

India's Growth Must Be Inclusive with Reforms for an Equitable Society

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- India is growing at the expense of the poor and must introduce reforms to its welfare state.
- Growth must be balanced with help for the 35% living below the poverty line.
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National Capital Region, Gurgaon, India, 8 November 2012 – India is growing at the expense of the poor and must introduce reforms to its welfare state if it is to become a more equitable society, panellists said in a session on growth at the World Economic Forum on India today.

"In the name of the poor, the consumption levels of the rich are increasing," said Harish Hande, Managing Director, SELCO Solar Light, India.

Ajay Chhibber, United Nations Assistant Secretary-General, and Assistant Administrator and Director, Asia and the Pacific, United Nations Development Programme (UNDP), pointed out that, "There was this growth and it wasn't equal. We had to set up a welfare state, then we decided that the way to keep this growth was not to keep growing but to dole out help to the poor."

"But we could do it in a much more efficient and a much more targeted way. Our main effort should be to get these people in to the growth story," he said.

But in the panel discussion in partnership with *Time* magazine, Arvind Mayaram, Secretary, Department of Economic Affairs, Ministry of Finance of India, argued that the government does have a plan for faster growth and said India was a victim of the global economic slowdown.

"There is method in our madness," Mayaram said. "If everyone thinks there is no plan, that is not correct. We are working on growth, but there is a very large area of poor people which needs to be taken care of."

An estimated 35% of people in India live below the poverty line. "Should we be looking only at growth or helping these people?" Mayaram asked. He added that in the next two years, India would be back to its former growth trajectory.

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