

India has evolved into an economically emerging country ranking 134 out of 187 countries on the human development index (HDI). With a HDI value of 0.57, the country is positioned in the 'medium human development' category. Despite improvements in wellbeing over the past 20 years the country is experiencing socio-economic obstacles such as gender inequality measured by GII as well as the largest number of multidimensional poor people measured by MPI. In general states with a low HDI tend to have greater gender inequality and more multidimensional poor people, compared to states with a high HDI.

#### Haves and have nots

Inequality in the distribution of human development is more pronounced in India than any other country. When the HDI is adjusted for inequality, using the IHDI, the country lost 32% compared to the average global loss of 22%. Largest inequality was in education followed by health.

The HDI noted inequality exists between income, gender, urban-rural areas and states:

• Income: Over the last 20 years inequality increased with the top 10% of wage earners making 12 times more than the bottom 10%. Inequality, measured by the Gini coefficient increased from 0.32 to 0.38, with 0 being the ideal score. As a result over 48 billionaires live beside 500 million people surviving on less than \$1.25 a day. The majority of poor are women and children living in rural areas and urban slums.

Above: High rise under construction in Gurgaon, Haryana, India. Source: Wikimedia Commons

- **Gender:** Over the last 10 years while gender inequality improved for most countries it declined significantly in India. Afghanistan was the only country to rank below India in the South Asian region on the Gender Inequality Index (GII). Indian women experience forced child marriages, dowry burning, unpaid work, illiteracy and extreme poverty. About 8 million female foetuses have been aborted over the past decade as selective abortion occurs when people value a son more than a daughter. Despite laws promoting equality, women belonging to the lowest Dalit caste continue to face discrimination and are at greater risk of gender-based violence.
- **States:** Inequality exists within Indian states with Kerala ranked 1st with very high human development similar to the Netherlands compared to Orissa ranked 35th with low human development similar to Haiti.

 Urban versus rural: The ratio of urban to rural GDP per capita was 2.45:1 in 1970 increasing sharply to 2.8:1 in 2012. Employment, better health and educational facilities in urban areas attracted more people to move from rural areas.

Even though discrimination based on caste is legally forbidden it has not disappeared. In general people living in urban areas are less strict about the caste system compared to those living in isolated rural villages. Sometimes violent clashes connected to caste jealousy arise when lower castes improve their status.

#### **Progress**

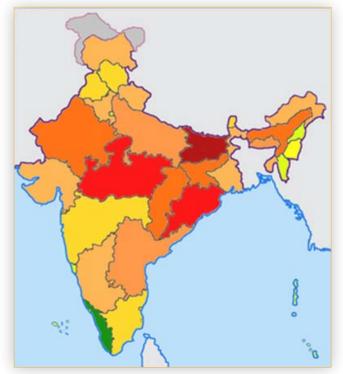
Over the past 12 years, the Indian economy grew by 7% per year and as a result poverty was reduced by 10%. India's HDI improvement was led by a 28.5% increase in the education index, which ranged from a high 0.92 in Kerala to a low 0.41 in Bihar. However these economic benefits were unevenly distributed with more money directed to the service industry but less to the agricultural sector which employs 60% of the workforce. However the gender pay gap is 1:4 in favour of male workers.

Table: Causes, impacts and solutions to income inequality in India

| Causes of income inequality                               | Impacts of income inequality                               | Solutions of income inequality  |
|---|--|---|
| Law of inheritance with son inheriting fathers wealth     | Socio-economic gap between urban and rural areas           | Tax the wealthy and redistribute money to poor people                 |
| Lack of education – higher paid jobs related to education | Migration of people from rural to urban areas              | Encourage small businesses in urban and rural areas                   |
| Urban and rural divide in education and health services   | Economic instability as rich become richer and poor poorer | Free education and uniform health care Land reform and redistribution |
| Caste system  | Increase in crime rate                                     |   |

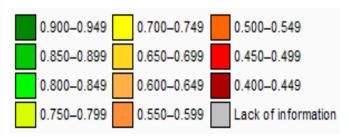
# Maps: Inequality within India states and territories using HDI

#### Map 1: HDI states and territories



- HDI measures life expectancy, literacy, education and GDP per capita
- Gll measures reproductive health, empowerment and labour market
- MPI measures health, education and living standards such as sanitation and water

Key shows the HDI of India by states and union territories



Source: http://en.wikipedia.org/wiki/List\_of\_Indian\_states\_and\_territories\_by\_Human\_Development\_Index

Map 2: Names of states and territories



Source: http://shijualex.wordpress.com/2010/09/18/wmfs-focus-in-india-english-wikipedia-or-many-indic-language-wikipedias/

#### **Activities 1**

Refer to the two maps of India and answer the following questions:

- a. Using the maps list the HDI of the following Indian states:
  - i. Bihar
  - ii. Orissa
  - iii. Rajasthan .
  - iv. Goa.
  - v. Sikkim
  - vi. Tamil Nadu
- b. Explain the spatial pattern of HDI between states and territories in India

Table: Inequality within Indian states and territories measured by the Human Development Index

| Rank | State/<br>Territory | HDI       |       | Comparable country |
|------|---------------------|-----------|-------|--------------------|
| 1    | Kerala              | Very High | 0.92  | Netherlands        |
| 5    | Delhi               | High      | 0.78  | Argentina          |
| 13   | Sikkim              | Medium    | 0.68  | China              |
| 35   | Orissa              | Low       | 0.45  | Haiti              |
|      | India               | Medium (  | 0.504 |                    |

# Table: Inequality within India using the Human Development Index

| Country             | Income<br>per capita | Life<br>expectancy<br>(years) | Years of schooling | HDI   | HDI<br>Rank | IHDI  |
|---------------------|----------------------|-------------------------------|--------------------|-------|-------------|-------|
| Kerala              | \$5,300              | 74                            | 6                  | 0.625 | 1           | 0.525 |
| Himachal<br>Pradesh | \$4,200              | 67                            | 5                  | 0.558 | 3           | 0.403 |
| Haryana             | \$4,600              | 66                            | 5                  | 0.545 | 5           | 0.375 |
| Bihar               | \$2,200              | 62                            | 3                  | 0.447 | 18          | 0.303 |
| Orissa              | \$2,200              | 60                            | 3                  | 0.442 | 19          | 0.286 |
| India               | \$3,400              | 64                            | 4                  | 0.504 |             | 0.343 |

#### **Activities 2**

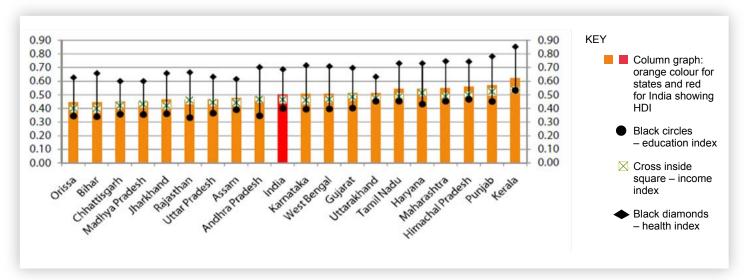
Refer to the two tables and answer the following questions:

- a) What is HDI?
- b) List the three measurements in the HDI?
- c) Calculate the range in income per capita between Kerala and Bihar
- d) Explain the advantages of using HDI rather than GDP to determine wellbeing?
- e) What is IHDI?
- f) List the advantages of using IHDI rather than HDI
- g) Calculate the difference in IHDI between Haryana and Orissa
- h) Describe the advantages of using IHDI rather than HDI to determine wellbeing
- i) Imagine you lived in Kerala. Discuss your wellbeing using indicators



Vizhinjam Mosque, Kerala. Source: Wikimedia Commons

#### Column graph: HDI of Indian states and its dimensions e.g. income, education and health



Source: http://www.undp.org/content/dam/india/docs/inequality\_adjusted\_human\_development\_index\_for\_indias\_state1.pdf, page 9

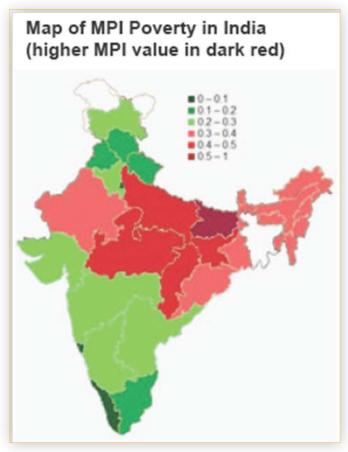
#### **Activities 3**

Refer to the graph and answer the following questions:

- a. What is the HDI of the following states?
  - i. Bihar
  - ii. Assam
  - iii. Punjab
- b. Calculate the difference in the education index between Andhra Pradesh and Kerala
- c. Calculate the difference in the health index between Punjab and Chhattisgarh
- d. There is little variation between states on income but greater variation on education. Explain this statement using statistics
- e. Complete an inquiry investigation:
  - i. Ask questions such as: What is inequality? How is inequality measured? What are the causes of inequality in India? Why are there differences in income, health and education across Indian states and territories? Why is the gender index higher than most other countries? What are the impacts of inequality on Indian people? Have there been changes in equality over time? What should be done about reducing inequality?
  - ii. List the secondary data used to find answers.

iii. Present findings as a PowerPoint presentation to the class including maps, graphs, statistics and photographs

Map: Multidimensional poverty across India



Source: http://www.ophi.org.uk/wp-content/uploads/OPHI-MPI-Brief.pdf,

There are more MPI poor people in eight Indian states than in the 26 poorest African countries. About 421 million people live in multidimensional poverty in the Indian States of Bihar, Chhattisgarh, Jharkhand, Madhya Pradesh, Orissa, Rajasthan, Uttar Pradesh, and West Bengal

#### **Activities 5**

Refer to the Indian map of MPI poverty with Indian states on previous page and answer the following questions:

List one state with a MPI between:

- a. 0 0.1
- b. 0.3 0.4
- c. 0.5 1

Discuss MPI poverty in India and its spatial distribution.

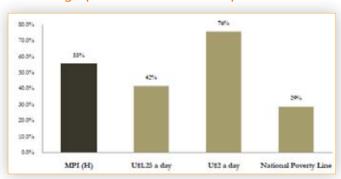
#### Table: Multidimensional poor in India

| Multidimensional Poverty Index                   | 0.296 |
|--|-------|
| Percentage of MPI poor (H)                       | 0.554 |
| Average intensity of deprivation (A)             | 0.535 |
| Percentage of income poor (\$1.25 a day)         | 42%   |
| Percentage of income poor (\$2 a day)            | 76%   |
| Percentage of poor (below national poverty line) | 29%   |

Source: http://www.ophi.org.uk/wp-content/uploads/Country-Brief-India.pdf,

There are approximately 645 million people in India classified at MPI poor people

#### Column graph: Multidimensional poor in India



Source: http://www.ophi.org.uk/wp-content/uploads/Country-Brief-India.pdf page 1

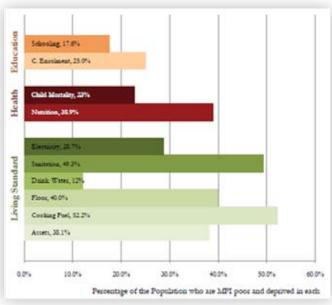
#### Activites 6

Discuss how poverty can be measured using different indicators.

Select the indicator you think is most suitable to measuring poverty. Justify your answer

- Calculate the difference between the h percentages of people living on \$1.25 a day with \$2 a day
- List food you could buy for \$1.25
- If you had a family explain the important items you would need to buy for survival

#### Bar graph: Deprivation of poverty using multidimensional poverty index (MP I) for India



Source: http://www.ophi.org.uk/wp-content/uploads/India.pdf?cda6cl, page 3

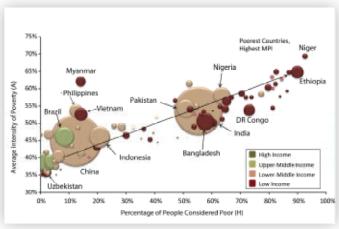
#### **Activites 7**

Refer to the column graph:

Rank poverty indicators in order from the largest (1) to smallest (10)

Discuss how lack of electricity would impact on your wellbeing

#### Graph: Multidimensional poverty compared to other countries



Source: http://www.ophi.org.uk/wp-content/uploads/OPHI-MPI-Brief.pdf,

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#### **Activites 8**

Refer to the graph and indicate whether the following statements are True or False

- a. Low income countries are spread across the graph from Uzbekistan to Niger
- b. Countries with highest intensity of poverty are located in top right of the graph
- c. India has around 50%-70% of the population considered poor
- d. India has a higher intensity of poverty than Ethiopia
- e. High income countries have high intensity of poverty



Indian truck transporting a shipping container. Source: Wikimedia Commons

## Narrative: Read the following story and answer the questions:

Adya, 30, lives in Bihar with his wife, Aashi, three daughters and a son. The family lives in a mud hut with no electricity, no sanitation and one water hand pump shared among many households. Adya does not own land and depends on local farmers for employment. His children are malnourished and he cannot afford to send them to school

Six years ago, Adya left for Delhi as a truck driver. Life is lonely and hard and he regrets spending half of the year away from his family. Tragedy struck when his two children died from water borne diseases.

The family realised there were enormous economic benefits in working in Delhi when he sent money home. The family now have three meals a day instead of one and the children attend school.

#### **Activites 9**

Discuss how Adya's family was deprived of an education, nutrition, sanitation, electricity, asset ownership and water before he left to work in Delhi

Explain how Adya's income could move the family out of poverty

### Narrative: Contrasting wellbeing in Bangalore, India

About 7 million people live in the city of Bangalore, a major economic centre in India. The city is commonly referred to as the *Silicon Valley* of India because of the large number of information technology companies contributing to 33% of India's IT exports. The growth of the high technology industry increased land values and forced out small family businesses.

Over the last 40 years, as the city's built-up area expanded by 584% it lost 66% of its vegetation and 74% of its water bodies.



Infosys headquarters, Bangalore. Source: Wikimedia Commons

### Emerging middle class

Infosys is a fast growing Indian outsourcing company located in Bangalore. The company hires 30,000 workers a year. High IT incomes have seen the emergence of a middle class attracted to Western style fashions, products and lifestyles. Catering for increased wealth new shopping malls and thousands of apartments are constructed to accommodate the growing population. However increasing house prices have priced poor rural migrants out of the market. As a result construction workers sleep in tents adjacent to luxury apartments they are building. While most people have prospered in the hi-tech boom the gap between rich and poor widened.



Building contrasts. Source: Wikimedia Commons

#### **Urban slums**

The high urbanisation rate in Bangalore resulted in inadequate infrastructure such as water, sewerage and transport systems. Most rural migrants unable to afford housing resorted to living in slums, such as Cement Huts. The slum contains 630 people and 260 children. As residents do not own their land they are ineligible for piped water and instead only have access to water delivered every three days to four public taps.

Aiming to improve wellbeing, a water and sanitation committee (WATSAN) with the support of Australian aid (AusAID) built toilet blocks and metred taps. The project illustrated how slum dwellers can improve their wellbeing.

#### **Activites 10**

Refer to the two articles:

- Compare the wellbeing of a worker employed in the IT business and a person constructing buildings for the growing population. Consider whether this is social justice.
- Discuss the impact of urbanisation on the environment

#### Table: Gender inequality in India

|   | Rank | Score |
|---|------|-------|
| Total GII                                 | 113  | 0.619 |
| a. Economic participation and opportunity | 131  | 0.396 |
| b. Educational attainment                 | 121  | 0.835 |
| c. Health and survival                    | 134  | 0.931 |
| d. Political empowerment                  | 19   | 0.612 |

#### **Activites 11**

Refer to the table and answer the questions

- What are the four components in the gender inequality index in India?
- Refer to the rank and score in the table and discuss the differences in the four gender inequality measurements (GII)
- Suggest strategies to improve the life of women in India
- d. Over the past few decades India had made significant improvements in economic growth but at the same time inequality within the country increased. Discuss the statement using examples and statistics

