

1. Inequality and its Discontents

Context:

- India **Ranks 129 out of 189 countries** on the 2019 Human Development Index (HDI) – up one slot from the 130th position last year – according to the Human Development Report **released by the United Nations Development Programme (UNDP)**.

What is Human Development Index?

- HDI measures average achievement in three basic dimensions of human development.
- Standard of living measured by the gross national income (GNI) per capita.
- Health measured by the life expectancy at birth.
- Education levels calculated by mean years of education among the adult population and the expected years of schooling for children.

Inequality in India:

- India has made so much progress over the past 30 years – and the improvements have been substantial.
- Yet, there are significant concerns today, borne out by data, that the dramatic strides made in reducing extreme poverty did not reduce inequality. In fact, inequality has widened.
- To put it simply, while the poor have indeed benefitted from India's economic success, the rich have garnered a greater share of the spoils. Indeed, Oxfam's inequality estimates from earlier this year suggest the top 10 per cent of the **Indian population holds 77 per cent of the Total National Wealth**.
- **Inequality not only in wealth distribution but also in human development:**
- Inequality is not just about disparities in wealth distribution. A large number of Indians not only have very low income, but their opportunities for healthcare, education and social security are dreadfully inadequate.
- UNDP's 2019 Human Development Report (HDR) explores precisely these inequalities in human development, by going beyond income and identifying the deep-rooted systemic drivers of inequality. In so doing, the report reminds decision-makers of the importance of providing basic services to their people, and of equipping them to live with dignity.
- Further, the report underlines that poor people should be protected from the fallout of climate change and benefit from modern breakthroughs in artificial intelligence and robotics.

Inequality in Wide Range of Ways:

- Today, the odds are clearly stacked, in a wide range of ways, along gender, linguistic, class and sexual orientation lines.
- The HDR finds, for instance, that in India the share of both men and women **biased against gender equality have risen**, indicating a backlash against women's empowerment.
- While traditionally vulnerable communities, such as the Scheduled Castes and Scheduled Tribes, are catching up with the rest of society in primary education, they are falling further behind when it comes to advanced (12 years or more) education. Most now have access to mobiles but few have computers. And too many people are still just one illness away from poverty.

Inequality and Climate Change:

- The climate crisis is already hitting the poorest communities hardest and earliest. **Millions of Indians in low-lying coastal areas** are exposed to a rise in sea levels.
- **Around two-fifths of the population subsist on Agriculture** that relies on increasingly **Erratic Rainfall** and fluctuating temperatures.
- Communities with greater power have, consciously or not, shifted some of the environmental consequences of their consumption onto poor and vulnerable people, onto marginalised groups, and onto future generations.
- We **see this with air pollution, a problem to which the rich**, with their carbon-intensive lifestyles, contribute more.

How should we respond to this inequality?

- India has already embraced policies that aim to transform social norms and eliminate discrimination through education, awareness and changing incentives.
- The 2019 Multidimensional Poverty Index – produced by UNDP and the Oxford Poverty and Human Development Initiative – finds that over 270 million Indians were taken out of multidimensional poverty in the decade between 2005-06 and 2015-16.
- Similarly, since the turn of the century, per capita income has nearly tripled; life expectancy at birth has increased by nearly seven years; and children are staying in school for at least two years longer.
- India has invested in important building blocks to equip its people to thrive rather than just survive.

- **A focus on rights-based entitlements** (for instance, work through the Mahatma Gandhi National Rural Employment Guarantee) and **Technological Innovations** (such as to open bank accounts and facilitate digital payments to beneficiaries) has gone some way towards improving living standards.
- **New Insurance Schemes** for universal health coverage, crop-failure and accidents reflect a momentum for action to tackle inequality. These measures are absolutely crucial in reaching those left furthest behind.

Conclusion:

- Today, India is no longer a country languishing largely in extreme poverty. It is a country with pervasive inequality, pockets of deep deprivations and vulnerable populations.
- India is, of course, pivotal to the world's achievement of the Sustainable Development Goals (SDGs) by 2030. To achieve the SDGs, we must recognise existing inequality and continuously eliminate the structural factors that create inequality.
- UNDP stands ready to support India to devise its own solutions to provide all its people — now and in the future — with a fair and dignified lot in life, powered by technology, shielded from prejudice and protected from an increasingly unforgiving climate.