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## UNIT 3 INCLUSIVE DEVELOPMENT

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- 3.4 Approaches to Inclusion
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- 3.6 Inclusive Development Policy Measures
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### 3.1 INTRODUCTION

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In the preceding unit, you studied development disparities. There is yet another important concept that has captured the attention of social scientists who study the dynamics of development. It is termed inclusive development. Today, it is understood that development cannot be possible without the empowerment and participation of every individual, especially the poor and excluded who constitute the majority of population. The failure of the market forces to bring equity-based development is already being experienced by many countries. The world has witnessed disparities and inequalities despite the opulence and progress showcased by a few, at the cost of masses. Recent development thinking which is, now based on inclusiveness takes into account a holistic approach, termed inclusive development.

After studying this unit, you should be able to:

- define inclusive development and explain the importance of inclusive development;
- explain various processes and approaches to inclusion;
- describe factors that affect inclusive development; and
- discuss inclusive development policy measures.

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### 3.2 INCLUSIVE DEVELOPMENT: MEANING AND IMPORTANCE

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Etymologically, 'Inclusive Development' is a combination of two words, 'inclusive', and 'development'. Inclusive means a sense of belonging: feeling respected, valued for who you are; feeling a level of supportive energy and commitment from others so that you can do your best work. The process of inclusion engages each individual and makes people feel valued, which is essential for the development of, not only, the individual but for the entire community in which they live. The concept of inclusive development, though a catchphrase in recent policy and political domains across the globe, has its roots in almost all major ancient civilizations, across different parts of the world.

You might have heard the word “Vasudhaiva Kutumbakam” (from *vasudha*, the earth; *eva*, emphasizer, and; *kutumbakam*, family), a Sanskrit phrase which means that the whole world is one single family. The idea originates in ancient Indian texts called the *Upanishads*, and is considered an integral part of the Hindu philosophy. Here, inclusion means a broader interrelationship among people, across the society. The analogy of family signifies that the relationships among people are encompassing and that there is togetherness.

Inclusive development has been a practice in ancient Indian civilization. Evidence found in the Indus Valley civilization shows that this culture spread across hundreds of kilometres, and provided facilities for all, i.e., roads, bathrooms, transport, and storage facilities. Similarly, the village republic, or, the *gram panchayat*, which has existed in India for centuries, is a form of inclusive development.

*Vasudhaiva Kutumbakam* is similar to ancient African concepts, such as Ubuntu. It is an ethic, or humanist philosophy, focusing on people’s allegiances and relations with each other.

### *Ubuntu*

Archbishop Desmond Tutu explains Ubuntu in the following manner (2008):

“One of the sayings in our country is Ubuntu - the essence of being human. Ubuntu speaks particularly about the fact that you can’t exist as a human being in isolation. It speaks about our interconnectedness. You can’t be human all by yourself, and when you have this quality - Ubuntu - you are known for your generosity.

We think of ourselves far too frequently as just individuals, separated from one another, whereas you are connected and what you do affects the whole world. When you do well, it spreads out; it is for the whole of humanity.

Ubuntu according to Nelson Mandela:

“A traveller through a country would stop at a village and he didn’t have to ask for food, or, for water. Once he stops, the people give him food, entertain him. That is one aspect of Ubuntu, but it will have various aspects. Ubuntu does not mean that people should not address themselves. The question therefore is: Are you going to do so in order to enable the community around you to be able to improve?

Confucius (551-479 BC), the Chinese thinker and social philosopher, whose teachings and philosophy have deeply influenced Chinese, Korean, Japanese, Taiwanese, and Vietnamese thought and life, mentioned that, “In a country well governed, poverty is something to be ashamed of. In a country badly governed, wealth is something to be ashamed of”. Inclusive development is a very much part of the Chinese thinking, from ancient to modern times. The concept of *xiaokang* is described in the box below.

## *Xiaokang*

### Being Well Off (All Inclusive)

*Xiaokang* (Chinese: pinyin: xiaokang) is a term that describes a society basically “well-off” whereby the people are able to live relatively comfortably. The term was first used in the Classic of Poetry written as early as 3000 years ago.

The concept evolved over the years. The Chinese leader Deng Xiaoping used the term *Xiaokang* society in 1979 as the eventual goal of Chinese modernization. The concept was further emphasized in mainland China in the 1990s under Jiang Zemin, in which many in China felt was focusing too much on the newly rich, and not enough on mainland China’s rural poor. Furthermore there was a fear in some circles that Chinese society was becoming too materialistic, placing material wealth above all other social needs.

In recent years, *xiaokang* has taken on a broader meaning. In 2002, the Sixteenth National Congress of the Communist Party of China established the objective of building an ‘all-inclusive’ society. This concept also underpins Premier Wen Jinbao’s statement that China’s development strategy should be in accordance with the five-balances: balancing urban and rural development, balancing development among regions, balancing economic and social development, balancing man and nature, and balancing domestic development and opening to the world. In this context, infrastructure has a central role to play in the balancing act, to create the *xiaokang* society.

In the eighteenth century, Adam Smith, the Scottish moral philosopher and a pioneer of political economy in his treatise, *Wealth of Nations*, mentioned “No society can surely be flourishing and happy of which by far the greater part of the numbers are poor and miserable”. Mahatma Gandhi, the Father of the Nation, and a great visionary of the twentieth century also observed “No culture can live if it attempts to be exclusive”.

There has been also better and wider understanding about inclusive development. The philosophical understanding of development has undergone massive change in the last few decades. Interdisciplinary approaches hailing from philosophy to spiritualism are gaining space in the newer form of development thinking that takes into account the entire globe. A body of alternative thinking has developed in recent years, e.g., development as freedom (Amartya Sen), development in terms of Gross National Happiness (in Bhutan), Mahbub ul Haq, Founder of the Human Development Report, Muhammad Yunus who popularized the Grameen Bank in Bangladesh, Joseph Stiglitz et.al. all which furthers the philosophy of inclusive development.

It is now widely understood that real and sustained social and economic progress cannot truly occur if a large segment of society is marginalized. This is the reason why inclusive development, as a strategy for all-round development, seems to have wide appeal among all the stakeholders - government, non-governmental organizations, intellectuals, and civil society organizations.

In recent years, the inclusive development approach is the thrust area of the United Nations (UN), the World Bank (WB), and the Asian Development Bank (ADB). The Economic and Social Council of the United Nations, in its Forty-

Sixth Session (February 2008), focused on integrating women and the disabled into the development process by addressing the causes of discrimination. The UNDP's inclusive development approach integrates the standards and principles of human rights: participation, non-discrimination, and accountability. The four inclusive development approaches of the UNDP, to achieve the Millennium Development Goals (MDGs) are

- 1) creating productive and gainful employment
- 2) building effective and efficient social safety nets to protect those who cannot work, or, who earn too little
- 3) enhancing public services by building schools and hospitals, training teachers and doctors, and providing access to water, sanitation and transportation, all of which requires public spending
- 4) executing well designed fiscal policies – the way a government collects and spends public resources can play a major role in stimulating growth and reducing poverty.

Inclusive development is one of the important policy initiatives of the World Bank and the Asian Development Bank, and it covers a wide range of issues such as disability, gender, regional disparities, and environment.

### **Importance of Inclusive Development**

We all aspire to live in a developed human society where human beings lead long and healthy lives, to be knowledgeable, to have access to resources for a decent standard of living, and to be able to participate in the life of the community. Development is possible only by mass participation, which can be possible through the process of inclusion. According to Amartya Sen, "Human development is about creating an environment in which people can develop their full potential and lead productive, creative lives in accord with their needs and interests. People are the real wealth of nations. Development is, thus, about expanding the choices people have to lead lives that they value. And, it is, thus, about much more than economic growth, which is only a means - if a very important one - of enlarging people's choices".

On the other hand, the exclusion of individuals and groups can become a major threat to social cohesion and dangerously affect the humanity. Today, the world is witnessing severe ethnic problem, insurgencies, caste violence, social unrest, unemployment, poverty, malnutrition, etc., which severely affect the peaceful existence of human beings. These exclusions are not simple, but, a complex phenomena.

There are multiple and varied sources of exclusion

- Structural/economic (iniquitous economic conditions, low wages, dual and segregated labour markets, etc.)
- Historical oppression (colonialism)
- Discrimination
- The absence of legal/political recognition
- Institutional/civic non acceptance.

Now the major challenge is to create an inclusive society to provide the opportunity to all, to join in the path of development. In the current scenario, the disparities and exclusions are also alarming. During this phase of intense globalization, we are simultaneously witnessing growing dissent among various groups, castes, regions, as well as nations around the globe. Today, we live in a world of unprecedented opulence which is monopolized by a microscopic few. We also have a large section of people living in deprivation and without human dignity. This contradiction between opulence and deprivation is, perhaps, one of the important characteristics of today, and, the key development challenge is how to overcome this.

Since the last decade, there has been growing realization among development thinkers about the need for sustainable and long term development that includes equity for humanity. Hence, there is now greater emphasis on the wider perspectives that include, not only the economic, but political, cultural, social, and psychological aspects of human beings. This development is in harmony with equity and social justice. Inclusive development, in this context, is a counter force to such undesirable and unequal development. Inclusive development promotes human wellbeing by imparting a sense of belonging and respect, and by building capability, enhancing choices, and freedom. It is based on the premises of equity. Thus, it is desirable for development of every society.

In this section you studied the meaning and importance of inclusive development for holistic development. Now, you should be able to answer some questions relating to this section given in *Check Your Progress 1*.

**Check Your Progress 1**

- Note:** a) Write your answer in about 50 words.  
b) Check your answers with possible answers given at the end of the unit.

- 1) What is inclusive development?  
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- 2) What does Ubuntu mean?  
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### 3.3 THE PROCESSES OF INCLUSION

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In the earlier section you studied the meaning and importance of inclusive development. In this section you will study the process of inclusion. The three distinct processes of inclusion are: (i) social inclusion, (ii) economic inclusion, and (iii) political inclusion. Let us discuss them one by one.

#### **i) Social Inclusion**

Social inclusion is an overarching framework for addressing various social policy issues, including income inequality, skill levels, education, health inequalities, housing affordability, and work-life balance. Social inclusion is now a part of the framework of laws of the European Union, Asian, African and several countries in other parts of the world. The United Kingdom's National Action Plan on Social Inclusion states, "Poverty and social exclusion are complex and multidimensional problems. While household income clearly has an important impact on well-being, there are many other factors that help or hinder efforts to transform the lives of those suffering from poverty. Housing, health, education, and employment status may all have a role to play. And, people are influenced by what sort of neighborhood they live in, and whether they feel safe from crime or anti-social behavior."

Social inclusion promotes more active participation of people living in communities. The Canadian Council on Social Development, drawing on the work of Amartya Sen, sees an inclusive society as characterized by a widely shared social experience and active participation, by a broad equality of opportunities and life chances for individuals, and by the achievement of a basic level of wellbeing for all citizens. It is one of the most important aspects of inclusive development.

The term, 'social', in social inclusion, has been adopted by governments as a moral, and indeed legal, imperative to foster development. Yet, it is one of the most complex notions, characterized by a lack of shared understanding about what it means to be socially included, and about the necessary conditions to achieve social inclusion. A key barrier to understanding arises from the fragmentation of policy in relation to different arenas of inclusion/exclusion. So, for example, race/ethnicity, gender and disability are all addressed in different ways, by different government departments, with different solutions, and with varying degrees of ineffectiveness. Joined-up working has been a much-used cliché which has not been accompanied by connected thinking about the different groups who are at risk of exclusion.

#### **ii) Economic Inclusion**

There has recently been a rapid growth of international literature and research on the links between economic growth and social capability, and their impact on wellbeing. The relationship between a productive economy and a society that enjoys high levels of participation, connection and cohesion, and their combined impact on peoples' wellbeing is well appreciated by scholars in recent times. It is their view that an inclusive economy improves the wellbeing of people by directing policy to ensure that there are broad based opportunities to participate in society and the economy. India's 11th Five Year Plan emphasises inclusive growth.

### **Grameen Model in Bangladesh**

#### **A Case of Economic Inclusion**

A very successful case of economic inclusion is the Grameen model, introduced in Bangladesh by Muhammad Yunus, the Nobel laureate. The Grameen Model started in the late 1980s when it started attending to unutilized or underutilized fishing ponds, as well as irrigation pumps like deep tubewells. Gradually, these diversified interests started growing into separate organizations, as the fisheries project became Grameen Motsho (Grameen Fisheries Foundation), and the irrigation project became Grameen Krishi (Grameen Agriculture Foundation). Over time, the Grameen initiative has grown into a multi-faceted group of profitable and non-profit ventures, including major projects like the Grameen Trust and the Grameen Fund, which runs equity projects such as Grameen Software Limited, Grameen Cyber Net Limited, and Grameen Knitwear Limited, as well as Grameen Telecom, which has a stake in Grameenphone (GP), the biggest private sector phone company in Bangladesh.

The success of the Grameen model of microfinancing has inspired similar efforts in a hundred countries throughout the developing world, and even in industrialized nations, including the United States.

### **iii) Political Inclusion**

Inclusiveness in the political sphere is vital for social development. A democratic and participatory political organization empowers people to raise their voices against injustices and deprivation. Since independence, the Indian constitution guarantees the participation of all section in the political process. Indeed, two relatively new types of participatory practices (allowing an interaction between people and the government without the recourse to political parties) have been used particularly by urban middle classes: legal provisions that encourage the interpellation of the government by civil society organizations, or even by individuals, such as the Public Interest Litigation, and the Right to Information Act; and schemes aiming at promoting local participation through neighbourhood associations.

The political inclusion has two main avenues of inclusion: quotas and caste base in political parties. Quotas were enshrined in the Constitution of independent India, making it a pioneer in policies of affirmative action, or 'compensatory discrimination'; in 1950, these quotas had two categories, the Scheduled Castes (SCs) and the Scheduled Tribes (STs); and three fields, public employment, institutions of higher education, and political representation. Seats were reserved in Parliament and in State Assemblies in proportion to the demographic weight of SCs and STs, i.e., 15per cent and 7.5per cent, respectively. Over the years, quotas were extended to Other Backward Classes (OBCs), but only in the fields of public employment and higher education. Lately, electoral quotas - at the local level - have been introduced for a fourth category: women.

The ambitious (but disparately implemented) decentralization policy passed in 1992 is an important element of these two dimensions of democratic renewal. On one hand, it provides for substantial quotas in local assemblies for women (33per cent), SCs, STs and, in some states, for OBCs (in proportion to the local demographic weight of each category), at all three levels of local self-government:

village, block, and district (or municipality in urban areas). On the other hand, it provides for the creation of Wards Committees where elected representatives and representatives of civil society can meet and jointly manage local affairs.

In this section you studied the processes of inclusion. Now answer the questions given in *Check Your Progress 2*.

**Check Your Progress 2**

**Note:** a) Write your answer in about 50 words.

b) Check your answers with possible answers given at the end of the unit.

1) How is social inclusion important for development?

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2) Write a note on economic inclusion.

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**3.4 APPROACHES TO INCLUSION**

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In this section, you will study various approaches to inclusion. Inclusion and exclusion are very deeply rooted in society and it exist both economic, as well as non economic factors, such as norms, culture, belief system, and historical legacy. The political system influences the level of inclusion/exclusion. Thus, the approach towards inclusive development varies from situation, country, culture, history, and political economy. Several developing countries, especially Asian countries, have their own approaches to inclusive development.

Ironically, it is only recently that development experts, international organizations and governments have acknowledged that the very notion of development necessitates inclusiveness. Michael Chibba has narrated the approaches to inclusion by giving the examples of USSR and USA in the following quote: “The impetus to this perspective resulted from the fall of the Soviet Union in 1991 (and with it, the communist ideology) and the subsequent rise, led especially by the United States, of the neo-liberal ideology which has included, *inter alia*, emphasis on governance matters, the vision of relegating the state’s role to the provision of an enabling environment for development, and elevating the role of markets to be central to economic and social progress. Within this context, the neo liberal model includes an emphasis on democracy and market



fundamentalism, or the *laissez-faire* approach to capitalism, which upholds the principle of non intervention by government in economic affairs. One of the recent policy thrusts associated with this neo liberal model has been an inclusive development approach, including pro poor growth, or, essentially, growth that focuses on the poor in terms of equity”

Michael Chibba (2008) identified various possible approaches to address inclusive development

- Inclusive and sustainable growth requires, *inter alia*, good governance, progressive politics, effective management, and successful engagement in the global economy – indeed, an inclusive growth approach is the preferred one in Asia.
- Inclusive development requires addressing issues of structural transformation, especially economic, social, and demographic aspects.
- A multipronged policy and programme mix is indispensable to an inclusive development agenda, and this includes sensible macroeconomic policies, sound institutions, public–private sector development, effective economic policy management, consensus building on public policies and programmes, and policies and interventions, tempered to socioeconomic and cultural factors.



In the context of developing countries, El-Erian and Spence observe that, “inclusive and sustainable growth entails immense challenges that are economic, political and social. Yet, the record shows that only 12 countries in the world (eight of which are Asian) have achieved sustained high growth – that is, annual growth rates of 7%, or more, over a period of two, or more, decades (data from the Commission on Growth and Development 2008). On the one hand, such a record is not encouraging for the majority of developing countries in the world.

While the probability of success of achieving high, sustainable and inclusive growth in any given developing country is evidently impossible to foresee with certainty, it nevertheless is achievable”.

The Asian Development Bank have proposed that inclusive growth should focus on two specific areas to address extreme poverty and rising inequalities in Asian countries: creating economic opportunities, and broadening the access to opportunities to support social inclusion.

Research conducted at the Institute of Development Studies at the University of Sussex takes a different approach to the subject, as ‘Asian paths to development have often challenged received wisdom on development’. Beginning with the observation that rapid economic growth often threatens social stability and cohesion, Cook’s (2006) treatise has the premise that growth alone is not a sufficient condition to work towards sustained poverty reduction and inclusive development. The strength of her inclusive development approach lies in her focus on structural transformations associated with rapid economic growth and their implications for inclusive development. On this point alone, her treatise deserves special mention as an incremental inclusive development approach.

Now that you have studied the approaches to inclusive development, answer the questions given in *Check Your Progress 3*.

**Check Your Progress 3**

**Note:** a) Write your answer in about 50 words.

b) Check your answers with possible answers given at the end of the unit.

1) Why do we need inclusive development?

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2) Outline Key approaches for inclusive development.

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## 3.5 FACTORS AFFECTING INCLUSIVE DEVELOPMENT

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This section will highlight some of the major factors that affect inclusive development. Though there are several complex factors, yet some of the major factors are important to mention here. This section has a brief discussion on factors such as inequity, social exclusion, deprivation, disparity, and displacement affecting inclusive development. It is also important to note that all these factors are not distinct from each other; rather they are interrelated and affect each other in a number of ways.

### i) Inequity

One cannot ignore the fundamental inequalities in society, many of which cannot be explained by differences in individual aptitude or inclination. The socioeconomic and political structure plays a significant role in sustaining those inequities, and, consequently hinders development.

Inclusive development is based on the premise of equity. As has already been discussed above, growing inequity in the wake of rapid globalization brings new and multiple challenges to the inclusive process.

Internationally, equity groups are those who have been historically excluded, under-served, and include Blacks, Latinos, Asian/Pacific Islanders, American Indians, women, persons with disabilities, and the economically disadvantaged. Now, there is an enlarged list of groups that include other groups, most prominently gays, lesbians, and bisexuals, who are frequent targets of harassment and discrimination.

Now, there is growing concern on how to bring sustainable development with equity. One of the pioneering thinkers on equity and sustainable development is Amartya Sen. He is probably best known for his work on the causes of famine, which has considerably influenced the academic field of development studies, as well as the policies of the UNDP. The central argument in his book *Poverty and Famines* is that famine is not caused by a negative (Malthusian) relationship between population and food supply, but by the inability of famine-prone individuals to access food in times of great need, even when food supplies are adequate. Hence, hunger and famine can be the result of a food demand problem, but, due to a human-made inequitable distribution system of food, and not necessarily a supply problem, as is often presented.

Inequity, thus, is a serious problem, causing human deprivation. Amartya Sen advocates the principle of equality which is based on the capability to functioning. According to Sen, capability to functioning is of two kinds: elementary ones such as being in good health, nourished, sheltered, and examples of the more complex, social ones are having self respect, taking part in the life of the community, etc. The achievement of an individual is the set of these realized functioning. Inequalities related to class, gender, and communities deprive human freedom and decrease our capability to function.

### ii) Social Exclusion

The concept of inclusion or exclusion is complex, and intertwined with the very psychic and social life of the individual. The concept of social inclusion has the

advantage of situating individuals in a social and relational context instead of situating in individual characteristics. The social structure itself promotes inequality and excludes people from participating in the social life. The practices of patriarchy, caste and various other forms also exclude many in the society, creating a hindrance to progressive and developed social living. There is no easy strategy to overcome inequality and promote inclusiveness in all aspects of socio-cultural and economic life.

Social inclusion is an affirmative action to change the circumstances and habits that lead to (or, have led to) social exclusion. Social inclusion is a strategy to combat social exclusion, but it is not making reparations or amends for past wrongs as in affirmative action. It is a coordinated response to the very complex system of problems that are known as social exclusion. The notion of social inclusion can vary according to the type of strategies organizations adopted.

The problem of social exclusion is usually tied to the problem of equal opportunity, as some people are more subject to such exclusion than others. The marginalization of certain groups is a problem even in many economically more developed countries, including the United Kingdom and the United States, where the majority of the population enjoys considerable economic and social opportunities.

Social structure plays a very pivotal role in creating exclusion and inclusion. Countries like India that have citizens who are from multiethnic, multireligious and multicultural backgrounds create a state with amazing diversity. At the same time this often poses a great challenge to the harmony of the country. The constitutional democracy guarantees the equality of all citizens before the law, and promotes affirmative action to all sections that are under represented in social spheres.

### iii) Poverty

The impact of exclusion is felt predominantly by the poor. The more profound the exclusion — that is the more ways in which an individual or a community experiences multiple exclusions, the more devastating the impacts. Poverty poses a serious challenges to inclusive development which must be tackled in a systematic manner. According to the UNDP (1998) “Human poverty is deprivation in multiple dimensions, not just income”. To quote the World Bank, “Poverty is hunger. Poverty is lack of shelter. Poverty is being sick and not being able to see a doctor. Poverty is not having access to school, and not knowing how to read. Poverty is not having a job, is fear for the future, living one day at a time. Poverty is losing a child to illness brought about by unclean water. Poverty is powerlessness, lack of representation and freedom”. The poor rarely take part in decision-making that affects their lives, and, as a consequence, they cannot claim a share of development; development passes them by. The poor are vulnerable to societal or personal calamities, and to harassment and exploitation by more powerful groups in society. In short, the poor are trapped in a vicious circle of poverty from which it is extremely difficult to escape.

Through inclusion, the poor will develop enhanced capability and be able to expand ability to become more productive and earn higher income. Giving the example of inclusive education and health care, Amartya Sen says, “The more inclusive the reach of basic education and healthcare, the more likely it is that even the potentially poor would have a better chance of overcoming penury”.

#### iv) Disparity

Wide spread disparities in terms of region, gender, caste, and class are evident in different parts of the world. Disparities are the result of a set of factors, such as natural differences, socio-cultural conditions and policy decisions. Natural factors, such as differences in the colour and race of a person, agro-climatic conditions, where they live in, endowment with natural resources or geographical location, such as distance to a seaport or a centre of commerce, determine the potential for economic development of an area, or a region. Some conditions, such as climate and natural endowments, are largely invariable, while others can be improved through such infrastructure as roads to overcome isolation, and irrigation to overcome arid conditions. Socio-cultural factors, such as values and traditions that encourage or discourage social and economic mobility, innovation and entrepreneurship, form a second set of factors.

Policy decisions undertaken by the ruling class or government to impact development. The government policies often promote disparities due to biased and vested interest. For example, favoring large corporate at the cost of the masses, rural vs. urban, regional favoritism, are very much prevalent across the world, at both, the national and international level. Inclusive development will address these disparities in a manner that promotes equity.

#### v) Displacement

By their high frequency, cumulative magnitude, and destructive socio-economic and cultural effects, forced displacements have come to be recognized as an antipathy to development. These processes give rise to massive socio-economic losses, to pain and suffering, to growing resistance movements.

As many as 26 million people are seriously affected and denied the benefit of development due to the displacement. Out of these, women and children and senior citizens are the most disadvantaged group affected by the displacement.

**Table 1: Internal Displaced Persons (IDPs) as a Percentage of Country's Population**

Country	IDPs as percentage of population
Cyprus	Up to 23%
Somalia	13%
Sudan	12.4%
Iraq	9.6%
Colombia	5.7% – 9.3%
Zimbabwe	4.2% – 7.4%
Azerbaijan	6.7% – 7.1%
Georgia	5.7% – 6.3%
Lebanon	2% – 9%

*Source:* “Internal Displacement: Global Overview of Trends and Development 2008”, A Report by Internal Displacement Monitoring Centre, Norwegian Refugee Council Chemin de Balexert 7–9, CH-1219 Châtelaine (Geneva), Switzerland, [www.internal-displacement.org](http://www.internal-displacement.org).

Quite a substantial number of people as proportion to the national population are affected by internal displacement in above countries given in Table-1. This displacement poses potential risk to the development process. Cernea has identified eight interlinked potential risks intrinsic to displacement.

- 1) Landlessness- Expropriation of land removes the main foundation upon which people's productive systems, commercial activities, and livelihoods are constructed.
- 2) Joblessness- The risk of losing wage employment is very high both in urban and rural displacements for those employed in enterprises, services or agriculture. Yet creating new jobs is difficult and requires substantial investment.
- 3) Homelessness - Loss of shelter tends to be only temporary for many people being resettled; but, for some, homelessness, or a worsening in their housing standards remains a lingering condition. In a broader cultural sense, loss of a family's individual home and the loss of a group's cultural space tend to result in alienation and status deprivation.
- 4) Marginalization - Marginalization occurs when families lose economic power and spiral on a downward mobility path. Many individuals cannot use their earlier acquired skills at the new location; human capital is lost or rendered inactive or obsolete. Economic marginalization is often accompanied by social and psychological marginalization.
- 5) Food Insecurity - Forced uprooting increases the risk that people will fall into temporary or chronic undernourishment, defined as calorie-protein intake levels below the minimum necessary for normal growth and work.
- 6) Increased Morbidity and Mortality - Displacement-induced social stress and psychological trauma, the use of unsafe water supply and improvised sewage systems, increased vulnerability to epidemics and chronic diarrhoea, dysentery, or particularly parasitic and vector-borne diseases.
- 7) Loss of Access to Common Property - For poor people, loss of access to the common property assets that belonged to relocated communities (pastures, forest lands, water bodies, burial grounds, quarries, and so on) result in significant deterioration in income and livelihood levels.
- 8) Social Disintegration - Displacement causes a profound unraveling of existing patterns of social organization. This unraveling occurs at many levels. When people are forcibly moved, production systems, life sustaining informal networks, trade linkages, etc., are dismantled.

Thus, there is an urgent requirement for an inclusive approach to integrate displaced people into the mainstream development.

In this section, you studied the factors that influence inclusive development. Now, answer the questions in *Check Your Progress 4*.

**Note:** a) Write your answer in about 50 words.

b) Check your answers with possible answers given at the end of the unit.

1) How does inequity affect inclusive development?

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2) Why is displacement a serious concern for human development?

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### **3.6 INCLUSIVE DEVELOPMENT POLICY MEASURES**

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Many countries, especially democracies around the world, responded to the inequalities in the society by enacting legislations and incorporating equality clauses in their constitutions. Policies such as compensatory discrimination or, protective discrimination are intended to include members of groups whose members have relatively limited access to social and economic advancement.

Inclusive development has been promoted in many countries through affirmative action. Affirmative action is a part of inclusiveness and has evolved over time since the U.S. President John F. Kennedy first used the term in 1961. Affirmative action policies ensure that no person is denied opportunities simply because of the group that she or he happen to born into. Affirmative action assures equality of opportunity to all Americans, and an end to discrimination against members of groups that have historically been exposed to a great deal of discrimination- mostly African American.

The United Kingdom has taken several measures to promote inclusive development. The post war state strategy was to build good race relations since the 1970s. The UK enacted measures, such as the Sex Discrimination Act in 1975, and the Race Relations Act in 1976. During this time, the UK also promoted positive discrimination to overcome disadvantage through training, education and the provision of facilities.

Similar examples are also found in African and Asian countries. The South African National Congress (ANC) Government of Nelson Mandela inherited a legacy of

apartheid and racial disparity between the majority of Africans and minority whites. In 1994, a multiracial democratic election brought the majority of Africans (75 per cent of the total population) to political power, even though most of them were economically marginalized. The ANC led government asked the assembly to pass the Employment Equity Bill on August 21, 1998, to facilitate disadvantaged people, specifically the Africans. The Employment Equity Bill requires all companies with 50 employees or more, to implement the quota based Affirmative Action Policy. The designated groups are Blacks (including African, Indian, and other coloured minorities), women, and the disabled. If a company fails to meet the quotas, the department of Labour will impose a fine of between US \$80,000 and \$150,000. The company that is in violation of the requirements of the bill will also be denied government contracts and subsidies.

Asian countries like Malaysia and Sri Lanka have their respective inclusive development strategies.

### **Inclusive Development Policy Measures in India**

A few important inclusive development policy measures taken by the government of India are discussed below.

The India constitution has inclusive clauses in order to prevent discrimination. Article 15 of the constitution of India prohibits discrimination on the ground of religion, race, caste, sex, or place of birth. Article 16 which lays emphasis on equal opportunities reads, “No citizen shall, on grounds only of religion, race, caste, sex, descent, place of birth, residence or any of them, be ineligible for, or discriminated against in respect or, any employment or office under the State.”. Moreover, Article 16(4) of the constitution also proclaims that, “Nothing in this article shall prevent the State from making any provision for reservation in matters of promotion to any class or classes of posts in the services under the State in favour of the Scheduled Castes and the Scheduled Tribes which, in the opinion of the State, are not adequately represented in the services under the State.”

The government of India consciously admits that there are millions of displaced persons, and has drafted the National Rehabilitation Policy in 1994 for formulating welfare measures for the displaced.

Many commissions and organizations such as the formation of the National Commission for Women (NCM), the National Council for Empowerment of Women, the National Policy for Empowerment of Women, and the National Resource Centre for Women have been set up by the government of India for the empowerment of women. Besides, the reservation of seats in the Local Self Government Institutions is a step for gender inclusiveness.

There is reservation for the Scheduled Castes, Scheduled Tribes, and Other Backward Castes (OBCs) in admission to government educational institutions, and in government jobs, too. This is an inclusive measure taken by the government. The reservation of seats in the Parliament and State Assemblies for the SCs and STs is another example of political inclusion.

The government of India has also constituted Minority Commissions from time to time to suggest measures for the welfare of the minority.



The Eleventh Five Year Plan provides a comprehensive strategy for inclusive development, building on the growing strength of the economy, while also addressing weaknesses that have surfaced. The 11th Plan vision focuses on faster, more broad-based and inclusive growth, and is designed to reduce poverty. It bridges the various divides that continue to fragment the society. A key element of the strategy for inclusive growth identifies the provisioning of access to basic facilities, such as health, education, and clean drinking water. It does not go simply by a rise in per capita income. It says that better health and education are the necessary pre-conditions for sustained long term growth.

The government of India launched NREGS (National Rural Employment Guarantee Scheme, now, Mahatma Gandhi Rural Employment Guarantee Scheme) in 2005 to provide a minimum guaranteed wage employment of 100 days in every financial year to rural households with unemployed members who are prepared to do unskilled manual work. One of the inclusive features of the scheme is that a minimum of 33 percent reservation is made for women, where the number of applicant is very large. Further, one of the works identified in the scheme is the provision of irrigation facility to land owned by households belonging to the Scheduled Castes and Scheduled Tribes. Several studies have found that the large numbers of beneficiaries of the scheme are the Scheduled Castes, Scheduled Tribes, and women.

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### 3.7 LET US SUM UP

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There are enormous challenges to development. Inclusiveness is one of the major policy options available for promoting development. In this section we have discussed the concepts, meanings and broad issues in inclusive development, as well as the key approaches followed by various countries across the globe. Factors that affect inclusive development, such as inequity, exclusion, poverty, disparity, displacement are discussed. Major inclusive policies such as social inclusion, economic inclusion, political inclusion that are undertaken by various countries are also highlighted.

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### 3.8 REFERENCES AND SELECTED READINGS

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### 3.9 CHECK YOUR PROGRESS - POSSIBLE ANSWERS

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#### Check Your Progress 1

1) **What is inclusive development?**

**Answer:** Inclusive development refers to development with a sense of belonging. It benefits the masses by making them feel valued, empowers them and enables them to participate in the development process. Inclusive development goes against the spirit of discrimination and exclusion. Rather, it encourages people to play an active part in the development by using their full potential.

2) **What does *Ubuntu* mean ?**

**Answer:** *Ubuntu* is a concept that refers to a broad vision which sees humanity in terms of interconnectedness and belonging-ness. It is an expression of generosity and cooperation to fellow human being which is essential for a shared development goal. *Ubuntu* enables people and communities to be part of development by contributing positively, and helping each other.

#### Check Your Progress 2

1) **How is social inclusion important for development?**

**Answer:** Social inclusion is an overarching framework for addressing a various social policy issues, including income inequality, skill levels, education, health inequalities, housing affordability, and work-life balance. Social inclusion promotes more active participation of people living in the community. The ‘social’ of inclusion has been adopted by governments as a moral, and indeed legal, imperative to foster development.

2) **Write a note on economic inclusion.**

**Answer:** Economic inclusion is vital for development as it ensures every individual’s productive participation in the economy. The relationship

between a productive economy and a society that enjoys high levels of participation, connection and cohesion, and their combined impact on peoples' well-being is well appreciated by scholars in recent times. They see that inclusive economy improves the well-being of people by directing policy to ensure that there are broad based opportunities to participate in the economy.

### Check Your Progress 3

#### 1) Why do we need inclusive development?

**Answer:** Human development is about creating an environment in which people can develop their full potential, and lead productive, creative lives in accord with their needs and interests. People are the real wealth of nations. Inclusive development promotes human wellbeing through a sense of belonging and feeling respected, building capability, enhancing choices and freedom. It is based on the premises of equity. Thus it is desirable for every society. On the other hand, the exclusion of individuals and groups can become a major threat to social cohesion and dangerously affect the humanity.

#### 2) Outline key approaches for inclusive development.

**Answer:** The approach towards inclusive development varies from situation, country, culture, history and political economy. Several developing countries especially Asian countries have their own approaches to inclusive development. The three key approaches include: (1) Good governance (progressive politics, effective management and successful engagement in the global economy; (2) Structural transformation, (economic, social and demographic), and; (3) Multi-pronged policy and programme mix (macroeconomic policies, sound institutions, public-private sector development, effective economic policy management).

### Check Your Progress 4

#### 1) How does inequity affect inclusive development?

**Answer:** Inequity is a serious problem causing human deprivation. Inequity is related to class, gender, and communities. Inequity deprives people of human freedom and decreases the capability to function. This hinders the participation of people in development work. Inequity also causes dissent and takes the form of social unrest and strife, and widens the gap between rich and poor, various castes and communities.

#### 2) Why is displacement a serious concern for human development?

**Answer:** Displacement is considered as an antipathy to development. These processes give rise to massive socio-economic losses, to pain and suffering, to growing resistance movements. About 26 million people are seriously affected and denied the benefit of development due to the displacement. Of these, women and children, and senior citizens are the most disadvantaged group affected by the displacement. There are many ways displacement affects development, e.g., creating landlessness, joblessness, homelessness, marginalization, food insecurity, increased morbidity and mortality, psychological stress and trauma, loss of access to common property and social disintegration.