Structural Inequalities in South Asia: Issues, Challenges and Policy Solutions

Factually, inequitable access to resources, market and human development not only persists in South Asia but is getting further reinforced every day by a confluence of unequal relations in roles, functions, decisions, rights, and opportunities. Welfare policy, whatever of it was available, has failed to bring significant improvement for the marginalized; and, social development of the bottom millions remains a vagary, so far.

Despite that fact that every state in the region has witnessed a sharp rise in Gross Domestic Products (GDP), a parallel rise in inequalities has also been observed and the growth gains have been limited to certain groups with access to resources and market participation limited to the elite. This is because public policy in South Asia has failed to deal with the structural inequalities. Despite decades of social policy, access to resources and opportunities continues to be determined by race, place and class. Socioeconomic status is a decisive factor in access to public services including education, health and labour market opportunities. Poor stay poor because they were born to poor.

We, at SDPI, believe that South Asia needs new thinking in dealing with structural inequalities - including the issues of race, poverty, inequities, heredity, welfare, and the underclass. Economic policies of the South Asian countries need to offer as welfare policy which is well processed rethinked out model. Contrary to present models of social protection and redistribution policies dealing the poverty and inequality through adhocism, a broader economic framework comprehending these issues in totality is required. Social inclusion can be one such option.

It is in this context that a good economic policy should be founded on the idea that encompasses a range of social issues and their interconnectivity within particular context of structural problems. The framework should not only deal with the redistribution of inequalities, but the production thereof as well. The template of economic policy, therefore, must tackle the structural inequalities and provide unified understanding of the social issues and prescribe the solutions having intersected positive effects.

Public policy needs to go beyond targeting of poverty and inequity of outcomes and should tackle foundation of structural inequalities. Social problems need to be framed in all their interconnectedness. So must be the solutions. Rules need to be rewritten for South Asia, policies to expand access to assets, increase investment in human capital, enhance market participation of marginalised along with proper poor monetary and fiscal policy needs to be put in place. In this context, this panel calls for abstract/papers presenting discussion and new evidence on alternative aspects of welfare policy including, but not limited to:

- Economic growth, poverty and inequity: The estimates and/or inter-linkages
- From inclusive growth to inclusive development
  - A labour market perspective
- Poverty – definition, measurement and suggested solutions
- Inequity of opportunities: Intergenerational social mobility
  - Education, occupational immobility
- Tax, inequity and social mobility
- Monetary Policy and Structural Inequalities
• Race, Place and Economic Mobility
  o Role of local labor markets, family structure, educational institutions, and residential opportunity
• Policy Solutions to Structural inequalities
  o A critical appraisal of the policies and lessons for South Asia
• Social Inclusion: The New Template of Social Policy
  o Estimates, drivers and Proposed policy solutions

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