trained staff, equipment, or medicines.
- 4. Burden of Disease**

Dual burden

 - (i) Communicable diseases (TB, malaria, dengue).
 - (ii) Non-communicable diseases (diabetes, hypertension, heart disease).
- 5. Inequity**
 - (i) Regional disparities: poorer states (Bihar, UP, Jharkhand) lag behind Kerala, Tamil Nadu.
 - (ii) Urban-rural and socio-economic divides in access.
- 6. Quality of Care**
 - (i) Weak regulatory standards.
 - (ii) Variability in service quality between public and private sectors.

Recent Reforms and Innovations

Digital Health

- (i) Telemedicine, e-Sanjeevani.
- (ii) NDHM for health IDs and electronic health records.

Pharmaceutical Policy

- (i) Jan Aushadhi Scheme for affordable generic medicines.
- (ii) Price caps on essential drugs.

Insurance Expansion: PM-JAY strengthening financial protection.

Public Health Surveillance

- (i) Integrated Health Information Platform (IHIP).
- (ii) Pandemic preparedness after COVID-19.

Policy Recommendations

- (i) Increase public health spending to at least 2.5% of GDP as per NHP 2017.
- (ii) Strengthen primary healthcare as the foundation of the system.
- (iii) Reduce OOPe through universal insurance and free essential medicines.
- (iv) Address workforce shortages via training, incentives for rural service, and digital tools.
- (v) Regulate and integrate private sector to ensure quality and affordability.
- (vi) Improve governance and accountability with performance-based financing and community participation.
- (vii) Promote preventive and promotive health, lifestyle interventions, and early diagnosis.
- (viii) Focus on social determinants education, sanitation, nutrition, and housing.

India's health policy has evolved from a focus on basic public health in the post-independence era to a modern approach emphasizing universal health coverage, digital innovation, and comprehensive care. Despite progress, large gaps remain in equity, access, quality, and financing. A sustained commitment to strengthening public health systems, increasing investment, and addressing social determinants is essential to achieving inclusive and equitable health outcomes.

Education Policy in India

India's education policy has evolved through several stages to expand access, improve quality, and ensure equity. The most important policy frameworks include the National Policy on Education 1968, NPE 1986 (revised 1992), and the National Education Policy (NEP) 2020.

1. National Policy on Education (1968)

- (i) Focus on national integration and equal opportunities.
- (ii) Emphasis on compulsory education for all children up to age 14.
- (iii) Introduced the three-language formula.
- (iv) Strengthened science and technology education.

2. National Policy on Education (1986, modified 1992)

- (i) Priority to elementary education, especially for disadvantaged groups.
- (ii) Launched Operation Blackboard to improve school infrastructure.
- (iii) Encouraged Navodaya Vidyalayas for gifted rural students.
- (iv) Promoted adult education, women's education, and teacher training.
- (v) Focus on vocationalisation of secondary education.

3. Right to Education Act (RTE), 2009

A landmark law giving free and compulsory education to all children aged 6–14 years. There are following provisions:

- (i) 25% reservation in private schools for economically weaker students.
- (ii) Norms for pupil-teacher ratio, infrastructure, and teacher qualifications.
- (iii) Prohibition of physical punishment, screening tests, and capitation fees.

4. National Education Policy (NEP) 2020

This is India's current education policy and the first major reform in over 34 years. There are following Features of NEP 2020:

A. School Education -

- (i) New structure: 5+3+3+4 instead of 10+2.
- (ii) Universalization of education from preschool to secondary (ages 3–18).
- (iii) Emphasis on foundational literacy and numeracy (FLN).
- (iv) Focus on experiential learning, critical thinking, and multilingualism.
- (v) Board exams revamped to assess competency, not rote learning.

B. Higher Education

- (i) Target of 50% Gross Enrolment Ratio (GER) by 2035.
- (ii) Multidisciplinary education with flexibility: students can choose combinations of subjects.
- (iii) Four-year undergraduate programs with multiple entry and exit options.
- (iv) Reduction of regulatory complexity by creating a single Higher Education Commission of India (HECI).
- (v) Phasing out of M.Phil programmes.

C. Professional and Teacher Education

- (i) Teacher training upgraded to 4-year integrated B.Ed.
- (ii) Focus on continuous professional development.
- (iii) Revised curriculum for teacher education institutions.

D. Digital Education

- (i) Use of technology in teaching, learning, assessment, and governance.
- (ii) Creation of National Educational Technology Forum (NETF).
- (iii) Expansion of online courses through SWAYAM and DIKSHA.

E. Equity and Inclusion

- (i) Special emphasis on socially and economically disadvantaged groups.
- (ii) Gender-inclusion strategies.
- (iii) Scholarships, hostel facilities, and targeted interventions.

5. Challenges in India's Education System

- (i) Learning gaps and poor foundational skills.
- (ii) Inadequate teacher training.
- (iii) Infrastructure gaps in rural areas.
- (iv) High dropout rates in secondary education.
- (v) Limited industry-academia linkages in higher education.

6. Recent Government Initiatives

- (i) Samagra Shiksha Abhiyan (integrated scheme for school education).
- (ii) PM SHRI Schools (model schools with NEP standards).
- (iii) Skill India Mission and National Skill Qualification Framework (NSQF).
- (iv) Digital India – e-learning initiatives.

Gross Enrolment Ratio (GER) 2023-24

Education Level / Stage	Gross Enrolment Ratio (GER)
Primary School	93 %
Secondary School	77.4%
Higher Secondary	56.2%
Higher Education	28.4%

(Source: ECONOMIC SURVEY 2024-25)

According to above table enrolment ration is decreasing in upper education level. 93% enrolment ration in primary education, 77.4% in secondary education, 56.2% in higher secondary education and 28.4% in higher education in 2023-24. We can say that some students can take higher education in India.

Unemployment in India

India: Unemployment Rate (UR) 2017-18 to 2023-24

Survey period (July–June)	Unemployment Rate in %
2017–18	6.0%
2018–19	5.8%
2019–20	4.8%
2020–21	4.2%
2021–22	4.1%
2022–23	3.2%
2023–24	3.2%

[Source: Labour Force Survey – Annual Report (July, 2023 – June, 2024)]

According to above table unemployment rate decreased from 6% in 2017 to 3.2% in 2023-24. But in 2025 unemployment rate increased according to Ministry of Statistics and Programme Implementation unemployment rate is 5.2% in April 2025 in India.

Poverty in India

A. NITI Aayog (2024) – Multidimensional Poverty Index (MPI)

- (i) India reduced multidimensional poverty from 29.17% (2013–14) to 11.28% (2022–23).
- (ii) Growth of 24 crore people moving out of multidimensional poverty in the past decade.
- (iii) This includes improvements in:
 - (a) Health (nutrition, maternal health)
 - (b) Education (school attendance)
 - (c) Standard of living (cooking fuel, sanitation, electricity, housing)

B. World Bank (2023–24) – Extreme Poverty (\$2.15/day, PPP 2017)

- (i) Extreme poverty in India is estimated at **around 11–12%**.
- (ii) India has one of the **lowest extreme-poverty rates in South Asia**.

C. IMF (2023)

- (i) India's poverty headcount ratio estimated at **around 10% or lower** using global poverty line.

2. Long-Term Trend of Poverty Reduction

India has made major progress in reducing poverty since independence.

Headcount Poverty Ratio in India (Planning Commission data)

Year	Poverty (%)
1973–74	54.9%
1983	44.5%
1993–94	36%
2004–05	27.5%
2011–12	21.9%

(Source: Planning commission of India)

According to above table unemployment rate decreased from 54.9% in 1973-74 to 21.9% in 2011-12 in India

There are following causes of Declined of poverty in India:

A. Economic growth: Higher GDP growth improved incomes and employment.

B. Social welfare schemes:

- (I) PM Awas Yojana (housing)
- (II) Ujjwala Yojana (LPG)
- (III) Swachh Bharat Mission (sanitation)
- (IV) Ayushman Bharat (health)
- (V) Jan Dhan Yojana (financial inclusion)
- (VI) Food Security Act (subsidised grains)

These have significantly improved multidimensional poverty.

C. Improvements in education & health-

- (i) Higher school enrolment
- (ii) Better maternal/child health
- (iii) Greater electricity and sanitation coverage

Continuing Challenges

- (i) Rural poverty is Higher than urban poverty.
- (ii) **States with highest poverty levels:** Bihar, Jharkhand, Uttar Pradesh, Odisha.
- (iii) Urban poor's Growing problem- housing shortage, informal labour, high cost of living.
- (iv) Around 80–90% of labour works in informal jobs with low wages.

Key Facts to Remember

- (i) India has reduced multidimensional poverty by more than half in the last decade.
- (ii) 11–12% of population is below the global extreme-poverty line (World Bank).
- (iii) Last official national poverty line was in 2011–12 (21.9%).

Inequality in India

Income Inequality

- (i) India has high income inequality.
- (ii) The top 10% of Indians earns over 55% of national income (World Inequality Database).
- (iii) The top 1% earns 22% of national income.
- (iv) The bottom 50% earn only 13% of national income.

Income is concentrated heavily at the top.

Wealth Inequality

Wealth inequality is even sharper than income inequality.

- (i) Top 10% own over 65% of total wealth.
- (ii) Top 1% alone own over 40% of India's wealth.
- (iii) The bottom 50% own only 6% of the wealth (Oxfam).

A small section controls most assets land, gold, financial assets.

Consumption Inequality

Consumption inequality (measured by NSSO) is lower than income inequality.

- (i) Gini coefficient of consumption in India: 0.34 (moderate).
- (ii) Urban consumption inequality is almost 40% higher than rural.

Gini Coefficient (Income & Wealth)

- (i) Income Gini: around 0.50 (high inequality).
 - (ii) Wealth Gini: above 0.75 (very high inequality).
- (0 = perfect equality, 1 = perfect inequality)

Regional Inequality

States with higher per-capita income:

- (i) Goa, Delhi, Haryana, Karnataka, Maharashtra
- States with lower per-capita income.
- (ii) Bihar, UP, Jharkhand, Odisha, Chhattisgarh

This creates:

- Urban-rural inequality
- Interstate inequality
- Regional development gaps

Rural-Urban Inequality

- (i) Urban income is 2.5–3 times rural income.
- (ii) Access to education, healthcare, internet, and employment is heavily tilted toward cities.

Social Inequality (Caste & Gender)

Caste

- (i) SC/ST households have lower income, education, and land ownership.
- (ii) Average wealth of upper castes is 3–4 times that of SC/ST groups.

Gender

- (i) Women's labor-force participation: around 25% (very low).
- (ii) Women earn 28% less than men (gender wage gap).

Causes of Inequality

- (i) Unequal access to education & health
- (ii) Skill gaps
- (iii) Jobless growth
- (iv) Large informal sector
- (v) Regional imbalance
- (vi) Low female workforce participation
- (vii) Wealth inheritance patterns

Government Measures to Reduce Inequality

- (i) MGNREGA
- (ii) PM-KISAN
- (iii) Food Security Act
- (iv) Ayushman Bharat
- (v) RTE Act (Right to Education)
- (vi) GST reforms
- (vii) Direct Benefit Transfers (DBT)

CONCLUSION

India's health policy has evolved from a focus on basic public health in the post-independence era to a modern approach emphasizing universal health coverage, digital innovation, and comprehensive care. Despite progress, large gaps remain in equity, access, quality, and financing. A sustained commitment to strengthening public health systems, increasing investment, and addressing social determinants is essential to achieving inclusive and equitable health outcomes. NEP-2020 is big reforms Indian education system but enrolment ration is decreasing in upper education level. 93% enrolment ration in primary education, 77.4% in secondary education, 56.2% in higher secondary education and 28.4% in higher education in 2023-24. We can say that only some students can take higher education in India. Government of India has started many schemes and plans for removing of unemployment and poverty in India but unemployment rate 5.2% in April 2025 and poverty rate 21.9% in 2011-12 is remaining in India. Problems of income inequality is also present in Indian society, the top 10% of Indians earns over 55% of national income, the top 1% earns 22% of national income and the bottom 50% earn only 13% of national income. So, we can say that inclusive growth, human development and social equity is very poor in India. There are Government should make policies for promoting inclusive growth, human development and social equity in India.

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