

**Question:** What are the salient features of inclusive growth? Has India been experiencing such a growth process? Analyse and suggest measures for inclusive growth. (250 words)

**Answer:**

The growth is inclusive when it is socially inclusive and in the past regionally balanced, which enables every state to do better than in the past which narrows the gap between different communities, which also brings in our concern for gender equality, upliftment of women, improving their educational condition and social status. The key features of inclusive growth are as follows:

The inclusive growth is to include the Poor and lagging socio-economic groups such as ethnic groups, weaker sections as well as lagging regions as partners and beneficiaries of economic growth.

Inclusive growth should be non-discriminatory and favourable for the excluded. This implies that inclusive growth has to be broad-based in terms of coverage of regions, and labour-intensive in terms of creating large-scale productive employment opportunities in the economy.

Inclusive growth has to ensure access of people to basic infrastructure and basic services/capabilities such as basic health and education. This access should include not only the quantity, but also quality of these basic services.

Inclusive growth should reduce vertical as well as horizontal inequalities in incomes and assets.

In the Indian context we have seen that the gulf between rural and urban economy is increasing and agriculture is lagging behind the services sector with the contribution in GDP (14%) and of services sector is 57%. The gap between men and women is also high in terms of wages, labour forces, participation rate, possession of assets and participation in economy. However the incidence of

poverty has reduced after the phase of liberalisation but still inclusive growth is a dream in India.

The goal of the 12th Five Year Plan was sustainable and more inclusive growth which will take care of every section of the society. In this direction we have to devise our strategy in the following ways:

**Focus on Agriculture:** The government of India is working on doubling the farmer income. This will reduce the rural-urban gap, increase the rural demand and revamp the rural economy. In this direction, the government has to focus on all the stages of cultivation cycle from sowing to harvesting to marketing. This can be done by improving soil health, increasing the quality of seeds, providing good price to the farmer by e-NAM (Electronic National Agriculture Market Platform)

**Focus on MSMEs:** Indian MSME units are mostly present in the unorganised sector and employ people from SCs/STs/OBCs/women section. Providing technology, credit supply and marketing skills to these units can drive the growth in these units and thereby driving inclusive growth. Schemes like Stand Up India, MUDRA Yojna are steps in this direction.

- **Skill Development:** Absence of skills is one of the major reasons for India not achieving inclusive growth as a major population is not employable so, to make them employable there is a need to provide them well skill education. This scheme like Skill Development Mission, Kaushal Vikas Yojna are working in their direction only.

All these initiatives can drive India to a path of inclusive growth which will also free India from the curse of jobless growth.