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SUBJECT:	Essay	Test Code:	1	9	9	2		
Name of Candidate	Anushka Sharma							
Medium Hindi/Eng.	English	Registration Number	10	4	0	2	1	3
Center	Online	Date	2	4	1	2	2	1

INDEX TABLE				INSTRUCTIONS
Q. No.	Page No.	Maximum Marks	Marks Obtained	
				1. Do furnish the appropriate details in the answer sheet (viz. Name, Registration Number and Test Code). उत्तर पुस्तिका में सूचनाएं भरना आवश्यक है (नाम, प्रश्न-पत्र कोड, विद्यार्थी क्रमांक आदि)।
				2. All questions are compulsory. सभी प्रश्न अनिवार्य हैं।
				3. The number of marks carried by a question/part is indicated against it. प्रत्येक प्रश्न/भाग के अंक उसके सामने दिए गए हैं।
				4. Answers must be written in the medium authorized in the Admission Certificate, which must be stated clearly on the cover of this Question-Cum-Answer (QCA) Booklet in the space provided. No marks will be given for answers written in medium other than the authorized one. प्रश्नों के उत्तर उसी माध्यम में लिखे जाने चाहिए जिसका उल्लेख आपके प्रवेश पत्र में किया गया है और उस माध्यम का स्पष्ट उल्लेख प्रश्न-सह-उत्तर (क्यूसीए) पुस्तिका के मुख्य पृष्ठ पर अंकित निर्दिष्ट स्थान पर किया जाना चाहिए। उल्लिखित माध्यम के अतिरिक्त अन्य किसी माध्यम में लिए गए उत्तर पर कोई अंक नहीं मिलेंगे।
				5. Word limit in questions, if specified, should be adhered to. प्रश्नों में शब्द सीमा, जहाँ विनिर्दिष्ट है, का अनुसरण किया जाना चाहिए।
				6. Any page or portion of the page left blank in the Question-Cum-Answer Booklet must be clearly struck off. उत्तर पुस्तिका में खाली छोड़ा हुआ पृष्ठ या उसके अंश को स्पष्ट रूप से काटा जाना चाहिए।
Total Marks Obtained:				
Remarks :				

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EVALUATION INDICATORS

1. Contextual Competence
2. Content Competence
3. Language Competence
4. Introduction Competence
5. Structure - Presentation Competence
6. Conclusion Competence

Overall Macro Comments / feedback / suggestions on Answer Booklet:

1.

2.

3.

4.

5.

6.

1. If you want to walk fast, walk alone. But if you want to walk far, walk together.

Consider three men working together. One of them digs up a hole, the second one fills it with a seed and the third one covers it with soil. Now one day, the second person is absent due to illness, but the other two are still digging up a hole and filling it back. When asked what is the purpose, they reply we are just doing our job!

Similarly, just fulfilling your role / duty without understanding the need or demand of the job makes the task fulfillment futile. Similarly, if individual growth is the aim, then other's needs can be ignored. But this would not cause fulfillment of long term goals, just the short term

targets. Therefore, if a battle and war both are to be won, cooperation and equitable growth is key.

In this essay, we are going to discuss ways of inclusive development adapted by various stakeholders at different levels. The consequences of indifference in contrast to united action will be compared. In the end, we will discuss ways to achieve inclusion and equity.

Turning to the pages of History

When India was faced with the colonial repression starting from the Battle of Plassey, different stakeholders took different approach to express their dissent. The Sepoy mutiny raised

arms against the East India Company, but the lack of support of southern states and stakeholders such as Zamindars, etc, led to its defeat. Similarly, the Moderates laid the foundation of the freedom struggle, but they did not believe in the capacity of the masses to protest. This led to the moderates' success being short term.

In contrast to their approach, Gandhiji's fresh approach of struggle appealed to everyone. The reason being his empathy and will to understand different people's problems. Be it the indigo farmers of Champaran or the mill workers of Ahmedabad, he worked for their welfare. Be it the capitalists such as Purshottam Thakurdas or the women such as female protesters of Khilafat movement, he approached people with an open mindset to help them

fulfil their potential. This collaborative approach helped in gaining freedom in 1947. Though history remembers the sacrifice of the sepays and the resilience of the Moderates, it is Gandhiji, who is called the 'Father of the Nation'.

Political Stance

At the time of independence, the constitution makers had to make a choice. Either they could further the provisions of Government of India Act of 1935 and have restricted electorate. Or they could have universal franchise. Given the low literacy rate of 13%, the scepticism of various constitutional experts such as Inver Jennings, led to doubts about the Indian democracy's stability. But it is going to be 75 years and India is the largest democracy of the world with high voter

Turnout. Its comprehensive policies has led to discontent being expressed not only at the Union level but also at the Panchayat level.

Similarly, the role of the Planning commission was mandated to be the formulation and implementation of five year plans. But in this, the states had no role to play. The centralising tendencies led to redundancy of the Commission to be replaced by the Niti Aayog. Niti Aayog's aim of cooperative federalism has provided a forum for states to express their concerns, take help of experts and other states, as well as collaborate for reducing regional inequalities.

Similarly, during COVID-19, the division of subjects in the 7th Schedule, stipulates health to be a state subject.

Initially, this led to friction between the centre and state, especially in the case of vaccine procurement. But by learning from the shortcomings, central government and state government started collaborating for better outcomes. Example - The vaccine procurement by centre and distribution to states. Then GST shortfall transfers to states as well as the borrowing by central government to meet any needs of the state.

Therefore, Indian polity has seen the outcome of collaborative approach in contrast to scattered efforts.

Social Stakeholders

Indian society has evolved from the teachings of Manusmriti to equal rights guaranteed by the Constitution.

Manusmriti highlighted how females are a burden on the family and therefore

They should be married off quickly. This led to the discrimination of female based on the lifecycle approach. From infanticide at birth, to child marriage to dowry harassment, women witness unequal treatment at various stages. This has led to high Maternal and Infant mortality rate as well as low labour force participation. This has put a stop on inclusive growth by limiting diversified workforce and management.

In Japan, males and females both are provided tax incentives for labour force participation. Similarly, New Zealand passed a law recognising equal pay for both. These practices have led to equitable development and higher growth rates for these countries.

Therefore, walking alone has led to endangered growth for India instead of engendered growth.

Our Environment

As Mahatma Gandhi says 'we have not inherited this planet from our ancestors but instead from ~~our~~ borrowed it from our children'. With focus on achieving high growth rates as fast as possible, we as a society have neglected our environment.

We have witnessed the Chipko movement but also the Narmada Bachao Andolan. We have witnessed highest growth rates of economy in the world as well as the highest number of climate displacements in Asia. The issue of the climate refugees is important given the rising sea levels and temperatures. By focusing on their rehabilitation, equitable development can be ensured. Because it can cause a strain on the resources, thereby requiring collaborative and flexible

response, instead of sporadic actions.

The wildlife has been a vital part of Indian subcontinent. We house 8% of wildlife despite smaller area compared to other nations. Even though steps have been taken for conservation in the form of Project Tiger, Project Elephant, etc, the increasing cases of man animal conflict highlight the increasing selfishness of man. The desire to acquire as many resources for self has led to deforestation, rapid urbanization and dam construction. In 2020, the incident of an elephant eating a firecracker laced pineapple because a farmer wanted to safeguard his crops, highlights the quest for fast growth.

At the World level

The world has transitioned from the era of colonialism to era of free trade. But this path is marred with

learnings by various nations.

After the world war, the developed nations assumed themselves to be the sole harbingers of growth and development.

They formed the **G7** grouping assuming the trade volume and the size of GDP.

But this illusion was broken by the Asian currency crisis, through which the G7 realized the need for expanding itself into **G20**. Now the grouping

represents 80% of the population and 60% of the GDP. Therefore, G7 nations learnt the consequences of limiting their arena to only 'developed nations'

On the other hand, India realizes the importance of equitable development. Freshly after the independence, India formulated the **NAM** along with other like minded nations to focus on growth and not getting

involved in the cold war. Similarly, the importance of neighbourhood has been understood by India. It has led to various initiatives such as SAARC, BIMSTEC, BBIN, etc to help collaborate and lead to overall development of the Indian subcontinent.

Path Ahead

The individuals, society and nations all are witness to the shortcomings of selfish growth by solely focusing on needs of self. Therefore, a collaborative approach is needed for sustainable development.

Therefore, by following Gandhiji's concept of 'Gramraj' and Sarvodaya, we should focus on reducing inequality of opportunities and income - This can be done by

utilising forums such as Interstate Council, Zonal Councils and Gram Sabhas. Similarly for equitable development of vulnerable groups such as females, gender sensitization is required. Similarly focus on gender budgeting and gender neutral laws such as recent amendment to Domestic Violence Act, can help achieve engendered development.

On the international level, instead of getting submerged in the spaghetti bowl of multilateral trade agreements, focus should be on strengthening institutions such as UN, WTO and IMF. By listening to the needs of LDCs and small island developing states, the world will be better prepared for the impending climate changes.

By focusing on stakeholder approach rather than the shareholder

approach, India would be better prepared for consequences of development on the environment, poor and wildlife. Though they are voiceless, their needs should not be ignored. Therefore, focus should not be solely on achieving a ₹ 5 Trillion economy but rather a more inclusive nation. This can be achieved by more discussions and feedback from various stakeholders. Because as it is rightly said, 'United we stand, divided we fall'.

7. Is Inequality an inevitable outcome of growth?

In the movie 'Bully Boy', Murad is a young graduate who is filling in for his father as a driver to a rich family. In one of the scenes, the rich businessman is seen questioning Murad about his qualifications. On knowing he is a graduate, he taunts his daughter that 'everyone is a graduate in this country!' Therefore, you should get a MBA from a foreign university.'

This scene makes us question the internalization of rich poor divide in India. Have we accepted inequality as a panacea for growth?

India is the 5th largest economy in the world. It is on path to achieve a ₹ 5 Trillion economy growth by 2025. But at what costs

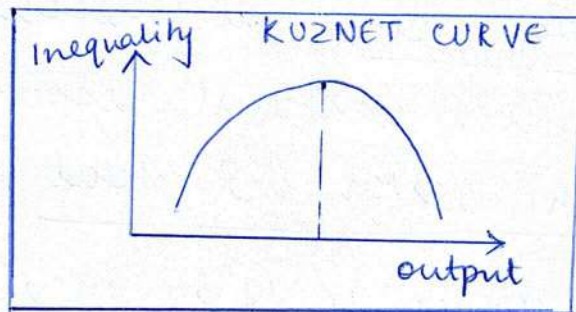
will this growth be achieved?

Economic growth refers to the increase in output per capita in an economy. But the output per capita does not delineate the equality in the economy. An economy can have one person earn 100 crore and others 5 crore each. Or an economy can have a more distributable income of 10 crores each. The economic growth might be the same but the same cannot be said of Inequality.

inequality refers inequitable access to resources. These resources can vary from natural resources such as air, water and wood to capital resources such as wealth, skills, etc. According to the World Inequality Report, in India top 10% of the people own 57% of resources

wealth. Similarly, the top 20% of the nation earns 10 times more than the bottom 70% of the population. This report highlights the increasing inequality accompanying high growth in India.

But contrary to what has been accepted by India and other nations, inequality was assumed to decrease with growth. According to Kuznet, in an economy witnessing growth, the economy will see increase in inequality initially as the output grows, but after reaching a peak, the economy would see reduced inequality.



But despite increase in output, Indian economy is not seeing a inverted U shaped growth. In India,

though structural changes have occurred and urbanization has increased, the inequality is still rising.

* Double Edged sword

Growth is necessary to increase the size of the pie for development. But inequality is supposed to decrease with growth, but the same has not been witnessed in India.

From the five year plans, it can be known that the government focused on unbalanced growth approach.

They focused highly on industries in the 2nd and 3rd five year plans. This led to high growth of industries [7%] and development of various capital intensive industries such as steel, etc in addition to infrastructure development. But this led to neglect of agriculture.

which manifested in the form of food crisis of 1966-67.

But, as the focus shifted on green revolution, the industries were ignored, which impacted the growth of manufacturing and capital formation.

Even the green revolution was marred with issues as it led to inequitable development and high environment degradation. Though the farmers' income increased in Punjab and Haryana, farmers of Bihar, West Bengal were untouched.

With the advent of LPG Reforms, the services sector saw the major growth acceleration. With increasing outsourcing and development of IT, etc, the skill intensive nature of products/services increased. This led to neglect of agriculture

and manufacturing.

Therefore, government policies of focusing on one sector at a time, though aided in growth advancement led to low resilience of sectors to changes.

* Present Scenario

Presently, the services sector contributes 55% to the gross value added in contrast to agriculture which contributes only 20%. The services sector employs a mere 30% of people. This jobless growth of the services sector has put pressure on the other sectors for labour absorption. Even in the services sector, the share of gig workers and contract workers is increasing. This has led to informalisation of workforce, where they are getting

low wages with poor job security.

Even in the services sector, the focus is on brownfield investment by foreign investors. This has led to low job creation, which increases unemployment. The investments are also concentrated in a few sectors such as computers, telecommunication, etc. As these are skill intensive the employability of graduates decline. According to a Visa survey, 47% of the graduates do not have employable skills. Therefore, despite leading GDP contribution, the services sector lags behind in job creation.

Agriculture employs 55% of the labour. The disguised labour is a major reason of increasing inequality. As the wages of the farmer decrease, they hire family labour

for farm work. The surplus which could have been produced by less workers is utilising more labour. This reduces the chances of labour moving out to other sectors such as manufacturing, as expected by economists such as Arthur Lewis.

The green revolution benefitted India as it has been a net food exporter since 1991. But the benefits have been captured by few. According to Bhalla and Blyn, only 6% of farmers in India utilise MSP. Similarly, the government has instituted APMCs and MSP for welfare, but the bargaining power of the farmers is less, leading to low incomes. These low incomes put them in a debt trap which impacts their consumption and investment in agricultural productivity.

Therefore, despite growth of food exports, farmers are still facing poverty.

Similarly, manufacturing is facing the phenomenon of 'missing middle'. In this, the large manufacturers are competing with MSMEs. The large manufacturers have high output but low employment generation whereas MSMEs have high employment but lower output. This phenomenon has been exacerbated by lack of access to formal credit and incentives to 'stay small'. The banks do not extend credit without collateral, leading to reliance on informal channels. Similarly, government gives incentives to stay small by giving reimbursements & concessions only till the criteria is matched. These have led to stagnant output and employment generation leading

to low absorption of disguised labour from agriculture.

Therefore, various structural issues in the economy have led to inequality.

Similarly, low investments in the social sector have impacted the out of pocket expenditure on these goods.

According to NSSO, 50% of OoPE is done in healthcare. This pushes people below the poverty line. Simila

arly, poor sanitation and nutrition have impacted the growth of human capital, thereby leading to increasing inequality.

Low investments in the infrastructure development have also impacted people. For realizing full potential, houses are needed. Similarly development of roads, transportation, etc

is needed for better ease of business as well as ease of living.

* Not All is Lost

India has witnessed various challenges with resilience, and inequality is no different. By focusing on equitable distribution, growth can be enhanced.

Growth and equality both require increase in capability of the individuals. Therefore, focus should be on skill enhancement. By utilizing Vikas Kaushal Yojana and National Skill Mission, employable skills can be increased through vocational trainings.

Similarly, government needs to increase investments in healthcare to 3% as recommended by Srinath Reddy Committee, from its current 1.5%.

This will help reduce out of pocket expenditure by poor. As the Economic Survey highlighted, the 'PMJAY' has been successful in increasing health outcomes by increasing institutional care at low costs. Therefore, increased healthcare investment can reduce morbidity and mortality.

Similarly, to have more equitable distribution of growth across sectors, the government needs to support agriculture and industries.

In agriculture, the focus should move away from subsidies 7% of GDP to capital formation for better storage and transportation. Similarly, in industries focus should be only increasing growth of MSMEs through Funds of Funds - which provide interest subvention. Similarly, focus on infrastructure development through NIP, Bharatmala

Pariyojana and Industrial Corridors, can help increase employment and output.

These steps can help reduce stagnation of sectors.

Any development will be inequitable if half the population, won't participate in it. Therefore, to increase female labour force participation, infrastructure should be developed to maintain safety and increase inclusion. Females can benefit by working in formal sectors and this will help them get security and fixed term. As COVID hit women employment by reducing it to 20%, engendered approach is necessary.

Therefore, any development should focus on all its stakeholders for increasing equity. But, it should not be forgotten, that the size of the economic pie needs to increase for

development to proceed. Therefore, India should work relentlessly hard, till equitable growth becomes a reality for people like Murad in India. Therefore, by not internalising inequality, the focus should be on reduction.

1.

History → unmoderates - view } vs
 → Gandhiji & HRL }
 → Planning vs NITI Aayog
 → GST Council
Policy - cooperative federalism → Union, S, C List
 → Independent Judiciary.
 → setting up of water issue
 ← COVID protocol
 → DM Act
 → Epidemics Act.

Eco → Agriculture → low yield
 → low income
 → low skill development.

Society → women → life cycle approach.
 → Transgenders

Envr → biodiversity → Elephant, MAB
 → climate refugees

Int → G7 vs G20
 → India → neighbourhood approach.

Anecdote → Rama → labourer
 → Rami → rich businessman.

Growth → ↑ in output/capital

Inequality

British → growth of exports
 → Railways

Ind → FYP → focus on industries, then agri

Inequality → world inequality report → 10% - 57% of income
 → India → Avg is 1.2 lakh

poverty

→ services → 30

55

77

↑ contributed US 10,000 for lower class

MSMEs dominance by few large firms agri → 25 25
 → 50 20

↑ exports
 ↑ food security

reliance on fragmented land → low income (10,000)
 low purchasing power

65
 25
 50

Kuznet → ↑ then ↓

Lewis → tight surplus labour absorbed.

A.K Sen → capability | as focus is

GHP vs GDP

GDP

skill develop

reduced poverty