

Impediments of Social Inclusive Development

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Abstract: *Extent of utilization of modern management methods (systems) in companies is important indicator of advanced and mature management. There exist dozens of modern methods focused on different branches of management as strategy, production, quality and more. Department of management and entrepreneurship on Business Administration Faculty of Silesian University is conducted three : Rounds of questionnaire research, called "Adaptability of entrepreneurship", where besides others, utilization of management methods in companies, as activity preventing managerial misguiding, leading into entrepreneurship failures and bad economic results, were evaluated*

Keywords: Adaptability of entrepreneurship

I. INTRODUCTION

India's growth story is no suspense, especially in last two decades. Reforms of 1991, guided by IMF & World Bank, not only bailed out Indian economy from the balance of payment crisis but also provided necessary impetus for fostering growth of industrialization and privatization. After the reforms, Indian economy not only did well GDP wise, but also showed considerable improvements in social sector indicators. The fall in poverty estimates as one such improvement¹. Poverty in India is multidimensional and claims on any improvement in the poverty estimates should try and include this multidimensionality or else these brilliant numbers will remain meaningless if the social super structure of Indian economy is not fully understood. And hence today we find countries are accepting a new way to look at growth and development with concepts like HDI and gross happiness index this is tried and being accomplished.

Unlike other LDCs India's social composition is awkwardly complicated. India's demography finds itself in a social stratification like General, OBC, SC and ST. Except for the general category all other fall into depressed class with different levels of deprivation based on their respective castes. Amongst the aforementioned categories SCs (also known as Untouchables, Dalits, Harijans) are those who still find themselves at the periphery when it comes to fruitfully enjoying the benefits of the reforms². "Dalits were outside the caste hierarchy and traditionally faced social, economic, political and religious segregation" (Bruce Corrie 1994). In order to measure real development of Indian economy it's necessary to look for the development of Dalits and what till now has been achieved with regards to the same?

Approach of this research would be empirical as well as analytical. Firstly it will intend to establish HDIs (Human Development Index) of the SC community and thereafter will test the significance of various factors affecting it. Basically research will be divided into three sections.

Section 1 will consist of both primary as well as secondary research incorporating extensive data analysis and estimation of HDIs as formulated by Dr. Amartya Sen. It will undertake important aspects of human development like life expectancy at birth, adult literacy rates and per capita GDP and other parameters which can have considerable effects on HDIs. Life expectancy at birth and Educational development index are in itself good measures of progress. Detailed study of the both will be undertaken in this section to form a meaningful relationship between these factors and the overall development.

Human development indices will provide information of material poverty but to paint actual picture of development of SCs which is the prime purpose of this study, pseudo development measures alone will not serve the purpose. So to overcome the discussed issue one can consider using human poverty index as a social development indicator as it considers important deprivation measures like probability at birth for not reaching 40, use of improved source of water, children underweight-for-age. Dalit child HDI estimated by Bruce Corrie in 1994 can be

used as a benchmark. Above mentioned study undertook various parameters to arrive at a necessary HDI which depicted real picture of social development of a Dalit child.

Section 1 will also establish rationale for choosing various factors for constructing Human Development Index. The main purpose of this research is to see that up to what extent economic growth of the nation has helped the development of the SC community altogether. It can be done by performing regression analysis between growth rate of GDP and growth rate of employment of SCs. Methodology of above analysis can be decided once the research is progressed and can vary considering the overall approach of the research.

It's a common knowledge; development of females in a particular society can bring out the real development of that society. Hence measuring GDI for SCs is also of prime importance. There are many nuances associated with the female underdevelopment which are highly correlated with the underdevelopment of the whole society.

Once the estimation of HDIs is done in section 1 comparison with the national HDI will be undertaken in this section. Through this comparative analysis more meaningful picture of development of the SCs will emerge. In this particular section estimation of Gini coefficient of income and consumption inequalities of SCs will be focused. Gini coefficient will be estimated using the Lorenz curve of inequality. Empirics of Gini coefficient for both rural as well as urban thus obtained will be compared with the national level inequalities of income and consumption. Through such comparative analysis of Gini coefficients will uncover the existence of different levels of inequalities in income and consumption expenditure of SCs and others residing in rural as well as urban areas.

In an independent India the link between caste and occupation has weakened considerably. The jajmani system has all but vanished, allowing for market-based pricing for services rendered by the workers (Commander 1983). This statement needs to be studied empirically to understand the intensity of such economic developments upon the whole caste system. It can be done in many ways but the more suitable and convenient way is to measure growth in total employment of SCs and industrialization. For estimating extent of industrialization one can simply measure rise in share of industries in the GDP. The employment effects of industrialization can be estimated by multivariate regression analysis controlling for other factors such as level of educational attainment etc. Various parameters of this proposed research are included with some specific motto. A rationale of development parameters needs to be understood prior to begin with the research.

Extent of social exclusion

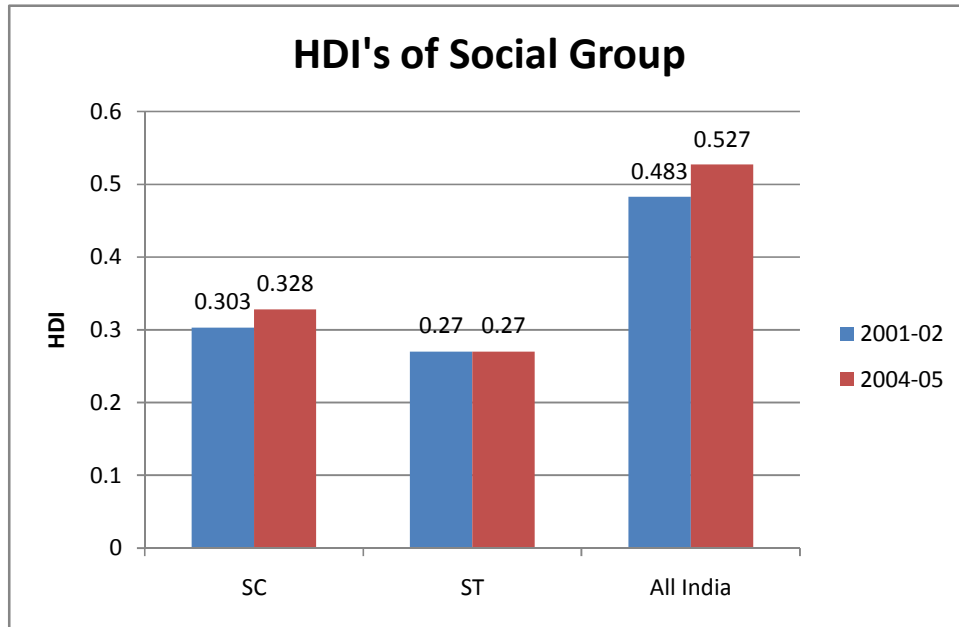
It is needless to state that Indian economy is challenged by the problem of social exclusion. But it is important to understand the extent of such social evil. As a researcher and student of economics it becomes the prime objective to understand the scope and penetration of such a problem. Unless we analyze the situation we fail to comprehend the reasons of policy failures. In 60% of Rajasthan villages surveyed, dalits are not hired to cook midday meals. In 25% of 555 villages surveyed nation-wide, dalits were paid less wages; in 35% they were not allowed to sell goods at village markets; and in 47% of villages they were not allowed to sell milk to cooperatives. No wonder dalits have lower human development and higher poverty levels³.

Amartya Sen describes the social exclusion a situation where some people are kept out (or left out), and where some people are included (forcibly) on deeply unfavourable terms. The two situations are described as "unfavourable exclusion" and "unfavourable inclusion". He also defines social exclusion as active exclusion and passive inclusion. Active inclusion is the process where through the government or the other fringe agents of the society deliberately keep a certain social group out of the mainstream development. Where else the passive social exclusion is not done by any deliberate action but inherently followed the society as whole.

In 2001, about 57% of SC and 37% of ST women respectively were agricultural wage labour in rural areas, as compared with 29% for non-SC/STs. In urban areas, 16% SC and 14% ST women were daily wage labourers as compared with only 6% from non-SC/STs. Only 21% of SC women were cultivators compared with 51% for STs and 45% for non-SC/STs. SC/ST women also faced differential treatment in wage-earning, particularly in urban areas. In 2000, SC and ST women casual labourers received daily wages of Rs 37 and Rs 34 respectively, compared with Rs 56 for non-SC/ST women; the national average was Rs 42 (Thorat, 2008).

Some facts and figures of the socially marginalized group

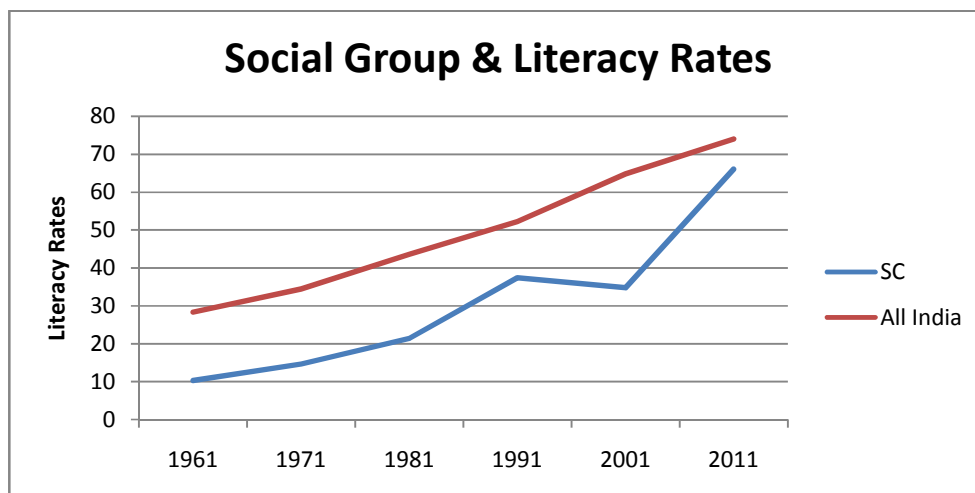
The difference between the HDI's of different social groups indicates the problem of social exclusion

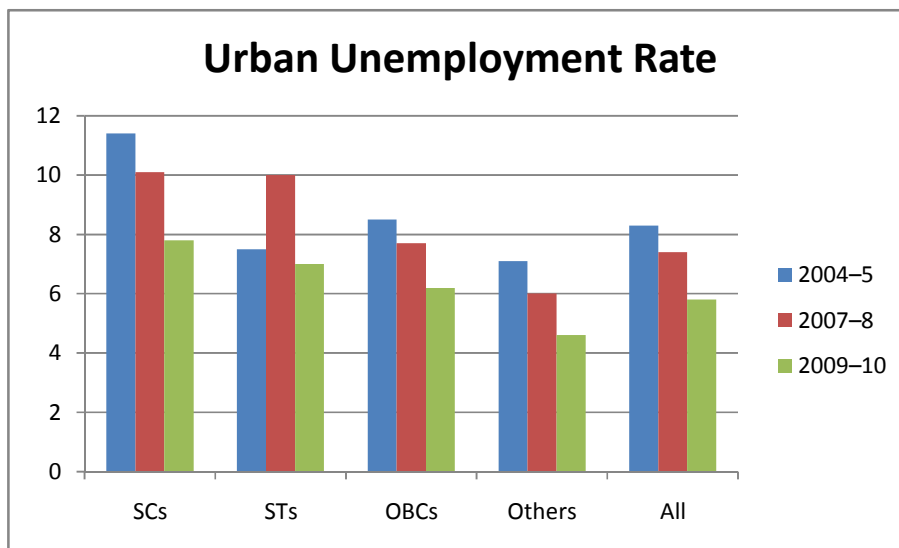
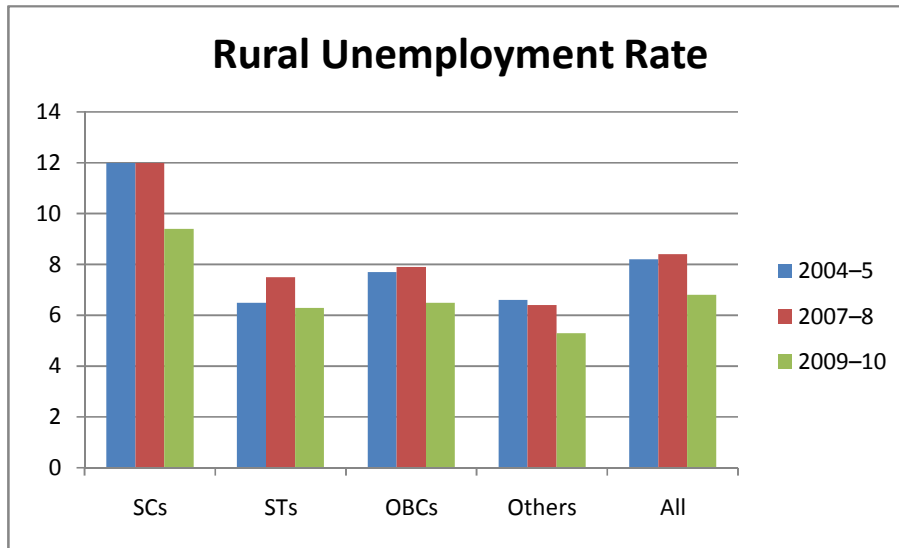


Literacy rates of India based on the social group.

Literacy Rate		
Years	SC	All India
1961	10.27	28.31
1971	14.67	34.45
1981	21.38	43.57
1991	37.41	52.21
2001	34.76	64.83
2011	66.1	74.04

Source: Census of India, Office of Registrar General, India.





Source India Human Development Report

Gross Enrollment Ratio

Class	Total			SC		
	Boys	Girls	Total	Boys	Girls	Total
6-11 (Classes I-V)	112.6	105.8	109.4	126.1	110	118.4
11-14 (Classes VI-VII)	75.4	66.5	71.1	81	64.9	73.4
6-14 (Classes I-VIII)	98.5	91	94.9	109.3	93.6	101.8
14-16 (Classes IX-X)	57.7	46.2	52.2	54.8	40.3	48.1
16-18 (Classes XI-XII)	31.5	25.1	28.5	27.9	20.7	24.6
14-16 (Classes IX-XII)	44.7	35.8	40.4	41.7	30.8	36.6
6-18 (Classes I-XII)	80.6	73.1	77	87.8	74.5	81.5
18-24 (Higher Edn.)	13.6	9.3	11.6	10.1	6.4	8.3

Why Human Development Index of SCs? (Disaggregating HDI on the basis of Caste)

- Human development index is considered as simple composite measure of human development because of such simplicity, one can put development in a single figure rather putting into complex figures.
- UNDP (United Nations Development Programme) uses HDI for presenting its annual development reports.
- Large acceptability of HDIs makes it a distinct measure of human development.
- As HDI of nations are available in the UNDP reports it will be easier to establish the comparison between Dalit HDI and national HDI.
- As the fact economic growth and human development are two different aspects and so it's improper to relate economic growth to human development. In this regard HDI gives weightage to literacy rates and gross enrollment ratio along with the longevity and GDP per capita.

Is human poverty index a better measure?

- Well answer to this question will be sought once the research is complete as it will be premature to comment on the usefulness of the both.
- But the demographic feature of SCs establishes a strong correlation with the poverty, so human poverty index is also important tool in regards to SCs.
- The Human Development Report 1997 introduced a human poverty index (HPI) in an attempt to bring together in a composite index the different features of deprivation in the quality of life to arrive at an aggregate judgment on the extent of poverty in a community.
- Rather than measure poverty by income, the HPI uses indicators of the most basic dimensions of deprivation: a short life, lack of basic education and lack of access to public and private resources. The HPI concentrates on the deprivation in the three essential elements of human life already reflected in the HDI: longevity, knowledge and a decent standard of living (UNDP).
- The first deprivation relates to survival: the likeliness of death at a relatively early age and is represented by the probability of not surviving to ages 40 and 60 respectively for the HPI-1 and HPI-2.
- The second dimension relates to knowledge: being excluded from the world of reading and communication and is measured by the percentage of adults who are illiterate.
- The third aspect relates to a decent standard of living, in particular, overall economic provision

Why Gender-related Development Index for Dalits?

- The Human Development Report 1995 introduced new measure of human development that highlight the status of women. The Gender-related Development Index (GDI), measures achievement in the same basic capabilities as the HDI does, but takes note of inequality in achievement between women and men. The methodology used imposes a penalty for inequality, such that the GDI falls when the achievement levels of both women and men in a country go down or when the disparity between their achievements increases. The greater the gender disparity in basic capabilities, the lower a country's GDI compared with its HDI. The GDI is simply the HDI discounted, or adjusted downwards, for gender inequality.
- In order to measure the development of Dalit women GDI is the important statistical tool.
- Problems of women in India are multi-faceted, and women belonging to deprived and vulnerable society face even greater difficulties.

Fundamentals of Lorenz curve and its relevance to Dalit developmental studies.

- A graphical representation of wealth distribution developed by American economist Max Lorenz in 1905. On the graph, a straight diagonal line represents perfect equality of wealth distribution; the Lorenz curve lies beneath it, showing the reality of wealth distribution. The difference between the straight line and the curved line is the amount of inequality of wealth distribution, a figure described by the Gini coefficient.
- In order to test the hypothesis that income inequality amongst the forwards must be less than income inequality between the Dalits. To provide necessary statistical backup to the above question, formulation of Gini coefficient is required which is done with the help of Lorenz curve.

As income inequality can have deleterious effects on the society as of whole. It can pose even greater problems to the vulnerable section of the society.

Such study can help the process of policy formation in an efficient manner.

Methodology: Disaggregation of HDI's

For studying development of a certain population subgroups method of disaggregating of HDI's by applying appropriate weights for the components of HDI for the particular subgroup was suggested by Sudhir Anand and martya Sen in their occasional paper of UNDP Human Development Index: Measurement and Methodology 1994. Such methodology was also adopted by U.S.A in their HDR 1993 which was based on race and gender.

“Disaggregated HDI's are arrived at by using the data for the HDI components pertaining to each of these groups into which the HDI is disaggregated, treating each group as if it were a separate country (UNDP 1993, 103). Such subgroups may be defined relative to geographical or administrative regions, urban-rural residence, gender and ethnicity” (A. HalisAkder 1994)

$$H_j = 1/3[X_{1j}+X_{2j}+X_{3j}]$$

Where H_j is HDI of j subgroup whereas $X_1, X_2, & X_3$ are Educational Index, Literacy Index and GDP Index.

II. CONCLUSION

The quantification of the social inclusion / social exclusion needs to be incorporated in the Indian human development report in order to keep eye on the progress of the ambitious goal of Inclusive development. Indian social fabric is starkly different from the other developing countries so blindly using their concept of social development is not advisable.

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