Development and Conflict

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Development is a very extensively used term. However, its meaning varies from person to person and context to context. For an ordinary individual, it means fulfillment of basic needs, well-being and the opportunity to progress in socio-economic sphere. For a developing state like India, it is the maximization of economy and acceleration in economic growth to meet international standards of development. This paper is an attempt to understand the ongoing development process in India (particularly after Structural Adjustment Programme of 1991) and its relevance and impact to an ordinary citizen. Indian economy has travelled a long distance on the path of development since independence and is recently been projected the fastest growing economies of the World in 2018 (World Bank). But along with the pace of growth and development, there has emerged challenges for the country, which questions its policy of development where economic growth has largely benefitted few, leaving aside the major section of population. The exclusion of large section of population from the benefit of development has widened the gap between the rich and poor, men and women, majority and minority communities, farming and business community, youth and elderly, as also across other such groups in the society. Development which has fared quite well on the macroeconomic indicators has resulted in discontent, anxiety, insecurity, marginalization and frustration among large population groups. This poses development as an agent of conflict rather than peace, stability and inclusiveness.

[Keywords : Development; Inclusiveness; Conflict; Impact of development; Economic growth; Globalization]

1. Introduction

The word development is not new in history. Marx and Leroy-Beaulieu used it in their writings. In 22nd Article of the Covenant of League of Nations, it appeared...
Development with ‘stages of development.’ Lenin in 1989, composed ‘the Development of Capitalism in Russia’; Schumpeter developed the ‘Theory of Economic Development’ in 1911; Rosenstein and Rodan presented ‘The International Development of Economically Backward Areas’ in 1944. The adoption of a pair of resolutions by the UN General assembly in December 1948 titled; ‘Economic Development of Underdeveloped countries’ is the most recent expression of development discourse (Rist, G. 2008). But for the first time, the term development got attention with a wide circulation, when it was used by United States President Truman on 20 January 1949. The President used the term under-development/underdeveloped areas in his inaugural address ‘Point Four’, which provided a new dimension to the word ‘development’ itself, by connecting it to ‘underdevelopment’.

The President in his address stated:

“We must embark on a bold new program for making the benefits of our scientific advances and industrial progress available for the improvement and growth of underdeveloped areas. More than half the people of the world are living in conditions approaching misery. Their food is inadequate. They are victims of disease. Their economic life is primitive and stagnant. Their poverty is a handicap and a threat both to them and to more prosperous areas. The old imperialism - exploitation for foreign profit - has no place in our plans. What we envisage is a program of development based on the concepts of democratic fair-dealing” (Public Papers of the Presidents 20 January 1949). President Truman used the term development as the solution to all problems of humanity, but the purpose was to maintain the hegemony of United States over the available resources of the World through transitive character of development - which justified intervention into the internal affairs of a nation (Rist, 2008).

After the culmination of Second World war, two new powers (US & USSR) emerged in world. It was the time, when American foreign policy was tackling the changes taking place everywhere in the world. Manipulation of the word ‘underdevelopment’ by Honorable President of the newly emerged World power aroused the idea of change and confirmed likelihood of bringing such change in direction of a final state. Now, it remained no longer a question of things ‘developing’; but realized the feasibility to ‘develop a region’. Although notion of ‘development’/’underdevelopment’ is different across world, but everywhere the possibility, essentiality and intervention validate its need; as one cannot remain idle when confronting with extreme needs in their day to day lives. The development discourse can charm, seduce, please, fascinate and make someone dream and that’s how it attracts and persuade; but if not properly implemented it also can abuse, deceive and deviate from the truth. No one would like to resist an idea which is presented as a way of eliminating poverty. Similarly, how dare one can assume, that the cure may worse the ill which it argues to fight. If ‘development’ is the totality of righteous aspirations of mankind, then it exists
nowhere and will never! However, development survives with us with its legitimate action and institutions. There are developing and developed nations all around us, numerous ongoing development projects, an elegant ‘United Nations Development Program’, an ‘International Bank for Reconstruction and Development, institutes’, NGOs and many more. Development which aims to bring improvement in the lives of people has at the same time promoted the constructions of dams, exploitation of forests, re-afforestation of deserts, introduction of high-yield plants, liberalization of trade, import of technology, opening of factories, launching of spy satellites etc. Today, every modern human activity is commenced on the name of development (Rist, 2008).

Development earlier was limited as a process of economic growth, which may be named as the first form of development. Often the term development is understood with economic growth and increase in per capita income. And therefore, the notion of development has been questioned time to time by linking it in a multi-dimensional aspect. Joshi (2000) contested that now the meaning of development has shifted from economic development to human development i.e. beyond market indicators or input-output indicator. He argued that now development is emphasizing more on human centered aspects, such as the “well-being of individuals and their relationships with the society” (Joshi, 2000). In 1987, meaning and scope of development was enlarged in form of sustainable development - introduced by Brundtland commission (1987) which defined development as ‘sustainable’ if it “meets the needs of the present without compromising the ability of future generations to meet their own needs.” Similarly, the development paradigm has been consistently altered by the countries and the international development communities in different periods, in their thrust for the same.

The Report of the South Commission (1990: 10) under the chairmanship of Julius Nyerere (former President of Tanzania) defined development as:

“a process which enables human beings to realize their potential, build self-confidence, and lead lives of dignity and fulfilment. It is a process which frees people from the fear of want and exploitation. It is a movement away from political, economic, or social oppression. Through development, political independence acquires its true significance. And it is a process of growth, a movement essentially springing from within the society that is developing.”

Todaro, (1981) argued that although economic progress is an essential but not only component of development. Development encompasses above the material and financial side of people’s lives. Therefore,

“Development should be perceived as a multidimensional process involving the reorganization and reorientation of entire economic and social systems. In addition to improvements in incomes and output, it typically involves radical changes in institutional, social, and administrative structures as well
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as in popular attitudes and, in many cases, even customs and beliefs. Finally, although development is usually defined in a national context, its widespread realization may necessitate fundamental modifications of the international economic and social system as well” (Todaro, 1981). It must be noted that ‘development’ is now a global and historically distinctive phenomenon.

According to Rist (2008) “development consists of a set of practices, sometimes appearing to conflict with one another, which require - for the reproduction of society - the general transformation and destruction of the natural environment and of social relations. Its aim is to increase the production of commodities (goods and services) geared, by way of exchange, to effective demand.”

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Although development is a necessity of every society, yet the voids in current development discourse has brought the problem of inequality, environmental degradation, pollution, commodification, conflict of interest etc. Todaro and Smith (2003) expressed that the narrow approach of development, which is mainly expressed in terms of economic growth has convinced nations to channelize their potentials for rapid growth of national incomes. Rist (2008) in a similar way highlighting the adverse effect of the economic process, argued that the oil that into an energy, or forest as a resource, entails destruction. Now, a resource is used as an object or a product, which either is difficult to recycle or impossible, and therefore results destruction of natural environment and create problem of pollution, climate change etc. Often, development led to dispute among nations, for example the dispute over access of geostationary orbits in space, even the space is not escaped of the dispute arising in the contemporary development discourse (Space for Your Business’ conference, held in Montreux in March 1992). Things that are expected to keep outside the subject of the market, are now a saleable object; i.e. practice of womb-leasing or sperm banks (that are considered for personal and intimate use), reflects that the commodity form is entering in arena of social relations.

India and China are the two major economic players in today’s world. Two out of five people of the planet lives either in India or China. India as an Independent democratic country emerged in 1947, after its freedom from the colonial empire. Since then, Indian economy has made numerous shifts in its policy to accelerate its growth. Virmani (2006) argued that India economy gone through the phase of socialist experimentation during 1950-51 to 1979-80 and maintained GDP growth rate of 3.5 per cent per annum, however average income (measured by per capita GDP) enhanced by 1.3 per cent per annum. The period after 1980s till today is the period when Indian economy experimented with free markets. Mukherji (2009) characterized Indian economy as; a moderately regulated economy between 1947 to 1968; a stringently regulated economy between 1969 -1974 and a gradually liberalized economy since 1975 onwards. He argued that between 1956-1974, GDP growth rate was 3-4 per cent per annum in a closed and highly regulated Indian
economy. But after liberalization, economic growth averaged 5.7 per cent per annum during the period of 1980-81 to 2002-03. Per capita income also increased with a faster pace of 3.6 per cent per annum. More than 5 per cent GDP growth were witnessed between 1975 - 1990; when a gradual leaning towards private sector began in India and reached to its fullest in 1991 (Mukherji, 2009). The year 1991 was a turning point for India’s economy, when an era of organized and conscious liberalization, privatization and globalization of economy began in form of structural adjustment plan (SAP). Thus, opening the doors for multinational corporations and encouraging the transformation of public enterprises into private ones. The SAP of 1991 was implemented with great anticipation for addressing the pressing economic issues of the country. The enactment of radical new economic policy framework helped the Indian economy in entering a new phase of growth and development. Since then, India registered a remarkable growth in its GDP (gross domestic product) and therefore, recently it has been projected by the World Bank as fastest growing economies of world. India witnessed a higher rate of growth in wake of its structural adjustment plan (1991), over 6 per cent GDP growth have been observed during 1991-2004, which accelerated to over 8.5 per cent between 2003-2007 (Mukherji, 2009). The robust growth of Indian economy is continuing till today. In last quarter of 2017, India’s GDP grew by 7.2 per cent and thus overtook China (earlier its predecessor in terms of GDP growth) to become the fastest growing economy of world (Business Standard, 1 March 2018).

However, the tale of development discourse in India presents a robust growth of GDP on one side and highlights a gloomy picture on the other side. Basu (2000) emphasizing the negative feature of India’s attempt to maximize growth, remarked that in maximizing the income growth, environmental considerations have been ignored; the standard of living is sidelined; regional, gender and class inequalities have been neglected; poverty is left to persist (Basu 2000, p. 64). For example, the growth in India’s agriculture sector has merely been 1.65 per cent between 1996/97 and 2004/05, though more than 60 per cent of India’s population is involved in it. This is a concerning fact leading towards India’s second agrarian crisis (Mukherji 2009). The development discourse in India is struggling to register an inclusive growth, and appears benefitting few at the cost of more. With robust growth of GDP in post-reform (1991) era, inequality among masses is widening in India. Sarkar and Mehta (2010) contested that rise in inequalities has been higher during post-reform period, compared to decades before that. Rural-Urban differences has also sharpened during the post-reform period. In 2004-05, an urban regular and casual worker respectively received 30 per cent and 20 per cent more wages than their rural colleagues. The average wage growth of agricultural workers was 2.5 per cent in the 1990s, however during 1980s, the annual increase was 4-5 percent. Mukherji (2009) further argued that in the post-reform period (1991), interstate inequalities have increased in India. Inclusive growth has been the major challenge for India’s development. Ghosh (2012) calculated that in 1960/61, Maharashtra’s per-capita income (Rs.1747) was three times greater than Orissa (Rs.580). In
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2007-07, Maharashtra’s (then richest state) per capita income (Rs.7304) grows to 4.63 times higher than Bihar (Rs.1577). Between 1960/61- 1990/91 to 1991/92-2006/07, few states of India register remarkable annual compound growth rate (in percentnaje) of per-capita Net State Domestic Product (NSDP), e.g. Andhra Pradesh (1.75 to 4.54), Gujarat (1.77 to 5.58), Haryana (2.13 to 4.07), Karnataka (1.90 to 5.05), Kerala (1.29 to 4.35), Maharashtra (2.31 to 4.15), Orissa (2.41 to 3.75), Tamil Nadu (1.79 to 4.61) however, the same has been deaccelerated in state of Punjab (3.11 to 2.48) and Assam (1.58 to 1.49) in the same period.

No doubt growth in Indian economy has curbed poverty and improved human conditions, but the benefits of gain has been unevenly distributed among masses. Middle and richer sections have gained greater than the poorer sections of society (top 10 per cent have 76.3 per cent country’s wealth, while the poorer half share only 4.1 per cent of nation’s wealth - World Economic Forum 2016). In post reform period, the growth in agricultural (between 1990-1993 to 2003-2006, the agriculture output growth decelerated to 1.74 per cent per annum in 2003-06 from 3.37 per cent per annum in 1990-93, and yield growth declined to 1.52 per cent per annum from 3.17 per cent per annum - Hiro, 2015) has disproportionately matched with other sectors. If we specifically go by data, then it shows that between 1983/94, 1993-2000, 1999-2005, and 2004-07; the growth in agriculture was 3.76, 3.31, 1.59, and 4.34 per cent respectively, however, the growth in transport and communications was 6.54, 8.66, 12.63, and 13.45 per cent; growth in manufacturing sector was 5.97, 6.90, 6.46, and 10.70 per cent; growth in Construction was 5.43, 6.36, 8.79, and 12.45 per cent; growth in Trade and hotels was 6.12, 9.29, 8.05, and 10.55 per cent; growth in non-farming sector was 6.79, 7.74, 7.31, and 10.36 per cent, for each respective period (Himanshu, 2008). The emphasis on capital and knowledge is still the basis of India’s industrialization, when more than 250 million people in the country survive on less than a dollar a day. There are sharp accentuation of economic inequalities and highly skewed distribution of development benefits in India. Elite 1 per cent of Indian population holds 53 per cent share of country’s wealth, while the top 5 per cent and 10 per cent respectively own 68.6 per cent, and 76.3 per cent country’s wealth. The bottom half share 4.1 per cent of national wealth (World Economic Forum, 04 Oct 2016).

Press Trust of India presented a similar finding and argued that the top 1 per cent of population holds 58 per cent India’s wealth (Press Trust of India, 16 Jan 2017). World Bank report on poverty and shared prosperity (2016) depicting a scary figure about India, highlighted that “India has the largest number of people living under the international USD 1.90-a-day poverty line; a figure 2.5 times higher than Nigeria, which has the second-largest population of the poor worldwide i.e. 86 million.” In post-reform period, India’s major section of population has been found struggling in all parameters of development per se education, employment, health care, gender disparity, extreme geographical differences, social and economic inequality in access to basic services. Let’s take
education and employment first. Nayyar (2006) argued that the one-third of the India’s population or more than it is still illiterate. A higher rate of illiteracy has been noted among women (45 per cent) and rural people (40 per cent). India is having 95 per cent enrolment rate at primary level, however the dropout rates are observed as 40 per cent. The enrolment rate decreases with the rise in level of schooling; it is 33 percent at secondary level, paradoxically the drop-out rate increases with a faster pace (66 percent at secondary level). 65 million children of India, who are expected to be in formal system of education are not there; among which 55 million comes from rural areas and the rest 10 million are urban residents. A mere 6 per cent of total India’s population enter in higher education, whereas 39 per cent (225 million) of adults remains illiterate. The inability of state in creating sufficient employment openings has been the most important failure of India over the past 25 years of economic growth. In India, growth in employment opportunities have always remained disproportionate than the growth in population.

The rate of unemployment has intensified in the post-reform period. Himanshu (2008) compared the pre and post-reform unemployment rate in India and contested that the daily status unemployment increased from 6.1 per cent in 1993/94 to 7.3 per cent in 1999/2000 and aggravated to 8.3 per cent in 2004/05; likewise, for agricultural labor households, it increased from 9.5 per cent in 1993/94 to 12.3 per cent in 1999/2000 and worsened to 15.3 per cent in 2004-05. The rate of unemployment (2004-05) was highest since 1972-73. During 1999-00 to 2004-05, the real wage for all workers braked in India. Between 1993/94 - 1999/2000 (for agricultural and non-agricultural casual worker), growth rate of real wages was 2.78 and 4.19 per cent respectively, which during 1999/2000 - 2004/05; declined to 1.31 and 0.76 per cent singly for agricultural and non-agricultural casual workers. Weber (2012) observed that during the reform period public sector employment in India reduced considerably, which was expected to be compensated by additional jobs in private sector, but it could not able to relieve the situation and led under-employment, deteriorating further the situation of an economy which was already demanding more employment. Economic expansion in India is known to have caused extensive poverty and low purchasing capacity. Through two major structural programs of 1980 and 1991, big business houses of India got an opportunity to become global players, however, the formal sector employment rarely increased despite excellent economic growth during the period. Privatization of many public enterprises and increase in foreign investments, with its due merits and positive impacts on labor markets has led to the disappearance of formals jobs; the influx of efficient technology created the problem of over staffing in public enterprises. Foreign investment made a similar impact, the process of rationalization by the foreign companies after taking over the existing production sites made many jobs redundant instead of creating new ones. Focus on big business development led the slow expansion of employment in
India, deserting small and medium ventures. With increasing privatization, industrialization and modern technology, agriculture in India categorically become a sector which is supposed to provide cheap food for the industrial staffs; and therefore, agricultural wages remained moderate, and consequently the small and marginal farmers languished drastically. The medium and big farmers were in a slightly advantageous position due to subsidies on fertilizers, energy, and loans which are generally relieved in India in times of elections or slightly before. The consequences of the current economic system were felt by the consumers soon; the prices of consumer items rose, and the quality was compromised. A new form of ‘rent seeking’, associated to privatization emerged in India because of SAP (1991). Throughout history of India’s economic crisis, more often the ordinary people have suffered. The interests of big business houses have always been shielded by the government through tax walls and licensing.

Along with economic disparity in terms of access to education and employment; gender and geographical inequality is a noticeable feature in India. In 2011, the rate of literacy was reported 80.90 per cent for males and 64.60 per cent for the female against 73 per cent national literacy rate. In 2011-12, the usual status worker population for rural and urban male was reported 55.3 per cent and 56.3 per cent; while for the female, it was counted 25.3 per cent and 15.5 per cent respectively. The rate of unemployment defines quite a similar variation. In 2011-12, the unemployment rate for rural and urban male was 1.7 per cent and 3.0 per cent, while for females, it reported 1.7 per cent and 5.2 per cent respectively (Selected Socioeconomic Statistics, India 2017). Acknowledging the existence of socio-economic and sexual differences, as well as India’s poor performance in education and employment, world economic forum (2016) quantified the rate of employment in India as 55.5 per cent. Taking into cognizance the strong record of economic growth over the decades, the report argued that still the middle class of India is small and have no assurance of job to escape poverty. The rate of enrolment in education is low across all levels, and qualities significantly varies as per the socioeconomic status, which results in notable differences in educational performances of students. India limits its talent pool for skilled labor force at very early age i.e. 1.04 per cent students at secondary level are enrolled in technical and vocational courses. Average education in India is 7.3 years; boys are at advantageous position with two more years of schooling than girls. India stands at 31st out of total 37 lower middle-income countries of world in providing equal educational opportunities for men and women. Differences in attainment of educational caused by income is high in India than countries with similar income levels i.e. Vietnam, Thailand and Philippines (World Economic Forum, 2016).

The health care system of India is in dismal position. Maternal and infant mortality rate in India is still a major health concern for the state. Although it has declined over the years, still the MMR in 2011-13 was reported 167 (per 100,000 live births). Similarly, IMR (Infant Mortality Rate) was estimated 34 per thousand.
live births in 2016 (NITI AAYOG). UNICEF (United Nations International Children’s Emergency Fund) argued that India alone comprises 20 per cent in total deaths of about 800 women across the world, dying each day due to preventable causes related to pregnancy and childbirth. It is estimated that 44,000 women annually die due to ‘preventable pregnancy-related issues’. Globally, India accounts for one fifth of under-five mortality (46 per 1000 live births in 2013), and fourth of neonatal deaths, in numbers annually 1.1 million under 5 children dies in India, out of which 630,000 dies in their first four weeks of life. India has highest number of non-immunized children in world despite Nine million routine immunization (RI) sessions organized each year (UNICEF). The state of Kerala carries one public hospital bed per 1,299 people, however the largest populated state of India (Uttar Pradesh) holds a bed per 20,041 people. Kerala attends almost all births by its trained health professionals, compare to 27 per cent in Uttar Pradesh (HDR, 2016). Health is a universal need common to all individuals, yet health statistics of India is not spared of social, economic, geographical and gender disparity. Mothers and children belonging to lowest economic strata are more vulnerable; having two and half times higher rate of mortality than others. Certain group of population like rural communities, Scheduled Castes and Scheduled Tribes and minorities have a higher Infant and Under-5 Mortality Rates. Children belonging to rural areas are least likely to complete all stages of vaccination; highly populated states like Madhya Pradesh, Rajasthan, Chhattisgarh, Jharkhand, and Uttar Pradesh noticeably witness more inequality of above kinds (UNICEF). “In India, 52.6 per cent of urban children in the bottom wealth decile were stunted in 2000, while stunting affected only 26.1 per cent of urban children in the top half of the urban distribution and 40.8 per cent of rural children in the top half” (Montgomery, 2009).

Low Sex-Ratio has been a consistent challenge in India over the decades and has time to time drawn the attention of the state. The central and different state governments have launched several schemes like Beti Bachao, Beti Padhao (A Central government) Aapki Beti, Humari Beti (a Haryana government scheme), Beti Bachao Abhiyan (Government of Madhya Pradesh) etc. to control the declining sex-ratio in India. The sex ratio in India has improved from 933 in 2001 to 940 in 2011 but has not aloof of rural-urban and interstate divide. There are 947 and 926 females (per thousand males) in rural and urban areas respectively. State of Kerala has sex ratio of 1038 female (per thousand males), while Daman and Diu (a Union territory) has sex ratio of 618 females (per thousand males). However, if we go through the child sex ratio, then it portrays a more disturbing figure. It dropped to 914 in 2011 from 927 females in 2001. State of Mizoram is on the top in terms of child sex ratio with the figure of 971 per thousand, while Haryana stand at the bottom in all Indian states with presence of 830 female children per thousand male children (Census of India, 2011). Sadh and Kapoor (2012) contested that the economically backward and major states of India like Bihar, Jharkhand,
Chhattisgarh, Madhya Pradesh, Odisha, Rajasthan, Uttarakhand and Uttar Pradesh has shown a continuous drop in child sex ratio since 2001. Discrimination against a female child in India, begins right from the mother’s womb, by depriving her right to live through malicious practices of female feticide (an act of destruction that causes death of a fetus), sex-selective abortion and female infanticide. Since census in 2001, approximately 8 million fetuses have been killed in India. Despite being illegal activities as per the law, these practices are widespread in India and it seems that modernization, growth and education, which were expected to create a safe and healthy environment for the girl child has not made any significant impact (Sadh and Kapoor, 2012).

Recently India has estimated higher prevalence of hunger, homelessness, poverty etc. India stands 100 in global hunger index (GHI) out of 119 nations in 2017, lower than Bangladesh, Nepal, Nigeria, Myanmar and many more (GHI, 2017). There are about 1.7 million homeless people in India (Census of India, 2011). Apart from education, employment, clothing and healthcare, the poor section of India’s population is struggling to arrange enough food for their two ends. Today, total population of poor is even higher than India's population at independence (Nayyar, 2006). Chandrasekhar and Montgomery (2010) maintained that population below the poverty line in India is 44 per cent in officially classified slums. World economic forum in its report on 05 November 2016 observed that India has the highest poor in world (approximately 300 million people in India lives in extreme poverty) however half of total poor resides in major five states of India. The poverty rate (population expending less than $2 a day) in India has declined from 85.1 per cent (2001) to 68.7 per cent in 2011. In 2001, there were 1.7 per cent middle class (expending between $ 10-50 a day) population in the country, which increased to 3.5 per cent in 2011 (a minuscule share in total population). The challenges before India does not stop here. There are far more issues, which questions the contemporary and macro development of India. Access to finance is beyond reach of low income individuals and women. 400 million unbanked people lives in India. 7 per cent of the total population uses savings account to begin a commercial venture (which reduces with income distribution). India ranks fourth on in terms of patent applications. Infrastructure development in India is disproportionate with the requirement. India slipped 14 ranks to 81st worldwide in ‘overall quality of infrastructure’ since 2007 onwards. In terms of access to basic facilities and technology, India is lagging far behind. One fourth of India’s population do not have access to electricity. 30 per cent or more of India’s urban population resides in slums. A total 65 per cent of Indian population is deprived of improved sanitation. One among five Indians have regular access to Internet, and mere 1 percent Indians have fixed broadband connectivity. Very few have the privilege to have smartphones, and for every 1000 population, there is 5 mobile broadband subscriptions; two out of five Indians owns a basic cell phone (World Economic Forum, 2016). India’s expenditure on social protection is a mere 2.5 per
cent of its GDP, however many of its peer countries spends 6 or more percentage on the same. Public health system in India has a limited coverage. Out-of-pocket expenses on health is still high in India, limiting affordability to health for a common man, and this translates into poor (and unequal) health outcomes for many (World Economic Forum, 2016).

Now, we must understand that the essence of development lies in well-being of humankind. Therefore, development is expected to bring an improvement in the lives of masses. It should guarantee the fulfillment of basic human needs for all, along with healthcare, education and employment. The purpose of development lies in creation of an environment which can provide a good life for all. And therefore, development must provide all (men and women) the rights, the opportunities and help in cultivating capabilities that they require to live a decent life. Mere economic growth cannot and must not be computation of a country’s development. Basu (1990) defining the inefficiency of economic growth as a parameter of development argued that “we must realize that food stocks with the Government is not something which the people eat, the savings rate is not something which you wear, and one cannot sleep under the roof of foreign exchange. These are just the instruments, which have to be translated to basic needs” (Basu 1990, p. 108).

The ongoing development course in India particularly after 1991, has no doubt gained a good numerical growth in terms of GDP, but has created differences in the lives of its masses; and has developed dichotomous perception about the country. The robust growth of GDP is rapidly changing the perception about India within and across, although the realities are changing with a disproportionate pace. The perception as well as realities about India depends on “who you are, what you do, and where you live. Captains of industry, editors of newspapers, or ministers of governments see one India. So, does the software engineer in Bangalore, the stockbroker in Mumbai, the lobbyist in Delhi, or the entrepreneur in provincial India. The picture is similar, even if shallower, for the investment banker in London, the mutual fund manager in New York, or the chief executive in the board room in Tokyo. These images shape thinking about India 2025 in the world” (Nayyar, 2006). But there is another, entirely contrasting image of India: “Poor tribals in Orissa or Madhya Pradesh, landless labourers in Bihar, dalits in Uttar Pradesh, peasants in villages everywhere, migrant construction workers in Delhi, slum children in Mumbai, pavement dwellers in Kolkata, or street vendors in Chennai, see quite another India” (Nayyar, 2006). Their routine lives are so harsh and difficult that imagining a different India in 2025 is not possible for them. It is not only two mere sharply contrasting views about India. But the fact is that there exist two opposite worlds in India itself: a global India for few and a local Bharat for more. The more disturbing is the virtual disconnect between these two existing worlds. Economic growth is no doubt necessary but not enough. In post-reform era (1991), Indian economy has moved with the logic of markets which
favors giving to those who haves and taking from have-nots. India’s patterns of development have promoted a growing affluence for some and resulted persistent poverty for so many. Nayyar (2006) similarly viewed that “all these may be the consequence of initial conditions and institutional frameworks of India, as similar economic performances in the aggregate could lead to egalitarian economic development in one situation and growth which bypasses the majority of people in another situation” (Nayyar, 2006).

It must be noted here that; the soul of India resides in its villages. Yet, the development discourse signifies a pattern where it reflects that rural sector does not exist in India or does not matter, if exits. But the truth is very different: two third of Indian labor force is employed in agriculture sector and 70 per cent of India’s population resides in rural peripheries. The rural-urban divide in India is continuously increasing leaving the rural population on margin. Incidences of farmer suicides or starvation deaths are the reflection of the acute problem, rural India is facing today. The economic, social, and geographical divide motivated by the contemporary development model is an alarming situation for India. There are substantial signs of polarization of regional disparities caused due to economic reforms done so far. Similarly, the urban focused industrialization has caused social division in the country. Continued rural anger and resistance is the outcome of the urban centric development. Even today, large part of rural India appears struggling with unsatisfactory social conditions. There is always a scope of political instability and violence in India, if the economic success is not transformed into social accomplishments; that may establish chaos and violence in the entire Asian region (Weber, 2012). If masses remain poorer and excluded from the economic success due to widening social polarization, the kind of dissatisfaction will encourage insecurity and violence in the country, so for unheard. We must not forget that social division causes more disappointment and frustration than if everyone would be poor. It has massive possibilities of conflict. Macro-economic indicators cannot the sufficient parameter to evaluate the overall development of a country, and so is the improvement in GDP growth do not define development of nation. Economic expansion in India is achieved with higher productivity than any significant increase in industrial employment and has failed in resolving social challenges (Weber, 2012).

Paloma Durán, Director, Sustainable Development Goals Fund, UNDP on 31 July 2015 argued that the major problem with India is not its GDP growth, rather to make everyone equal partner in its growth. Today the inclusivity of the marginal section of the society seems major challenge before the country. Until India adopt a policy, which will be truly pro-poor and focuses on reducing the socio-economic and regional disparity, India will continue to remain prone to conflicts arising out of discontentment. The recent agitations (like Jats agitation in Haryana and Patidars agitation in Gujarat) going in the country for reservation in education and employment are the examples of anxiety and discontentment perpetrated due to
development deficit among certain group of the population. The OECD (Organisation for Economic Co-operation and Development) framework for Inclusive growth (2014) observed that “Inequality of opportunities can be particularly damaging, because it locks in privilege and exclusion, which undermines intergenerational social mobility and weakens incentives to invest in knowledge and, in turn, holds back potential growth.” Emphasizing the essentiality of equality and equity, the Division for social policy and development, United Nations viewed that “equity and equality reflect the concept of a just society ensuring the equitable distribution of income and greater access to resources through equity and equality of opportunity for all. Public policies have to correct market failures and promote equity and social justice” (OECD, 2014). There are well documented literature testifying that, the great revolutions of twentieth century were emerged mainly due to economic differences and realization about the notion that a small elite group of population is reaping most of the economic rewards, whereas the struggling proletariat shared disproportionate benefits. And this unequal distribution of benefit created social conflict, which refers to unrest in a country from peaceful protests, processions and strikes to riots, mass violence and civil war. Ray and Esteban (2017) defining the inter-relationship between social conflict and economic development, argued that the probability of conflict reduces with rising standards of living; but inequality helps conflict to nurture and grow. They claimed that horrific conflicts which have their genesis in religious and ethnic intolerance or hatred are hiddenly associated with the concept of gain or loss; which flourish with violence. A close look of great revolutionary religious struggles, civils wars, and ethnic conflicts, signifies agenda of some economic gain like oil, land, business etc. Although, noneconomic signs of conflict cannot be rejected.

Conflict can arise, persist, or grow in any economic stages, but poverty multiplies the possibilities of conflict and help it to intensify. “The ongoing structural change, rapid technical progress, and globalization lead to situations in which economic growth is not uniform across the entire economy. Sometimes that growth can spur conflict if the gains are viewed as loot to be seized.” (Ray and Esteban, 2017). There have been numerous instances of business interests being the root cause of religious conflicts and communal violence in India; like the systematic devastation of rival businesses in the ‘anti-Sikh extermination’ of 1984. Similarly, the ‘Hindu-Muslim conflicts’ were inextricably associated with economic reasons. Conflict, Security and Development are the words which are very much inter-connected. Each has a profound impact on the other two. Whenever conflicts arise, either between individuals, social groups or nations, there is bound to be the issue concerning lack of security and in case absence of peace, economic development is hindered. Areas where economic development has not happened since longer time, people vent their frustration against each other and against those in authority. As a result, there arise insecurity; which collapse law and order and conflicts arise (Matinuddin, 2009).
Democracy must not be merely linked to only election processes. Public reasoning, which helps in bringing constructive policy changes and strive to advance substantial freedoms for the masses is an important and integral part of democracy. No country in world is arguably ideal and nowhere everything is just right and simple. And therefore, every country has scope to learn from one another seeing their successes and failures in public dealings. Sen (2006) viewed that liberties in one society varies with the other, but the need and demand for “well-fed, well clothed, well-entertained and well-emancipated” is common in every society. He argued that freedom is both (i) the primary objective and (ii) the principle means of development. “Prof Sen classified diverse freedoms into five different categories, namely economic empowerment, political freedoms, social opportunities, protective security and transparency guarantees.” Highlighting his doubts on democracy in general and Indian democracy in particular, he expressed that GNP growth or other similar parameters of economic expansion are not enough for assessing and evaluating a democracy. Rather, we must see the impact of economic expansions on the lives of ordinary citizens in assessing democracy and political freedoms. He suggested that the meaning of political and civil rights is to empower people, so that they can forcefully make governments conscious towards their general dangers and vulnerabilities. These rights help people in demanding appropriate remedial action from the government to solve their challenges. Moving ahead in context of India, Prof. Sen suggested that the expression of political rights (voting, criticizing, protesting) can make a real difference in India in demanding social policies on education, basic nutrition, health care, land reform and gender. Presence of hunger even after elimination of famines is one of the major failures of the Indian economy (Sen, 2006).

3. Conclusion

The preamble of Indian constitution defines India as a socialist country. It promises equality before law, equality of status and opportunity and equality in accessing the national resources for each of its citizenry. It advocates for special arrangements to promote the under-privilege and backward section of society, so to make India an equal and inclusive nation. After seven decades of the enactment of constitution, it appears that India in its thrust of statistical growth has moved in a course of development, which is more market oriented and limited in few hands, sidelining the large section of population from the discourse. And therefore, major section of Indian society is still combating the menace of poverty, unemployment, homelessness, lower educational attainment, high dropout rates, deplorable health status, gender discrimination etc. No doubt, Indian economy has made remarkable progress in its GDP growth rate since Independence and has gained world-wide recognition and appreciation for the same. But this is only side of the coin, the other side is still gloomy and statistically contrasting. Still major section of India’s population is deprived of basic needs and struggling with the threat of exclusion and unequal distribution of development. The contemporary development model of India has created a gap between the poor and rich, rural and
urban, male and female, developed and underdeveloped, which seems widening day by day. It is rousing social discontentment, dissatisfaction, anxiety, frustration, and anger among large section of Indian population; which in any sense is not healthy sign for a developing country like India. Public outburst of their negativity can take violent form and thus can destroy the political and economic stability of any country. We must not forget that the great revolutions of twentieth century happened due to disproportionate economic distribution. Indian state need to seriously introspect its development model before it become late. The need of the hour is not just to focus on the numeric of GDP growth, but also to emphasize on inclusion and equity. To summarize it can be termed that economic development has apparently promoted India as a strong state and strong market economy, however, it has moved far away from its purpose which advocates that development interventions are intended to make a better living situation for society at a large, rather than worsening it off.

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