

Sustainable and Inclusive Development in India : An Analysis.

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Abstract :

The concepts of inclusiveness and sustainability have gained much importance in the recent years. It is one of the widely discussed subject matter in global parlance. Inclusive growth can be described as the process of development that ensures equitable opportunities for the economic participants during economic growth with benefits received by every section of society. The prime focus of India is to foster inclusiveness and sustainable development. This paper tries to analyze and discuss the various aspects of sustainable and inclusive growth in India. Various issues, challenges and prospects of sustainable development have also been discussed in this paper with a comprehensive approach. Emphasis has been given to various aspects, issues and challenges in achieving sustainable and inclusive growth in India.

Key Words : Inclusive , Growth , Sustainable, Development, Global.

Introduction:

India is one of the fastest growing economies of the world , however high national income of a country only cannot reflect the true scenario of an economy. To address the challenges of an economy in real terms along with national income , balanced development , human development approach , value system are also very important. Nearly 70 % of India's population live in the rural area. Without considering the rural India, It is quiet impossible to think about sustainable and comprehensive growth. Inclusive growth is an important ingredient for sustainable development and equitable

distribution of income and wealth of an economy. The concept of balanced, sustainable, faster and inclusive development has become very relevant now a days. Reducing poverty, improving the standard of life, and ensuring that all parts of the society benefiting from the economic growth of the country is the primary motive of inclusive and sustainable growth plan. The need for sustainable , balanced and inclusive growth is of immense significance to the policy makers , researchers and the corporate for a developing country like India.

Objectives of Study:

The main objectives of my study are given below

- 1) To Discuss the major challenges of Inclusive and Sustainable Growth in India.
- 2) To Highlight the initiatives taken by the government to accelerate the process of faster, sustainable and more inclusive growth.
- 3) To provide certain suggestive measures for the achievement of sustainable and inclusive development in India.

Research Methodology:

This paper “Sustainable and Inclusive Development in India : An Analysis.” uses mainly descriptive method of study. The data are collected mainly from the secondary sources. The sources of secondary data are journals, official website of the ministries of the government of India, human development report , various journals etc

What is sustainable growth ?

Sustainable and inclusive growth is a concept which advances equal opportunities to all so that the poor and the marginal sections of a society can be brought under the ambit.

The basic theme of the 11th five year plan was the “Inclusive Growth”. The 11th five year plan defines inclusive growth as “a growth process which yields broad based benefits and ensures equal opportunities to all”

The 12th five year plan focuses on faster sustainable and more inclusive growth.

Need for Inclusive and Sustainable growth in India:

In a developing country like India , the significance of inclusive growth for overall progress of the economy is inevitable. Inclusive growth is required for attaining sustainable development and equitable distribution of income and wealth.

The following points highlight the importance for inclusive growth :

- 1) Indian economy is a 3 trillion dollar economy and with World's 3rd largest economy in purchasing power parity. Yet our country is far away from the all round and inclusive development.
- 2) As per the latest NSSO report , the Gini coefficient (Measuring the Inequality) in rural areas has remained almost the same in 2004-05 and 2011-12 at .27 and .28 respectively. In the urban areas the Gini coefficient has increased marginally from .35 in 2004-05 to .37 in 2011-12. For inclusive, faster and sustainable growth the primary focus should be on the reduction of inequality.

- 3) Low per capita income, poor agricultural growth ,existence of chronic and under employment , inequality of income and wealth distribution , heavy population pressure , corruption are some major problems in our country.
 - 4) Governance in all layers is a key factor ensuring equitable and sustainable growth.
 - 5) Achieving 9 % growth of GDP for the economy is one of the boosting factors which gives the significance of inclusive growth strategy.
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Elements of Sustainable and Inclusive Growth

- **Rapid Economic Growth** : It is the first and foremost element or component of inclusive growth. Rapid economic growth acts as a key stimulant of inclusive and balanced growth.
- **Poverty Reduction** : One of the important elements of inclusive growth is the reduction of poverty . Economic growth taking care of poverty has emerged as very significant aspect for sustainable development.
- **Reduction of Inequality** : Growing GNP alone can not be a true reflective of overall development of the economy. Presence of inequality in the distribution of income and wealth often stands as a hurdle in the path of development. Hence reducing income and wealth inequality is also a very vital element for inclusive growth.
- **Employment Generation**: Inclusive growth refers to the economic growth which reduces poverty , inequality and helps in generation of employment opportunities.

- **Agricultural Development** : Agriculture is the backbone of the India. Agriculture sector could be a sector of prospect for the self sustaining economy. Agriculture development also plays a significant role for inclusive development.
- **Infrastructure development** : another significant aspect of sustainable and inclusive growth is the development of infrastructure . The public policy should give more emphasis to the capital expenditure which could meaningfully contribute towards inclusive growth.
- **Industrial Development** : Industrial development also serves as an important element of inclusive growth . Development of basic and capital goods industries ensures the balanced growth in the economy to a large extent.
- **Environmental Protection** : To maintain the sustainability of the economy the protection if the environment is must . Economic growth , without depleting the natural resources stands as a vital component of inclusive growth.
- **Good Governance** : Good governance , better administration , political will , good will , lack of corruption , transparent and responsible administrative procedures etc. contribute positively towards inclusive growth of the economy.

Indicators or Parameters of Inclusive growth :

- 1) **Rapid growth and poverty reduction** : It is one of the crucial parameters for inclusive growth of an economy. A reduction in poverty and expansion of economic growth to all marginal and poor section of the society is a vital element for inclusive growth of an economy.
- 2) **Reduction of Inequalities** : Reducing inequality is high on the agenda of the government of India to accelerate the inclusiveness of the economy.

- 3) **Employment Generation:** The inclusiveness of an economy will be judged on the ability of the government to make adequate employment opportunities.
- 4) **Social justice and empowerment :**Another key element ensuring inclusive growth is the social justice and empowerment. There should equal opportunities for all with freedom and dignity without any social or socio-political obstacles. In particular the poor and the marginal section of the society should be provided special opportunities so that they can participate in the growth process.
- 5) **Governance :** Governance is a very important parameter to achieve the objective of rapid economic growth with poverty alleviation and inclusiveness. Over the years the governments launched various schemes and initiatives. But many of the initiatives have floundered because of poor design , lack of accountability , lack of will power, corruption etc. There good governance in layers is a prerequisite for inclusiveness.
- 6) **Environment Protection :** For any sustainable and inclusive growth strategy protection of environment is very important. Balancing economic growth with environmental protection will act as a catalyst for achieving inclusiveness
- 7) **Agricultural Development :** The agricultural sector is essential for achieving the objective of sustainable and inclusive growth. Agricultural development is important component for inclusive growth.
- 8) **Infrastructure Development :** The fast growth of an economy in the recent years has placed increasing stress in physical infrastructure such as electricity , railways , water supply , roads , irrigation , sanitation etc.

Various Initiatives Taken by the Government of India

Achieving sustainable, inclusive and faster growth has been one of the main priorities of the Government of India. To boost up the process of inclusiveness the Government is implementing various schemes and programmes for creating better employment opportunities , strengthening social infrastructure and providing social amenities like road , water , electricity etc.

SCHEMES	MAIN AIM
MGNREGA	<i>These schemes were launched by the Government of India in both rural and urban areas of the country to provide <u>employment opportunities</u> directly or indirectly to reap the benefits of demographic dividend</i>
PMEGP	
Pradhan Mantri Rozgar Protsahan Yojana	
Deendayal Antyodaya yojana-National Urban Livelihoods Mission	
Pradhan mantra Suraksha Bima Yojana	<i>These are some schemes launched by the Government of India <u>to eliminate poverty , inequality</u> and to empower the marginalized sections of the society .</i>
Atal pension Yojana	
Mudra bank	
National Hub for SC/ST entrepreneurs	
Prime Minister Jan Dhan yojana	
National Agricultural Market (E-NAM	<i>Agricultural is the backbone of India. These are the most important <u>agricultural schemes</u> introduced by the government of India.</i>
National Mission For Sustainable agriculture.	
Pradhan Mantri Krishi Sinchai Yojana	
Pradhan Mantri Krishi Vikas Yojana	
Pradhan Mantri fasal Bima Yojana	
Livestock Insurance Schemes	

Major Constraints for Inclusive and Sustainable Growth In India

- 1) **Fiscal deficit :** Fiscal deficit can be defined as the difference between total expenditure minus revenue expenditure minus non debt creating capital receipts. It basically indicated the borrowing requirement of the government. In the 2018 -19 budget the fiscal deficit was estimated at 3.3 percent of GDP. Curbing fiscal deficit and maintaining a fiscal discipline is vital for achieving inclusive growth strategy.
- 2) **Poverty Eradication:** Poverty eradication stands as a major challenge or constraint in front of the policy makers for achieving faster , sustainable and more inclusive growth. In recently announced Global Hunger Index the position of India was not so satisfactory. India is ranked 102 out of 117 countries behind its neighbors Nepal , Bangladesh and Pakistan. It is really a worrying situation for India .
- 3) **Women empowerment and Gender Equity:** Gender equality and empowering women politically and economically is central to process of inclusiveness in India. In case of India the situation of political and economic empowerment of women is far away from the developing and the developed countries. It emerges as a constraint to achieve inclusive and sustainable growth.
- 4) **Agricultural Development :** Agriculture remains the biggest source of livelihood in India. Agriculture sector employs 53.5 of the workforce but barely contributes 15% of the GDP. It is a major challenge for accelerating the process of inclusive growth. All round progress of an economy in a developing country like India

would be possible only when the key sector like agriculture will be significant contributor of the Domestic economy of a country.

- 5) **Social Sector development** : The development experience of the developed nations reveal that their high national product fail to reduce the socio economic and socio political deprivation of a substantial section of their population. The end of development is the welfare of the human beings. As a result the concept of Human Development index emerges. The budgetary allocation for these social indicators (like education and health) is not satisfactory and it comes out a constraint for balanced economic development.

Suggestions :

- 1) Agricultural sector should be given more emphasis.
- 2) Financial inclusion and financial literacy could speed up the process of inclusiveness.
- 3) Comprehensive and collective approach is required for achieving the inclusive strategy.
- 4) Awareness programmers about various welfare schemes or other government initiatives should be made particularly in the rural areas so that every section of the society can actively take part in the development of the country.
- 5) The policy makers or the government should transparent , accountable and responsible.
- 6) For enhancing productive capacities , manufacturing sector should be prioritized .

- 7) Women should be empowered economically and politically .
- 8) The Economy should focus in those areas of development where it possess comparative advantage.

Conclusion :

There should be a broad based , comprehensive and inclusive growth strategy to benefit all the sections of the society. In a collective environment we all should join hands in achieving inclusive and sustainable growth. More emphasis should be given on agricultural, infrastructure and industrial sectors. Maximizing the growth in potential and high performing sector , there is a need to focus on the external sector. Favorable balance of trade is often considered as a key driver of overall economic development. The policy makers should give more emphasis to make the people aware regarding welfare schemes, financial inclusion , digital literacy schemes etc.

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