



REDUCING HUMAN POVERTY BY TACKLING SOCIAL EXCLUSION

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In the context of globalised economy and its implications for growth and equity, implications for growth and equity, the question of social inclusion and sustainability have assumed unprecedented prominence in developmental discourse in developing countries. It is almost a consensus among policy expects and development scholars that growth is key but development remains incomplete without addressing inequality and progress for all . In a vast country like India with federal structure and diverse regional resource endowments trajectories of development, it is time to (re) evaluate the specificities of region and the developmental challenges involving growth, distribution and sustainability.

Keywords: Inclusive Growth, Sustainable Development.

BACKGROUND

In recent times, there has been a general concern about poverty in academic circles, social workers, international agencies like UNDP, politicians and public in general. The concept of poverty and statistical measurement has undergone changes. The calculations have become more sophisticated and the concept broader based. In the narrow sense it is viewed in narrow confines of same indicators like calorie intake / monthly per capita expenditure (MPCE) based on NSS Surveys in India number of indices like HCR (Head Count Rates), FGT Index, Sen Index (depth of poverty) are some of the important rates which give the extent of poverty in narrow sense. In the broad sense, the poverty is viewed as deprivation; it's from, vulnerability of various groups to face contingencies, threats and powerlessness of the part.

Human Poverty : Excluded and Non-Excluded Groups

Indian government has addressed the problem of poverty. We recognized that the poor in India is not a homogenous category. There are poorer within poor, belonging to certain social groups. We recognized that, while the persistence poverty of some social groups is associated with general factors that caused poverty among all the poor (including the poor from social groups and rest of the poor); there are groups specific factors" (in additions to the general factors) which aggravate the poverty among certain social groups in Indian society. Therefore, in case of certain social groups, beside the general factors that cause poverty, there are groups' specific factors, which caused more poverty among them. The group specific factors are related to social and cultural identity of these social groups and the process of social exclusion and discrimination from which they suffer.

The problem of the poorest within the poor (chronically poor groups) and focus on the "group specific" causes of poverty of the poor. Within the broad category of poor, we focused on the realization of the rights and entitlements of women and socially excluded groups in India's poorest seven states, which include schedule caste, schedule tribe, economically and

educationally backward caste, nomadic and de-notified tribes, religious minorities like Muslims, physically challenged and similar groups. The aim has been to make government policies and programmes more responsive to group specific problems of the poor - with a focus on women and socially excluded groups; work with women, scheduled castes, scheduled tribes, minorities, urban poor, people with disability etc.

POVERTY AMONGST THE SOCIAL GROUPS

The poverty levels of all social groups are high. There has been a growing tendency among the social groups to seek solution for their group specific particularly through the policies, which have been used by the government for social groups such as scheduled castes and scheduled tribes. This has led to intense discussion on this issue. Discussion is revived due to initiative by government for reservation in private sector for

Scheduled Castes and Scheduled Tribes, reservation for Other Backward Classes in the higher education institutes managed or funded by the State and similar demands by Dalit Christians and dalit Muslims, religious minorities like Muslim, women for reservation in legislature, nomadic and denotified tribe.

In case of the "Group exclusion", social and cultural identities-such as social origin like caste, ethnicity, religion, gender, colour, and race-become a reference point for exclusion and discrimination and exclude all persons belonging to these, from access to capital assets, businesses, employment, education, civil and political rights, and other social needs. Thus, the group characteristics of exclusion are based on social and cultural identity, and are irrespective of individual attributes.

SOCIAL EXCLUSION AND HUMAN POVERTY

The social exclusion is defined as "the inability of an individual to participate in the basic political, economic and social functioning of the society. It involves the denial of equal access to opportunities imposed by certain groups of society upon others. (Buvinic, 2005).

Social exclusion has three distinguishable features, first is that it affects culturally defined 'groups'. Secondly it is embedded in social relations and it is through the network of social inter-relation that groups are wholly or partially excluded from full participation in the society in which they live. Third is the adverse consequence of social exclusion on entitlement and on the basic needs necessary for good living.

Thus, the outcome of social exclusion in terms of low income and high degree of poverty among the excluded groups depends crucially on the functioning of society, economy and polity through a network of social relations, and the degree to which they are exclusionary and discriminatory in their outcomes. The groups' focus on social exclusion recognizes that people are excluded because of ascribed rather than achieved features, beyond individual agency or responsibility (Buvinic, 2005).

The economic discrimination which directly results into lack of ownership of income earning assets and employment and also human capability in terms of lack of access to education and

skill operate through discriminatory functioning of various market and non-market transactions. The market discrimination (of a group) may operate through restrictions on entry to markets and/or through 'selective inclusion', with unequal treatments in market and non-market transactions, such as agricultural land, various inputs and services necessary for business, employment, credit, education and health institutions, etc.

INDIVIDUAL EXCLUSION AND GROUPEXCLUSION

We also need to draw distinction between exclusion of a "Social Group" as against exclusion of an "Individual". The social exclusion essentially refers to the processes through which "groups as whole" are wholly or partially excluded on the basis of group identities from full participation in the society, economy, and polity in which they subsist. It operates through 'societal relations' (causing exclusion) and resulting into 'outcomes' causing denial of rights and entitlement and human poverty. Therefore, for understanding the nature of exclusion, insights into societal relations and institutions of exclusion is as important as delineating their outcomes in terms of deprivation for excluded groups.

We need to clearly draw distinction between exclusion of a "group" and exclusion of an "Individual". Theoretically speaking, in case of 'group exclusion', all persons belonging to a particular social/cultural group are excluded because of their cultural (group) identity, and not due to their individual attributes. Exclusion of an 'individual' is fundamentally different from the exclusion of a 'group'. Individuals (both from excluded and non-excluded groups) often get excluded from access to economic and social opportunities for various reasons specific to them (and not because of their group, social/cultural identity). For instance, individuals may be excluded from employment due to lack of requisite education and skills. Individuals may face exclusion in access to education due to lack of minimum qualification and merit, or their inability to cover high cost incurring education. An individual may also be excluded from access to input and consumer markets due to lack of income and purchasing power.

On the other hand, in case of the "Group Exclusion", social and cultural identities - such as social origin like caste, ethnicity, religion, gender, colour, and race - become a reference point for exclusion and discrimination, and exclude all persons belonging to these, from access to capital assets, businesses, employment, education, civil and political rights, and other social needs. Thus, the group characteristics of exclusion are based on social and cultural identity, and are irrespective of individual attributes.

SOCIAL EXCLUSION IN INDIAN CONTEXT

In India, social exclusion revolves around societal institutions that exclude, discriminate, isolate, and deprive some groups on the basis of group identities such as caste, ethnicity, religion, gender, physical disability, regional identity and similar identities in different magnitude and varied forms.

The groups that suffered from social exclusion and discrimination associated with institution of caste include former untouchables (scheduled caste) socially and educationally backward section of other backward castes (OBC). The former untouchables and other backward castes

converted to Islam, Christianity, Sikhism and Buddhism also suffered from discrimination and exclusion in some forms, if not in the same form from which their counterpart in Hindu religion suffered. These include scheduled castes and OBC in Muslim, Christian, Sikh and Buddhist fold.

The group that suffered from exclusion associated with ethnic background includes scheduled tribe, nomadic tribe, and de-nomadic tribes. The de-notified tribe also suffered from the stigma of the legacy of criminality. The groups that suffered from religious background mainly include Muslim and Christian. Women from all religious background faced discrimination in various forms. The other categories which have sought recognition from the government include physically challenge persons.

The nature of social exclusion and discrimination of each of these groups differ in terms of spheres and forms:

- a) The social exclusion of scheduled caste and other backward caste is closely associated with institution of caste. The fundamental characteristics of pre-determined and fixed social and economic rights for each caste, with restrictions for change, implies 'forced exclusion' of one caste from the civil, economic, and educational rights which other castes enjoy. Exclusion in civil, educational, and economic spheres is, thus, internal to the caste system and a necessary outcome of its governing principles. The core governing principle of the caste system is however not inequality alone, but 'graded inequality', which implies 'unequal entitlement' of rights to various castes. With the entitlement to rights being hierarchically unequal, every caste (except the higher castes) suffers from a degree of denial and exclusion. But all suffering castes do not suffer equally. Some suffer more and some less. The loss of rights is not uniform across caste groups. As one moves down the caste hierarchy, the rights and privileges are also reduced. By implication, castes located at the bottom of the caste hierarchy, such as the untouchables, suffer the most. The Other Backward Castes follow closely. The Other Backward Castes have probably not suffered from the practice of untouchability or from residential and social isolation as much as the Scheduled Caste, but historically, they too have faced exclusion in education, employment, and certain other spheres.
- b) Another prominent group is the Scheduled Tribes, the semi-nomadic tribes and de-notified tribe which suffered from physical and social isolation and exclusion due to their ethnic backgrounds.
- c) Coming to the religious minorities, some among them, particularly the Muslims, possibly face discrimination as a religious group in a number of spheres, reflected in their poorer performance with respect to the relevant human development indicators (although there are extremely limited studies on the discrimination of religious groups in various spheres).

- d) The untouchable and other backward caste converted to Islam, Christianity, Sikhism and Buddhism also suffered from some form of discrimination as some elements of the Hindu caste system have been carried forward in case of these low-caste converts. The lower-caste converts face discrimination, though not in the same forms and manifestations as the Hindu low castes. In fact, problem of former Untouchables converted to Sikhism and Buddhism, and of the Other Backward Castes converted to Islam has been recognized and the reservation policy has been extended in selective manner to them. But the problems of the former Untouchables converted to Christianity and Islam have not yet been addressed.
- e) Women too face gender discrimination, though the extent of the discrimination varies with their caste, class, and religious backgrounds.

It is apparent that there are multiple groups in Indian society which suffered from social exclusion but in different forms. The basis of their exclusion also varies, so does the nature of discrimination. Due to variations in the forms and spheres of discrimination, the consequences on deprivation and poverty across various discriminated groups also vary. Unlike in the case of the former Untouchables, there are limited studies on other discriminated groups regarding the forms, nature, and manifestations of discrimination. However, the visible presence of inter-group inequalities among low caste-high caste, male-female, tribal-non-tribal and minority-majority religious groups with reference to various indicators of human development points toward the consequences of discrimination - reflected in differential access to income-earning assets, property, businesses, employment, education, health facilities, housing and civil rights, and in participation in legislature and governance in varying degrees.

SOCIAL EXCLUSION AND DISCRIMINATIONS

The Caste/ethnicity/gender/religion based exclusion is reflected in the inability of individuals from the discriminated groups to interact freely and productively with others, and this also inhibits their full participation in the economic, social and political life of the community. Incomplete citizenship or denial of civil rights (freedom of expression, rule of law, right to justice), political rights (right and means to participate in the exercise of political power), and socio-economic rights (right to property, employment, and education) are the key dimensions of an impoverished life (World Development Report - Equity and Development, 2006, The World Bank). Viewed from this perspective, the concept of caste/ethnic/religion/gender-based social exclusion through market and non-market channels can be conceptualized and defined in a particular way. Thus theoretically, social exclusion can be defined as follows:

- a. Complete exclusion (unfair exclusion or denial) to certain social groups such as the lower caste by higher castes, tribal by non-tribal, religious minority group (such as Muslim) by majority, female by male, physically challenged by physically able in employment, in private and public domain.

Complete exclusion (unfair exclusion or denial) to certain social groups in accessing the social needs like education, housing, health services, and other services transacted non-market channels, by the government and government approved agencies.

- b. Selective inclusion (unfair-inclusion) but with differential treatment to excluded groups, reflected in differential price charged or received for goods and services (different than market prices). This may include price of input factors and consumer goods, price of factors involved in production such as wages to human labour, price for land or rent on land, interest on capital, and rent on residential houses.

This may also include price or fee charged by public institutions for services such as water, electricity, and other goods and services.
- c. Unfavourable inclusion (often forced) bound by caste/ethnic background obligations and duties reflected, firstly, in over-work, loss of freedom leading to bondage, and attachment, and secondly, in differential treatment at the place of work.
- d. Exclusion in certain categories of jobs and services of the former Untouchables or Scheduled Castes who are involved in so-called 'unclean or polluting' occupations (such as scavenging, sanitary jobs, leather processing, etc). This is in addition to the general exclusion or discrimination that persons from these castes would face on account of being low-caste Untouchables.
- e. Exclusion from decision making in Village Panchayat and thereby in the allocation of funds and schemes addressing their problem.

Identifying Exclusionary and Discriminatory Behaviour in Market and Non-Market Spheres

After having an insight about the discrimination involved in the institution of caste/ethnicity/religion/gender, we shall now try to address the issue, of how one could identify certain behaviors of people facing social exclusion. To enable that, it is necessary to draw distinction between unfavorable exclusion, unfavorable inclusion (Sen 2000). We also have to draw distinction from other related forms of exclusion.

We need to define the concept of unfavorable exclusion. It is necessary to recognize that the people can have an equal access to civil, economic and political rights t given terms and conditions. And when individual from certain social groups (such as low caste, adiwasi, women and minority religious groups) are denied equal access due to their social identity (and not individual attributes), this involve unfavorable exclusion (Amartya Sen 2000).

The concept of social exclusion in terms of "unfavorable exclusion and unfavorable inclusion", which is important in the context of discrimination in the market. The individual from some groups are considered to be unfavorably excluded if there is complete denial of access to rights and entitlement. The individual from some groups are considered to be unfavorably included if they have access to right and entitlement but with differential treatment or terms and conditions on which other gets access to rights and various entitlements.

ECONOMIC DISCRIMINATION

Market Discrimination

In the light of this understanding we first discuss the concept of economic discrimination and indicate its consequences on poverty in the later portion. Economic discrimination operates mainly through various markets as people as producers/business persons procure inputs and services necessary for production and business from market, including credit. Economic discrimination also operates through sale of product and goods and services.

A typology of market would include: (a) labour/employment markets; (b) land markets for agricultural and non-agricultural use; (c) credit markets; (d) input markets (needed in any production and business activity); (e) markets in services necessary for businesses; (f) products and consumer markets in goods and services; and (g) housing markets; (h) markets in health services and other.

In light of the above criteria, discrimination in labour market as a concept thus can be conceived as:

- a. Complete exclusion or denial of certain social groups in hiring/employment by higher castes, which is unrelated to productivity;
- b. Selective inclusion or hiring, but with unequal wages, that is, lower wages (lower than market wages or the wages given to workers from non-discriminated groups) unrelated to productivity;
- c. Unfavorable inclusion (often forced) bound by the caste and other obligations and duties reflected in, firstly, over work, loss of freedom leading to bondage, and various types of attachments and secondly, in differential treatment in work place; and
- d. Exclusion in certain categories of jobs and services of those low castes / Muslims/tribal/women who are involved in so called 'unclean or polluting occupations' (such as sanitary jobs, leather processing jobs, etc). This is in addition to the general exclusion or discrimination that persons from these groups would face.

Thus, discrimination in labour market (wage and employment) may be conceived in terms of: (a) complete exclusion of discriminated social groups (SC/ST/OBC/NT/Muslim/Women other similar groups) from employment, that is, employment discrimination; (b) selective inclusion in employment, but with an unequal treatment reflected in lower wages unrelated to productivity, that is, wage discrimination; (c) selective inclusion with unequal hiring terms and conditions with respect to hours of work and other terms; (d) differential behaviour towards low caste/Muslim/women employees in work place; (e) compulsory or forced work associated with traditional caste related obligations involving loss of freedom; and (f) exclusion of low castes from certain types of jobs due to notion of pollution and purity.

DISCRIMINATION IN LAND MARKET

In case of land markets, excluded groups may experience discrimination in the form of denial

in (a) sale and purchase of land for agricultural and non-agricultural usage (for production/business location and residential housing); and (b) prices paid and received by discriminated persons in event of sale and purchase.

Discrimination may also persist in leasing of land by the discriminated groups for agricultural use and for renting of residential houses. Discrimination in lease markets may be practiced either in the form of denial to lease agricultural lands and residential houses or by charging higher prices or rents on leased land for agriculture use or on renting of houses for residential purposes compared to other social groups for identical services.

Discrimination in Credit Market

Discrimination in credit markets may take the form of denial of credit to the discriminated persons and in the event of their being given credit, they may be charged higher interest rates. Besides, it may also be practiced in other terms and conditions for repayment of loan and mortgage.

Discrimination in Common Property Resources at Village Level

Common Property Resources (CPR) at village level generally includes water tanks, grazing land and forest resources to which all persons in the villages should have an equal access. In case of discriminated group, they may face complete denial of access to resources, or if they have access, it may be given at differential terms and condition.

Discrimination in Education

Discrimination in education may occur inside the school which may operate in various spheres such as discriminatory behaviour of teacher towards the students from certain social groups in various manner, in relation between the students, participation in the cultural and corporate life in the school, seating arrangement inside the classroom and discriminatory access to the facilities in the school such as mid-day meal, drinking water, supply of books and uniforms, scholarship provided by the government and occasional health services. This discrimination in multiple spheres and forms not only affect the social psychology of the discriminated students but also poor academic performance, withdrawal attitude and ultimately in the heavy drop-out from schools.

Discrimination in Access to Public and Private Health Services

Discrimination in the sphere of public health service provider and the private health provider may operate in the following manner:

- (a) Complete denial of certain social groups, (for example the untouchables/tribal /Muslim);
- (i) in admission in the primary health center in the villages and by the private health providers,
- (ii) access to primary health centers and private health centers but with differential treatment:
 - ◆ in standing arrangement - being ignored and kept waiting for long or asked to come at the end;

- ◆ in health check-up and treatment,
- ◆ in the delivery of the medicine,
- ◆ in visit to houses by doctors and medical practitioners,
- ◆ in Private health doctors and hospitals.

After having brought some clarity on the concept of social exclusion and discrimination, we shall now discuss the likely consequences of discrimination in market and non-market on poverty and channels through which social exclusion and discrimination aggravate poverty for excluded groups.

The labour and other market discrimination involves denial of equal economic rights and entitlements to the persons from discriminated groups. The consequences of economic discrimination, not only, negate the provisions of equal opportunity and principle of non-discrimination, but also create fairly serious consequences on access to income earning capital assets like agricultural lands and non-land assets, employment, social needs like education and health, housing and other needs, which induce lower income and high poverty among discriminated groups.

The adverse consequences of discrimination in labour market are fairly obvious. The denial to employ and/or deny giving job in certain categories of works results in higher unemployment and under-employment among the discriminated groups. Lower wages reduce their wage earnings and compulsory involvement in works due to traditional caste and other obligations make them liable to exploitation and often unpaid labour.

**Table 1 : Occupation Pattern - households types by Social Groups -
(Figures in Percentages)**

	SC	ST	OBC	OT	Muslim	Hindu	Other
Rural							
SEA	16.4	36.2	34.7	41.1	36.3	43.9	38.6
SENA	12	5.2	15.5	14.8	21.2	11.7	22.6
AL	51.4	34.7	29.2	19	24.4	28.3	21.2
OL	10	8.9	7.9	6.3	9.9	8.3	4.6
OT	10.2	10.1	12.7	18.7	8.1	7.9	12.3
Urban							
SE	27.3	21.6	37.6	35.5	53.7	35.9	44.6
RW/S	37.6	38	36.3	46.5	28.9	46.7	38.3
CL	26.5	25.8	17.3	7.4	13.4	12.1	10.5
OT	8.5	14.7	8.5	10.5	4.3	5.4	6.6

Source : *Employment and Unemployment situation among Social Groups in India, NSS 55th Round.*

The consequences of discrimination in other markets through denial of access to land, credit, factor inputs, product and consumer goods, restrictions on sale of products, consumer goods and services, and differential treatment in terms of prices paid in purchase of capital goods, inputs, and services are equally adverse. Further, various types of restrictions on the purchase of income earning capital assets and non-land assets reduce the ownership of these assets and increase the incidence of asset less persons among the discriminated groups. Also, restrictions on the purchase of inputs and services affect the scale, viability, and profit of the firms and businesses.

Price discrimination under which the discriminated groups are required to pay higher prices for inputs and services may affect costs, competitiveness, and profitability of firms and businesses owned by discriminated groups.

The most adversely affected businesses owned by discriminated groups are likely to be ones dealing in consumer goods, in which the restrictions on purchases by higher castes/or majority religion from the low castes/minority persons may be more pronounced and persuasive due to the notions of purity and pollution and various stereotypes. Such restrictions affect the magnitude of sale of consumer goods and incomes of businesses owned by the discriminated groups.

Finally, discriminatory access to social needs like education, health services, food security schemes, housing, etc. will lead to lower education level, lower access to food, and public housing.

Consequences of Social Exclusion

In order to bring further insight on the consequences of social exclusion on poverty, we need to discuss the case of each individual market separately.

I) Markets in sources of livelihood and income earning capital assets:

- ◆ agriculture land,
- ◆ non-farm business, and
- ◆ employment

II) Social Needs:

- ◆ education and skill development,
- ◆ public and private health,
- ◆ participation in village panchayat.

The consequences of discrimination in agricultural land markets may operate through the restrictions faced by the discriminated groups in purchase of land for agriculture use. This may also operate through denial of land to discriminated groups through lease for agriculture purposes. The denial faced by discriminated group in the purchase of land for agricultural use may result in low ownership of agricultural land and landlessness and higher dependence on

wage labour. This also results in increased dependence of discriminated groups on wage labour, low income and ultimately in high poverty.

Labour Market and Poverty

The adverse consequences of discrimination in labour market manifests in poor terms of engagement (hours, pay and work conditions). The denial and exclusion in employment in general and in certain categories of works results in higher unemployment and under-employment amongst the discriminated groups. Lower wages, reduce/depress their wage earnings and compulsory involvement in works due to traditional caste obligations, makes them liable to exploitation and often unpaid labour. Consequently, excluded groups are over-represented among poor. Poverty is likely to be caused because of forced labour which is an extreme manifestation of discrimination in the labour market. Workers from the excluded groups may be vulnerable to this form of discrimination which results in the practice of debt bondage. The system of bondage due to debt may operate when wage workers from the excluded groups are recruited by labour intermediaries who - through wage advances and other manipulations - induce them into an artificial debt that they cannot repay. Long hours of work may not be sufficient to repay this debt, thus trapping the workers into greater debt and a longer debt repayment period. This system perpetuates the poverty or extreme poverty of the workers belonging to excluded groups.

Consequences of Discrimination in School Education

Discrimination in school in village setting may take form of denial of access to education and skill development and/or discriminatory treatment in school. This may reduce the quality of human resource and reduce the employability for quality jobs and force them to fallback on low earning manual wage labour in farming and non-farming activities. Specifically, denial of access to education leads to high illiteracy, low functional literacy, and high drop out rates, limited skill development and low human capital due to discrimination in education may cause high representation in menial jobs, low wages, low income and ultimately high poverty.

Consequences of Discrimination in Public and Private Health Services

Discrimination in the sphere of public health service provider and private health provider may operate through denial of admission in the primary health center in villages and/or through discriminatory access to primary health centers and private health providers which may take the following form:

- ◆ Separate standing lines
- ◆ being ignored and kept waiting for long
- ◆ discrimination in health check-up and treatment, including the avoidance of physical touch;
- ◆ discrimination in the delivery of the medicine
- ◆ avoidance of visit to houses by public and private doctors and medical practitioners.

Lower access to public health services and private health services affect the health status, increase the number of days fallen ill, lower the days of employment and ultimately affect the income levels negatively. Denial of access to public health services or improper services leads to the dependence on private health services providers with expensive medical treatment. This results in borrowing money for treatment, high debt and ultimately affecting the income levels.

Poverty Eradication by Socially Inclusive Policies

Adverse consequences of economic and social discrimination on human poverty, reducing discrimination is necessary.

Correcting discrimination would require two steps: First the legal safeguards in the form of legislation banning discrimination, second, "positive actions" for facilitating a fair access to discriminated groups in various spheres like employment, business, education, legislature and governance. The positive steps take the form of measures for fair access and participation of discriminate groups in various spheres, through measures like reservations and similar measures. It calls for positive action in land, labour, and capital markets, in product and consumer markets, and social needs such as education, housing, and health. Central to this view is the exposition that discriminated groups face discrimination in transactions through market and non-market channels and in that regard positive affirmative steps are necessary.

In Indian context another issue came for discussion. It is argued that since poverty has been the main problem of discriminated group, the general policy of economic and educational empowerment will be good enough to address their problem. However, another view asserts that while policy of general economic and educational empowerment is necessary for all poor (poor from discriminated groups and rest of the poor), there is a need for supplement empowerment policies by equal opportunity policies with "positive steps" for equal access to rights and entitlements.

The policy of social and economic empowerment is essentially directed towards improving the ownership of capital assets like agricultural land and business, education and skills, housing and other social needs. These measures are supposed to augment the capabilities of discriminated groups to undertake businesses, and to enhance their employability by enhancing their education and skill level. These policies take the shape of pro-poor policies involving measures to increase access to capital assets including agricultural land, employment, education, social needs like housing, and food.

Indian Context

In our country, there is a discussion on developing alternative policies not only for those groups who suffered from caste discrimination in Hindu and non-Hindu folds, including those who suffered from ethnic identity, but also for those who suffered from discrimination associated with gender, religion and similar identities. Indian society is characterized by

multiple forms of exclusion associated with group identities like caste, ethnicity, gender, and religion, region in various spheres of society, polity, and economy. Therefore, addressing such forms of exclusion requires inclusive policies to overcome deprivation faced by each of these groups.

Inclusive Policy in the Indian Context

It becomes apparent that due to variations in forms and spheres of discrimination faced by different social groups in Indian society, the consequences on deprivation and poverty across various discriminated groups also vary. Unlike in case of former Untouchables, there are limited studies on other discriminated groups regarding the forms, nature, and manifestations of discrimination. However, the visible presence of inter-group inequalities among low caste-high caste, male-female, and minority-majority religious groups with reference to various indicators of human development points toward the consequences of historical discrimination, reflected in differential access to income-earning assets, property, businesses, employment, education, and civil rights, and in participation in legislature and governance in varying degrees.

By implication, the equal-opportunity policies for the different discriminated groups would differ in spheres and forms of interventions depending on the nature of discrimination faced by each of these excluded groups, and their present social, educational, economic, and political standing.

The feature of equal opportunity policies for various discriminated groups such as lower castes, women and religious minorities need to be comprehended in their unique context. Generally, three components characterize equal-opportunity policy. Firstly it incorporates "legal safeguards" against discrimination faced by certain social groups in multiple spheres of society. Secondly, an equal-opportunity policy which includes specific policy measures in the form of reservation or similar measures to ensure due share and participation of the discriminated groups in various spheres of society, polity, and economy. Thirdly beside this, the participation of the discriminated groups in governance at all levels - from legislature to drafting policies, their execution and monitoring - is also crucial. Representation and participation of the discriminated groups in governance is central element of inclusive policy and building an inclusive society.

Anti Poverty Programmes and Strategy in India

India has a long history of anti-poverty programmes and experiments for poverty reduction. In the post-independence India, expenditure on poverty-reduction programmes stepped up since the Fifth Plan, and the subsequent period. It is worth mentioning here that despite a number of directly poverty reduction programmes available on increasing scale, the extent of their impact on reducing poverty in India is not clearly established.

A number of changes have occurred in recent times in poverty alleviation programmes new entitlements have been created. Now poverty reduction is considered as common responsibility. The major changes have been:

- a) MNREGA which for first time in post independence India gives statutory right of 100 employment guarantee to rural registered families on demand;
- b) The Seventy-third Amendment has included anti-poverty programmes in the Eleventh Schedule and there has been a move towards decentralization of rural development administration. The role and responsibility of local communities has been increased through the gram sabhas and the Panchayats.

DIRECT INTERVENTIONS

The Programmes which has been done by different poverty alleviation are addressed directly to the identified poor families, having the objective at bringing about an improvement in the living conditions of the poor.

a) Inclusive Policy for Reducing Human Poverty

However, in the case of poor belonging to discriminated groups, in addition to these known causes of poverty, the poor from excluded/discriminated groups suffered from groups specific problems which induced poverty among them. These discriminated groups suffered from either exclusion or discriminatory access to sources of income, which results in denial of equal access to opportunities and hence it induced more poverty among them. They faced a problem of "Exclusion induced poverty", from which only excluded and discriminated groups suffer. Therefore the problem of excluded group differs in some respects, (if not all respects) from that of "rest of the poor". Therefore in addition to the anti-poverty policy for improvement in access to income earning assets, employment, education, health facilities, which are required for 'all' poor i.e. poor from the discriminated group and the rest of the poor, the poor from discriminated groups need additional policy measures. The aim of such measures will be to overcome the constraints posed by the unfair exclusion and unfair inclusion and to provide equal but non-discriminatory access to poor persons to rights and entitlements'. Therefore, we require dual policy:

- i) One set of policy measures for improving the access to income earning assets (or sources of livelihood), employment, education and skill, health measures for all poor, including the poor from discriminated groups and,
- ii) Second set of policies for poor persons belonging discriminated group to provide safe guards against discrimination which they face in accessing sources of income earning assets, employment, education, health facilities and participation in decision making in panchayat.

b) Scheme for Financial Inclusion

The Government of India has been introducing several exclusive schemes for the purpose of financial inclusion. These schemes intend to provide social security to the less fortunate sections of the society. After a lot of planning and research by several financial experts and policymakers, the government launched schemes keeping financial inclusion in mind. These schemes have been launched over different years

Objectives of Financial Inclusion

- ◆ Financial inclusion intends to help people secure financial services and products at economical prices such as deposits, fund transfer services, loans, insurance, payment services, etc.
- ◆ It aims to establish proper financial institutions to cater to the needs of the poor people. These institutions should have clear-cut regulations and should maintain high standards that are existent in the financial industry.
- ◆ Financial inclusion aims to build and maintain financial sustainability so that the less fortunate people have a certainty of funds which they struggle to have.
- ◆ Financial inclusion also intends to have numerous institutions that offer affordable financial assistance so that there is sufficient competition so that clients have a lot of options to choose from. There are traditional banking options in the market. However, the number of institutions that offer inexpensive financial products and services is very minimal.
- ◆ Financial inclusion intends to increase awareness about the benefits of financial services among the economically underprivileged sections of the society.
- ◆ The process of financial inclusion works towards creating financial products that are suitable for the less fortunate people of the society.
- ◆ Financial inclusion intends to improve financial literacy and financial awareness in the nation.
- ◆ Financial inclusion aims to bring in digital financial solutions for the economically underprivileged people of the nation.
- ◆ It also intends to bring in mobile banking or financial services in order to reach the poorest people living in extremely remote areas of the country.
- ◆ It aims to provide tailor-made and custom-made financial solutions to poor people as per their individual financial conditions, household needs, preferences, and income levels.
- ◆ There are many governmental agencies and non-governmental organisations that are dedicated to bringing in financial inclusion.

These agencies are focussed on improving the access to receiving government-approved documents. Many poor people are unable to open bank accounts or apply for a loan as they do not have any identity proof. There are so many people who live in rural areas or tribal villages who do not have knowledge about documents such as PAN, Aadhaar, Driver's License, or Electoral ID. Hence, they cannot avail many of the services offered by governmental or private institutions. Due to lack of these documents, they are unable to avail any form of subsidies offered by the government that they are actually entitled to.

The Financial Inclusion Schemes in India are:

- ◆ Pradhan Mantri Jan Dhan Yojana (PMJDY)
- ◆ Atal Pension Yojana (APY)
- ◆ Pradhan Mantri Vaya Vandana Yojana
- ◆ Stand Up India Scheme
- ◆ Pradhan Mantri Mudra Yojana
- ◆ Pradhan Mantri Suraksha Bima Yojana (PMSBY)
- ◆ Sukanya Samriddhi Yojana
- ◆ Jeevan Suraksha Bandhan Yojana
- ◆ Credit Enhancement Guarantee Scheme (CEGS) for Scheduled Castes (SCs)
- ◆ Venture Capital Fund for Scheduled Castes under the Social Sector Initiatives
- ◆ Varishtha Pension Bima Yojana (VPBY)

Financial Inclusion and Women Empowerment

Financial inclusion is very particular about including women in financial management activities of a household. Financial inclusion believes that women are more capable of handling finances efficiently when compared to men of a house. Hence, financial inclusion activities target women by helping them get started engaging in financial management. There are many houses where women are not permitted to be involved in managing money. They are controlled by the men of the house and are asked to take care of only the domestic chores.

Many conservative people in India believe that women are not capable of handling money. With the help of financial inclusion, the government, as well as non-governmental agencies, intend to get rid of this mentality. Financial inclusion is encouraging women to take up more employment opportunities and be financially independent. It also explains that women will not have to rely on men for money. They also do not have to wait for men's permission to do anything.

Financial inclusion intends to empower women belonging to low-income groups by increasing financial awareness among them. Women are also taught in simple ways to save their money for future purposes. They are provided with exposure to multiple affordable savings instruments. They are also taught about the various forms of credit available in the market. These forms of credit will help them start up a new small business venture or take up a training course to apply for a new occupation. This will also increase their monthly income.

Financial inclusion is also making many women get mobile phones for their own usage. In several parts of the nation, only men had their own mobile phones and women had to depend on these men. Over the past few years, women have started to own mobile phones and have started to use them for work purposes, business purposes, and financial requirements. Many of

them have started to utilise digital modes of payment and other financial operations with the help of mobile phones. This has simplified and quickened their transactions.

The idea of financial inclusion is encouraging banks and other financial institutions to assist the unbanked sections of the society. Many of these institutions are also focussing on making women financially independent by providing special rates and exclusive discounts or other benefits. Many banks charge subsidised or discounted interest rates to women for their loan products. For savings accounts offered by certain banks and non-banking financial corporations, women depositors gain more interest on their deposits when compared to men.

As regard the general policies, the Indian State has used "general programmes" for all poor, aimed at improving access to sources of livelihood through private ownership of capital assets or building human resource capabilities. These programmes have been undertaken primarily as part of anti-poverty and other economic and social programmes for the poor. The main focus of such programmes have been to improve private ownership of fixed capital assets like agricultural land, non-land capital assets, education and skill development, as well as access to social and basic services like housing, health, drinking water, electricity and others. Thus such programmes have addressed general factors which cause poverty for "all Poor", both poor from discriminated groups and rest of the poor.

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