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President's Note

Dialogue has, over the years, endeavoured to serve as a credible platform for thoughtful, research-driven, and balanced discourse on issues of national and global significance. By bringing together diverse perspectives, the journal seeks to contribute to a deeper and more nuanced understanding of evolving socio-political and strategic realities.

In recent times, the regional and extended neighbourhood has witnessed a series of developments that underline the growing complexity of the contemporary geopolitical environment. In this context, Policy Perspectives Foundation (PPF), the partner organisation currently publishing Dialogue, convened a roundtable discussion with practitioners and scholars to deliberate on these issues and their implications for India. A brief of this discussion is presented as the opening piece of this edition.

At the same time, it is difficult to overlook the profound human cost that accompanies such conflicts. The loss of innocent lives, particularly of women and children on both sides, is deeply distressing and ultimately serves no enduring interest. These circumstances call for a renewed emphasis on restraint, dialogue, and peace-building. As reflected in the timeless Indian ideal "वसुधैव कुटुम्बकम्", the world as one family, there remains an enduring hope that nations will work collectively towards solutions that prevent further suffering and foster stability.

It is in this spirit that Dialogue seeks to encourage informed reflection and constructive engagement among its readers.

PC Haldar
President
Astha Bharati

Editorial Perspective

We are pleased to present the current issue of *Dialogue*, which brings together contributions engaging with contemporary geopolitical, socio-economic, and developmental challenges across regions and disciplines. Despite their thematic diversity, the papers are connected by a shared emphasis on understanding present realities through deeper historical, institutional, and structural contexts.

The issue opens with a policy brief based on a recent roundtable discussion on *Recent Developments in the Neighbourhood* organised by PPF, New Delhi, followed by a compelling paper by Safi Ahsan Rizvi on Iran, examining the interplay of identity, faith, nationalism, and resource politics in shaping regional geopolitics. The volume also revisits important historical and intellectual linkages through a study on Tan Yunshan, highlighting the significance of early India-China cultural engagement.

The issue further expands its focus to questions of development and social transformation, with contributions examining Africa's evolving developmental discourse, financial literacy and retail investment trends in India, intra-group inequalities among Scheduled Castes, and the implementation challenges of initiatives such as Jal Jeevan Mission.

Collectively, the contributions underline the importance of connecting broader policy and theoretical frameworks with lived realities. This edition of *Dialogue* seeks to encourage a more nuanced and integrated engagement with questions of governance, development, and social change in an increasingly complex world.

Manika Malhotra Jain
Editor, Dialogue

Policy Brief

Recent Developments in the Neighbourhood: Implications for India

A discussion organized by Policy Perspectives Foundation (PPF) at the India International Centre.

The observations presented in this policy brief reflect the broad contours of discussions held during the roundtable and are intended to contribute to informed policy discourse.

Recent Developments in Bangladesh: Implications for India

1. Introduction: Why Bangladesh Matters

India's neighbourhood has always occupied a central place in its strategic thinking, shaped by geography, shared histories, and interdependent futures. Classical frameworks such as the *Arthashastra* underscore the enduring importance of immediate neighbours in determining a state's security and prosperity. In contemporary terms, this translates into a simple but compelling reality: India's developmental trajectory remains closely tied to the stability of its periphery.

Within this framework, Bangladesh stands out as one of India's most consequential neighbours. It shares India's longest land border, deep cultural and linguistic affinities, and plays a critical role in connectivity to the Northeast. At the same time, the relationship remains layered with sensitivities arising from asymmetry, domestic politics, and evolving geopolitical dynamics. The recent political developments in Bangladesh, therefore, merit close attention, not only for their domestic implications but also for the manner in which they shape India's broader strategic environment.

2. Political Transitions and Their Implications

Bangladesh's political evolution has historically witnessed periods of instability, including cycles of democratic governance interrupted by military or extra-constitutional interventions. While phases of political stability have emerged periodically, institutional consolidation has remained uneven, often making political transitions sensitive and consequential.

The tenure of Sheikh Hasina (2009-2024) represented a phase of relative stability and strong India-Bangladesh cooperation. During this period, notable progress was achieved in security coordination, particularly in addressing insurgent activities affecting India's Northeast, alongside advances in connectivity and economic engagement. At the same time, the concentration of political authority during this period also meant that bilateral engagement became significantly leadership-centric.

Subsequent political developments and the interim phase under Muhammad Yunus appeared to coincide with a degree of strain in bilateral perceptions, while domestic political narratives and external influences gained greater visibility in public discourse. The evolving political landscape, including the growing role of the Bangladesh Nationalist Party (BNP), may indicate the possibility of a more pragmatic phase of engagement with India. This presents both opportunities and challenges, requiring India to pursue constructive engagement while remaining mindful of historical sensitivities and changing domestic political dynamics within Bangladesh.

3. Persistent Structural Challenges

Despite periods of cooperation, several structural issues continue to shape the bilateral relationship. Among the most significant remains the unresolved issue of river water sharing, particularly the Teesta agreement. Although a draft framework was finalized in 2011, domestic political considerations within India have delayed its conclusion. For Bangladesh, water security carries both economic and political significance, making the issue a recurring point of concern. Border management also continues to present challenges. Questions relating to illegal migration, smuggling networks, and periodic incidents of violence along the border generate tensions and differing perceptions on both sides. While India approaches these concerns primarily from a security perspective, Bangladesh often frames them in humanitarian and socio-political terms.

The Rohingya crisis has further complicated the regional environment. Bangladesh's continued hosting of a large refugee population has created substantial economic and social pressures, while the absence of a coordinated regional framework has limited long-term solutions. Economic asymmetry also remains an important issue in bilateral discourse. While India has extended duty-free access to several Bangladeshi exports, trade continues to remain uneven. In Bangladesh, concerns are often framed not merely around trade figures, but around broader perceptions of balance and economic equity within the partnership.

4. Geopolitical Context and External Pressures

The India–Bangladesh relationship must also be viewed within the wider geopolitical context. China's expanding economic and infrastructure engagement in Bangladesh has introduced an additional strategic dimension to the regional landscape. For Bangladesh, China represents an important development partner, while for India, this evolving engagement requires careful strategic assessment.

The discussion highlighted that India's comparative strengths may lie less in matching financial scale and more in deepening cooperation in areas such as connectivity, energy integration, education, and human capital development. Participants also reflected on the broader role of external actors in shaping political and strategic developments within the region, underscoring the increasing complexity of South Asian geopolitics and the importance of sustained regional engagement.

5. Security Concerns and Internal Dynamics

From India's perspective, security considerations remain central to the relationship. Concerns continue regarding the possibility that political instability or changing domestic alignments within Bangladesh could create space for extremist or insurgent tendencies to regain influence.

Issues relating to minority rights and demographic shifts also continue to remain sensitive in bilateral discourse, given their wider social and political implications within the region.

6. Areas of Convergence and Opportunity

Notwithstanding these challenges, India–Bangladesh relations have demonstrated significant resilience, particularly in areas of practical cooperation. Connectivity initiatives, including rail links, inland waterways, and energy pipelines, have improved integration between the two countries. Energy cooperation has emerged as an especially important pillar of engagement, with cross-border electricity trade and fuel supply arrangements benefiting both sides.

People-to-people linkages remain another important dimension of the relationship. Bangladeshis continue to constitute one of the largest groups of visitors to India, particularly for medical treatment and education. Recent restrictions and disruptions, however, have affected these exchanges, highlighting the need to strengthen societal and institutional linkages further.

7. Policy Gaps and Strategic Recalibration

A key takeaway from the discussion was the need for India to gradually institutionalize engagement beyond individual political leadership. Expanding interactions across political parties, academic institutions, civil society, and think tanks could help create greater resilience within the bilateral relationship.

Equally important is the management of perceptions. Discussions highlighted that perceptions of asymmetry continue to shape sections of public discourse in Bangladesh. Addressing such concerns may require not only policy initiatives but also sustained diplomatic outreach and greater sensitivity in engagement strategies.

8. Way Forward

India's approach to Bangladesh must combine strategic caution with sustained engagement. Politically, this requires maintaining dialogue with all relevant stakeholders while respecting Bangladesh's internal political processes. Economically, cooperation in connectivity, trade, and energy must continue to deepen while addressing concerns related to balance and inclusivity. Resolving long-pending issues such as the Teesta agreement would contribute significantly toward building confidence. Similarly, strengthening people-to-people engagement through academic exchanges, easier mobility, and sub-regional cooperation can help reinforce trust. At the strategic level, adopting a complementary rather than confrontational approach toward evolving regional dynamics may allow India to retain long-term relevance and influence.

9. Conclusion

The evolving situation in Bangladesh presents both opportunities and uncertainties for India. Political transitions may create temporary instability, but they also offer opportunities to place the relationship on a broader and more institutional footing. Ultimately, India's objective must remain the development of a stable, cooperative, and mutually beneficial partnership with Bangladesh that contributes to regional peace, connectivity, and shared prosperity. Geography remains an enduring reality, and the success of India's neighbourhood policy will depend upon how effectively and sensitively it responds to changing regional dynamics.

West Asia in Flux: Strategic, Economic, and Diplomatic Implications for India

1. Context and Overview

The escalation of tensions in West Asia following the February 28 strikes involving Israel, the United States, and Iran has significantly altered the regional security environment, generating wider global implications. While the developments were framed publicly around nuclear concerns, several assessments at the time pointed toward the possibility of renewed diplomatic engagement on the Iranian nuclear issue.

The evolving conflict, therefore, generated wider debates regarding its broader strategic objectives and long-term implications. Rather than reducing instability, the developments appeared to contribute to greater regional polarization and uncertainty.

2. Energy Shock and Global Economic Disruption

At the centre of the crisis lies the disruption of the Strait of Hormuz, through which a substantial share of global oil and LNG supplies transit. The resulting uncertainty has generated major disruptions in global energy markets and intensified inflationary pressures internationally.

Oil prices witnessed sharp increases during peak periods, while disruptions to LNG infrastructure created additional concerns regarding long-term supply stability. Strategic reserve releases by major economies provided only partial relief, highlighting the structural vulnerabilities of contemporary energy markets. These developments underscore the continued centrality of West Asia to global economic stability.

3. Regional Dynamics and Strategic Realignments

The conflict has highlighted significant divisions and recalibrations within West Asia. Several regional states had earlier expressed concerns regarding the risks of escalation and its potential spillover effects on regional stability and energy security. At the societal level, the conflict has also contributed to shifts in political sentiment across parts of the region, with broader debates emerging around questions of nationalism, regional solidarity, and geopolitical alignments. External actors have simultaneously continued to recalibrate their engagement. China has expanded its strategic and economic presence, particularly through infrastructure and energy cooperation, while other regional actors have also sought to position themselves diplomatically within the evolving situation.

4. Implications for India

Energy Vulnerability

India's dependence on imported hydrocarbons makes it highly sensitive to fluctuations in global energy prices. Rising oil and LNG costs have direct implications for inflation, fiscal management, and energy security.

Diaspora and Remittances

Nearly 9 million Indians reside in the Gulf region, making regional stability crucial from both economic and humanitarian perspectives. Prolonged instability could affect employment, remittance flows, and migration patterns.

Trade and Investment

India's trade and investment linkages with the Gulf remain substantial. Regional uncertainty may affect investment flows, infrastructure projects, and broader economic engagement.

Strategic Connectivity

Projects such as Chabahar Port continue to hold strategic significance for India's connectivity ambitions toward Central Asia, though evolving geopolitical pressures remain a challenge.

5. Foreign Policy Challenges

The crisis has also highlighted the complexities of India's contemporary foreign policy environment. India adopted a cautious and calibrated approach, reflecting the need to balance ties across multiple regional stakeholders. At the same time, the developments have reinforced the importance of maintaining diversified regional partnerships, including continued engagement with Iran alongside India's deepening ties with Israel and Gulf states. The discussions also highlighted the potential utility of multilateral platforms such as BRICS in encouraging dialogue and reducing regional tensions.

6. Scenarios and Strategic Outlook

Two broad scenarios emerged during the discussion:

1. Prolonged Uncertainty

A situation characterized by temporary ceasefires, continued tensions, and intermittent disruptions to energy flows, leading to sustained geopolitical and economic uncertainty.

2. Negotiated Stabilization

A possible revival of diplomatic negotiations around the nuclear issue and regional security arrangements, potentially contributing to gradual stabilization.

7. Policy Recommendations for India

- Accelerate energy diversification and strengthen strategic reserves
- Deepen balanced engagement with all major stakeholders in West Asia
- Utilize multilateral forums such as BRICS for dialogue and confidence-building
- Expand humanitarian and regional cooperation initiatives
- Continue to uphold strategic autonomy in navigating complex geopolitical developments

8. Conclusion

The evolving situation in West Asia represents not merely a regional conflict but a broader geopolitical and economic challenge with significant implications for global stability and India's strategic interests. For India, the challenge lies not only in mitigating immediate economic vulnerabilities but also in adapting its foreign policy to an increasingly fluid and uncertain international environment. Sustained diplomatic engagement, strategic balance, and economic resilience will remain central to navigating this evolving landscape.

Understanding The History of Iranian Pride, Faith, Oil and Nationalism

Safi Ahsan Rizvi*

From the Safavid state Shi'ism to Qajar concessions, Pahlavi oil monarchism, and the Islamic Republic's resistance narrative, this essay traces how religion, foreign exploitation, and hydrocarbons have intertwined to forge a durable, but deeply contested, sense of Iranian national pride and resilience in the face of real and imagined encirclement.

Ervand Abrahamian, an Iranian-born Armenian historian and professor at City University of New York, describes the ideology of the Iranian Revolution as *"a complex combination of pan-Islamism, political populism, and Shi'i religious radicalism deployed in a struggle against oppression and empire."*

The research in this essay begins with the emergence of Safavid-inspired Twelver Shi'ism in Iran in the 1500s, moving to the declining Qajars, who could not resist Western offers of imbalanced concessions, which led to nationalism and the rise of the Pahlavi dynasty. This shift in turn tilted towards the West and its 'modern' civilisation, angering the clergy-trader nexus, which had been strengthening since the 1700s. The Islamic Revolution in 1979 marked a stark turn to another extreme, but the consistent thread throughout Iran's five centuries has been steadfast Shi'ism, its rituals, a rich cultural heritage, and a deep-rooted grievance of exploitation by the West. That is where the nationalism seen today originates, surprising the US and Israel, which expected a mass protest, a collapse, and a regime change.

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*IPS, Retired, Former Advisor NDMA, Former Executive Director NIDM

Safavid foundations of faith, pride and early culture

Iran's modern story centres on oil, empire, and revolution, but its deeper roots, pride and religious identity were established two centuries earlier under the Safavids. Shah Ismail I's conquest of Tabriz in 1501 and declaration of Twelver Shi'ism as the state religion not only defined doctrine but also created a sectarian divide from the Ottoman and Uzbek rivals and unified diverse peoples politically. Safavid Iran, a classic gunpowder empire on key trade routes, thrived on agriculture, textiles, trade, and transit taxes, but its most lasting impact was ideological.

The Safavids imported Arab and Anatolian clerics, established shrines and seminaries, and promoted mourning rituals around Ashura, embedding Twelver Shi'i narratives in daily life. Shrines at Mashhad, Qom, and elsewhere became centres of devotion and authority, linking local elites and believers into a Shi'i universe with Iran at its core. Court art, architecture, and urban life in cities like Isfahan conveyed confidence in Iran as both a bastion of true Islam and heir to Persian grandeur. Safavid statecraft integrated monarchy, Shi'ism, and nationhood into a lasting triangle. Being Iranian meant belonging to Shi'ism, with its unique institutions and culture, often sharing common enemies.

Qajar weakness and nationalism

The Safavid collapse in 1736 and subsequent turbulent periods did not erase this identity but revealed its fragile political structure. By the late 18th century, the Qajar dynasty had established Iran as a recognisable Shi'i realm with a long civilizational memory, yet it faced pressures from industrialising European powers. Qajar shahs struggled to fund their court, army, and administration with a primarily agrarian and commercial economy, lacking a modern tax system and surrounded by powerful tribal and provincial elites. They relied on foreign loans and concessions over customs, tobacco, railways, mines, and eventually oil.

Most notably, the 1872 Reuter concession and the 1901 D'Arcy oil concession became symbols of political anger, as forests, mines, and resources were nearly handed over for nothing. Merchants, clerics, and intellectuals saw a pattern, that of a weak monarchy trading economic sovereignty and honour for short-term profits and personal gain. The Safavid Shi'i legacy now intersected with a modern economy, with European demand and capital penetrating Iran on uneven terms, undermining local producers and tying the state to external creditors.

This led not only to poverty but also humiliation, as Iran's ancient civilisation appeared reduced to an imperial bargaining chip.

Shi'i clergy shifted from legal custodians to political actors and defenders of national dignity. The Safavid-imposed Twelver framework supported a powerful religious establishment, mujtahids, seminaries, and endowments, that maintained social independence and influence over both the state and foreign interests. During the 1891-92 Tobacco Protest, a British-backed tobacco monopoly sparked a nationwide boycott led by merchants and a fatwa, ultimately leading to the cancellation of the concession. This demonstrated that Shi'i authority could defend livelihoods and collective honour against external intrusion, emphasising the unity of Islam and Iran against imperialism.

The 1905-11 Constitutional Revolution intensified the fusion of faith, pride, and politics. Confronted with debt, increasing Russian and British influence, and domestic unrest, Mozaffar al-Din Shah agreed to a constitution and an elected Majles. Clerics, traders, and urban intellectuals played key roles in the struggle. The resulting constitutional order was fragile and contested, with later shahs trying to dismantle it and foreign powers infringing on Iran's sovereignty. Nonetheless, it signalled a shift in perception. Iran was now viewed as a collective political community with defined rights, protected resources, and representatives speaking for it.

Religiously, little changed. Twelver Shi'ism remained orthodox, and no doctrinal revolution occurred during the Qajar era. What evolved was the political theology of authority and resistance. Leading mujtahids debated the compatibility of sharia with constitutional law, with many endorsing a synthesis in which an Islamic-law-constrained assembly could curb royal and foreign overreach. This laid the foundation for a lasting pattern, that of Shi'i institutions providing moral and organisational support for movements combining religious language, economic grievances, and national pride.

By the early 20th century, modern Iranian identity was taking shape. A memory of the Safavid empire and Shi'i distinctiveness fostered confidence, while military defeats and territorial losses under the Qajars fuelled narratives of humiliation. Cleric-trader alliances showed that public opinion could influence policy in matters of justice and the national interest. The discovery of oil and Reza Khan's rise in 1921 occurred against this backdrop, a society perceiving itself as a historic, wronged Shi'i community with limited representation. The Majles and the constitution did not forge a European-style nation-state. Still, they established Iran as more than a dynastic estate, a collective patrimony whose resources and honour were not to be pawned to outsiders.

Pahlavi Iran: oil, secular nationalism, and the road to revolution

In 1921, Reza Khan entered Tehran with the Cossack Brigade, amid a political landscape shaped by Safavid Shi'ism, Qajar humiliation, and a new sense of national identity from the Constitutional Revolution. His goal, continued by his son, was to transform Iran into a modern, centralised nation-state using nationalism and oil revenues to establish a strong monarchy free from tribal or imperial influence. The Pahlavi regime sought to redefine Iranian identity as more secular, pre-Islamic, and state-oriented, despite reliance on Western support and its entanglement in hydrocarbon politics.

Reza Shah's reforms combined state-building with authoritarianism. He centralised taxes and the military, reduced tribal autonomy, expanded infrastructure, promoted Persian as the national language, and imposed Western dress sense. While Iran's official religion remained Shi'ism, he diminished clerical influence by closing religious schools, controlling endowments, and limiting clerical symbols. His vision emphasised Iran's pre-Islamic heritage, Cyrus and Darius, aiming for a disciplined, European-style nation, with Islam politically subordinate.

Oil both enabled and constrained this project. Reza Shah aimed to reclaim control over Iranian resources, but the 1901 D'Arcy Concession and the rise of the Anglo-Persian Oil Company meant Britain controlled production, refining, and export. The 1930-31 depression collapse in royalties convinced Tehran that the current arrangement was unacceptable. When Reza Shah sought change, he faced a weak Iran bargaining with a powerful empire that could threaten partition or regime change.

The 1933 renegotiation slightly increased Iran's revenues and formal role but extended the concession's life, ensuring long-term British control and fueling nationalist accusations that the Shah had sold out the nation. WWII revealed Iran's limited sovereignty. In 1941, British and Soviet forces invaded, forcing Reza Shah's abdication over his pro-German stance and placing his son, Mohammad Reza, on the throne. The young Shah inherited a throne tied to foreign interests, a more diverse political scene, and growing calls for true independence through oil control. This climate made oil nationalisation a key issue for Iranian pride and sovereignty.

In 1951, Prime Minister Mossadegh's decision to nationalise the Anglo-Iranian Oil Company united various social groups behind the demand that Iran, not Britain, control its resources. He became a symbol of parliamentary nationalism, asserting that a constitutional state could oppose an empire through courts, international opinion, and street protests. Britain's embargo and subsequent economic crisis created opportunities for the US, which, then focused on Cold War containment, viewed the crisis through anti-communist eyes.

The 1953 coup, led by British and American intelligence, ousted Mossadegh, restored the Shah's power, and reopened the oil sector under a multinational that kept Western firms in control, while Iran received a 50-50 profit split. The coup left a lasting impact, teaching Iranians that Western interests would override national pride and democracy, fueling a narrative of betrayal rooted in older memories of Qajar concessions. For the Shah's regime, 1953 underscored the importance of aligning with Western security and economic goals, using oil revenues to fund a modern, secular nationalist program called Pahlavism.

From the mid-1950s into the 1970s, Mohammad Reza Shah sought to redefine Iranian pride around three pillars: rapid economic growth, geopolitical stature as a US-backed regional power, and a reimagined national identity that privileged pre-Islamic symbols and a centralised, rational state over traditional intermediaries. Oil was the indispensable lubricant. The consortium arrangement, rising production, and later the 1973-74 oil price shock generated huge revenues, financing infrastructure, heavy industry, urbanisation, expanded education, and a large, well-equipped military. Under the Nixon Doctrine, Iran became a key American pillar in the Gulf, buying sophisticated weaponry and presenting itself as the natural guardian of the Strait of Hormuz and the regional status quo.

Pahlavism combined state secularism, monarchical legitimacy, and modernist nationalism rooted in an idealised Aryan-Persian past. Official events, like the 1971 Persepolis celebrations, emphasised continuity with ancient empires, often implicitly contrasting pre-Islamic splendour with the perceived backwardness of Arabs and Islam. Islam was regarded as a private faith, with the core identity centred on a timeless Iranian nation catching up with the West under royal leadership. For many urban middle-class Iranians, this fostered pride and opportunity, while clergy, bazaar factions, and rural poor saw it as a threat to their morals and social status.

The 1960s White Revolution reflected the project's ambitions and contradictions. Responding to U.S. pressure to broaden his base, the Shah implemented reforms: land redistribution, women's suffrage, literacy, health programs, and nationalisation of forests and pastures. Marketed as a peaceful step into modernity, these often-fragmented landholdings did not create a productive smallholder class, prompting rural migration. Though expanding state influence in rural areas, the reforms exposed the gap between promises and outcomes. While weakening landlords and clerical networks, they failed to satisfy peasants and increased resentment among religious leaders, who saw them as foreign-imposed and culturally harmful.

Oil wealth temporarily masked social divisions. The 1973-74 oil boom spurred rapid growth, arms imports, and the Shah's ambition for Iran as a regional power. Yet, urbanisation, conspicuous consumption, inflation, and inequality eroded the regime's social support. Oil revenues funded a security state, including SAVAK, which suppressed political parties, unions, and the press, limiting dissent.

Pahlavi modernisation created a "gilded cage" of infrastructure and growth without political inclusion, amid a widening gap between nationalist rhetoric and the struggles of exclusion, cultural and religious dislocation, and fear. Unintendedly, the Shah's policies marginalised the clergy while promoting pre-Islamic symbols and Western culture, uniting conservative and radical religious opponents. Figures like Khomeini reinterpreted Shi'i principles into political criticism of the regime's authoritarianism, corruption, and foreign influence, especially by the US. Memories of 1953, foreign oil interests, military presence, and Western cultural influence intensified opposition beyond pious circles.

By the mid-1970s, therefore, Iran under the Pahlavis embodied a paradox. On paper and in macro indicators, it was a success story with high growth, rising education, expanding infrastructure, an assertive foreign policy, and a strong alliance with the United States. The same oil that financed the Shah's "great civilisation" had also deepened dependence on Western markets and arms, magnified the social shock of rapid change, and turned Iran into a symbol of neo-imperial entanglement for its critics.

When mass protests erupted in 1978-79, sparked by attacks on Khomeini in the press but fed by years of accumulated grievances, they drew on all the layers laid down since the Safavids. Demonstrators marched under Islamic slogans but also evoked Mossadegh, the constitution, and the idea of an Iran whose destiny should not be decided in Washington or London. The Pahlavi project of secular, oil-funded nationalism had sought to transcend religious politics and embed pride in the state and the monarch. Instead, it helped prepare the ground for a revolutionary movement that would fuse Shi'ism, anti-imperialism, and popular frustration into a new, more explicitly religious form of national identity.

The Islamic Republic: revolutionary Shi'ism, war, and siege nationalism

The 1979 revolution revived Iran's pride rooted in the Safavid era but redefined it by emphasising Shi'i Islam's role in shaping Iranian identity and enemies. Khomeini and supporters saw the fall of the Shah as restoring Iran's dignity after foreign interference and moving away from secular, Western-influenced nationalism. The Islamic Republic asserted sovereignty through velayat-e faqih, the guardianship of a learned jurist ensuring divine law, appointed in anticipation of the 12th Imam, the Mahdi. Iran positioned itself as a leader of oppressed Muslims, citing Shi'i martyrdom, Mossadegh's tenure, and the 1953 coup to justify its anti-imperialist stance.

However, this independence clashed with geopolitical realities, fuelling a new form of siege nationalism. The 1979-81 hostage crisis severed ties with the US, leading to asset freezes and sanctions that isolated Iran economically. The invasion of Iran by Saddam Hussein in September 1980 marked a turning point. Iraqi leaders aimed to exploit revolutionary chaos, reverse the 1975 Algiers Agreement, and seize Khuzestan's oilfields while targeting a regime calling for Ba'athist overthrow. In Tehran, the conflict was cast as a defensive jihad, testing national and religious resilience, as the young republic fought alone against an Iraqi force backed by Gulf monarchies and tacitly supported by superpowers.

The eight-year Iran-Iraq War militarised and sacralised Iranian nationalism. It drew on Shi'i themes of martyrdom, sacrifice, and suffering, as well as patriotic motifs like defending the homeland, protecting cities such as Abadan and Khorramshahr, and restoring lost honour after setbacks. Institutions like the Islamic Revolutionary Guard Corps (IRGC) and the Basij mobilised hundreds of thousands, forging new networks of loyalty rooted in war experiences. Cemeteries, veterans' groups, and sacred defence commemorations became central to Iran's national identity, portraying itself as a resilient victim justified in its revolutionary cause.

Oil and the Gulf played key roles. Both sides attacked each other's economic assets, leading to the mid-1980s Tanker War, with Iraqi aircraft targeting tankers near Iranian ports. Iran responded with mines, missiles, and fast boats against shipping connected to Kuwait and Saudi Arabia. The conflict made the northern Gulf and Strait of Hormuz contested strategic areas, resulting in US-Iran clashes. For Tehran, controlling chokepoints and disrupting oil flows was a way to offset weaknesses and influence powerful states.

The 1988 war's end did not ease Iran's sense of encirclement. During the 1990s, reconstruction occurred amid US sanctions that shifted from hostage-related issues to broader measures targeting Iran's energy, banking, and technology sectors, due to its support for armed groups and regional destabilisation. New restrictions, US laws like the Iran and Libya Sanctions Act, UN resolutions from 2006 onward, and EU oil and financial embargoes reinforced the view that Iran was being punished for pursuing an independent path in a Western-dominated order. Domestically, sanctions were often portrayed as economic warfare, allowing leaders to frame hardship as necessary for dignity and rally support under the banner of a resistance economy.

The Islamic Republic built a complex system to promote its preferred identity, an inherently tense system. It invested in education, media, and rituals linking Shi'i piety, anti-imperialism, and national pride, through textbooks tracing Shi'ism from the Safavids to Khomeini, and media celebrating martyrs and depicting the US and Israel as a threat. The IRGC and Basij provide security, patronage, and ideological socialisation, especially among the lower middle classes and in provinces. Meanwhile, Iran's urbanisation, rising education, youth population, and exposure to global culture foster alternative visions of Iran's pride and future.

Elections and protests exposed these contradictions. Reformist politicians like Khatami and Rouhani sought support from those seeking a less securitised, more internationally engaged Iran that values national independence and cultural uniqueness. Conservatives and security forces, on the other hand, emphasised ideological purity, self-reliance, and distrust of Western aims, citing past events from 1953 to the US's JCPOA withdrawal as proof. Despite differences, both sides shared a language of Iranian pride, Islamic values, and resistance, showing that centuries-old notions of greatness remain influential even amid disputes.

The nuclear program and JCPOA illustrate how national pride, religion, and politics now intersect. Iran views mastering the full nuclear fuel cycle as a sovereign scientific achievement and a symbol of parity with great powers, not primarily as a weapons bid; many Iranians see it as a source of pride mixed with anxiety over costs. The 2015 deal briefly eased sanctions, boosting exports and financial ties, but the 2018 US withdrawal and reimposition of sanctions confirmed Washington's intention to use economic pressure to coerce Iran. In response, Tehran has relied on clandestine oil sales, expanding ties with the East, and escalations in the Gulf, seizing tankers and attacking infrastructure, which demonstrate its capacity to increase the costs of its own isolation.

Conclusion

In Iran, national pride blends ancient civilizational memory, Safavid Shi'ism, Qajar grievances, Mossadegh's nationalism, Pahlavi modernisation, and the Islamic Republic's revolutionary story. While the state stresses Shi'i ideology and resists Western influence, the people often protest economic mismanagement, social restrictions, and isolation, yet stay motivated by dignity and perceived external unfairness. Since 1501, the core of Iranian pride and faith remains, but its expressions and enemies, ranging from Ottomans and Russians to oil companies, superpowers, and sanctions, have changed.

Over four centuries, Iran's pride, religion, and politics have evolved yet remain interconnected. The Safavid era established Twelver Shi'ism and a sense of distinctiveness. Qajar concessions and foreign interference transformed this into grievances and early nationalism. Pahlavi modernisation and secularism aimed to unify the nation around oil wealth, while the Islamic Republic incorporated these elements into a narrative of revolutionary Shi'i nationhood under threat.

This story isn't static or universally accepted within Iran. Nonetheless, appeals to ancient civilisation, Shi'i sacrifice, and resistance to foreign domination resonate deeply amid internal divisions. Understanding Iran today requires recognizing not just rational calculations of a regional power, but a community's long memory of resource loss, foreign manipulation, and faith used both as shield and sword.

Tan Yunshan: China's First Correspondent in India

Prashant Kaushik*

Introduction

Who was China's first correspondent to India? What did he report about and why? Was his reporting any consequential? What was the larger political milieu in which he reported? What was it that he reported about? Such questions assume significance when one considers the significant role that the media has been playing in India-China relations. This article delves into one of the significant historical episodes of India-China interactions by highlighting the role played by Tan Yunshan (1898-1983) through the late 1920s and early 1930s as China's first correspondent to India during a tumultuous period of history in both countries. It is pertinent to understand this role of Tan Yunshan, not just to shed light on one of the most neglected aspects of Tan Yunshan's contribution to India-China interactions, but also to understand what and how an average Chinese reader in China and the Sinophone world knew about India. For this purpose, this article first delves into the extant literature about Tan Yunshan to highlight how little his role as a correspondent for Chinese publications has been studied. Second, it focuses on the *Eastern Miscellany* magazine (*Dong Fang zazhi*) and its archives to shed light on the nature of correspondence done by Tan Yunshan. It highlights that the focus of Tan's writings was the role played by Mahatma Gandhi in the Indian national movement. Third, it underscores the significance of Tan Yunshan's correspondence by arguing that he reported about Mahatma Gandhi and the Indian national movement from India in a contested environment in China where leftist thinking and ways of analysis were increasingly gaining ground. Tan tried to reaffirm the role of Mahatma Gandhi in the Indian national

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movement, which had increasingly come under criticism by the left-leaning intellectuals in China.

Tan Yunshan

Tan Yunshan (1898-1983), born in Chaling village in China's Hunan province, is well-known as the founding director of Cheena Bhavana at Visva-Bharati, Shanti Niketan. He had joined Visva-Bharati at the invitation of Rabindranath Tagore (1861-1941) in August 1928 and assisted him in founding and running the Cheena Bhavana – the centre for Chinese language, literature and culture. The life and contributions of Tan Yunshan have been studied from varied perspectives. While there exist several detailed biographical accounts of Tan which highlight his contributions to the cause of China-India friendship, Sinology, and Buddhist studies in India as an academic and institution builder (Tan, 1998; Tan, 1999; Yu, 2014; Zhu, 2018; Cai, 2024); there are also studies which situate his illustrious career as 'peripatetic scholar' and 'unofficial diplomat' of Republican China led by the Guomindang/Nationalist Party (GMD) (Tsui, 2010; Tsui, 2021). Nonetheless, the aspect least studied about Tan Yunshan is his role as a 'foreign correspondent' for Chinese publications through the late 1920s and early 1930s. Tan Yunshan was perhaps the first Chinese correspondent to report from India first-hand for the Chinese press. He regularly contributed to Chinese newspapers and magazines during the Republican Period (1912-1948) in China. The most notable among them was *the Eastern.*

Miscellany magazine, because of its reach, circulation and publication ideals. In addition to his reports and columns in Chinese newspapers and magazines, Tan Yunshan wrote more than two dozen books and poem collections in English and Chinese (For a complete list of Tan Yunshan's works, see Yu & Liu, 2021: 438-9). Many of his works and articles have served as a window for scholars and intellectuals in the Sinophone world to understand India.

The Eastern Miscellany and Tan Yunshan

The *Eastern Miscellany* magazine, or the *Dongfang zazhi*, as it was known in Chinese, serves as an important historical source for understanding Tan's contribution as a 'correspondent'. The *Eastern Miscellany* was not just the longest-running private magazine in the first half of the twentieth century in China, but also the most widely circulated one. During its circulation spanning from the years 1904 to 1948, it brought out 44 main volumes running into 819 issues and consisting of around 20000 articles (Tao, 2013). It remained under publication throughout some of the most momentous periods in the history of China and the world, and reflected a wide range of diverse events and opinions in its pages. It not only witnessed the unfolding of history amidst global events but also recorded it, thus becoming a magnificent repository of information and source materials. It has been appropriately called "*the magazine of magazines, the paramount magazine*" ("*zazhi de zazhi*， *zazhi de zhongzhen*") in Republican China, where the popular saying was: "*you can know the affairs of China and the world by just getting a copy of The Eastern Miscellany*" ("*de yiben Dongfang zazhi, bian zu zhouzhi zhongwai jinshi*") (Xinhua, 2003). Given the overall focus of the *Eastern Miscellany* upon informing its readers about various events taking place all over the world, it expectedly paid attention to the Indian national movement as well, one which was often referred to as the Indian 'Revolutionary' movement in China.

Tan Yunshan contributed regularly to the *Eastern Miscellany* through the late 1920s and early 1930s and reported from the vantage point of his presence in India. The late 1920s witnessed a resurgence in the Indian National Movement in the backdrop of the formation of the Simon Commission in November 1927 and the ensuing launch of the Civil Disobedience Movement in March 1930 by Mahatma Gandhi. Tan Yunshan arrived in India in August 1928 and had already lived in India for several years, also travelling across India during this period to gain a thorough understanding of the country and its people. Tan was not only inspired by the romantic idealism of universal fraternity espoused by Rabindranath Tagore, but also held Mahatma Gandhi in high regard as a national hero. An idealist himself (as seen in his personal motto),[1] Tan Yunshan had joined Visva-Bharati with the avowed aim of enhancing China-India friendship. Even though Tan was an old schoolmate of Chairman Mao Zedong of the CPC at the Hunan First Normal School and had also participated in literary societies established by Mao in his school days, he was not a leftist. A practising Buddhist who was baptised by the renowned Chinese Buddhist modernist Master Taixu in 1922, Tan, in fact, gradually moved closer to the Nationalist regime in the process of building the Cheena Bhavana. The GMD leadership in Nanjing, led by Dai Jitao and Cai Yuanpei, played an instrumental role in arranging the donations for building the Cheena Bhavana and arranging for the book donations for its library. Cheena

Bhavana's recurring expenditure, including the honorarium paid to Tan, was met by the GMD-led Nationalist Government in China till its overthrow in 1949. Tan's presence in India provided an authenticity to his accounts which nobody else could have; therefore, he came to be widely considered as China's 'India expert', and India's 'China expert' by scholars and statesmen in China and India, respectively. In his contributions to the *Eastern Miscellany,* Tan Yunshan primarily focused on reporting on the role of Mahatma Gandhi in the Indian national movement.

Gandhi and the Indian National Movement

Writing about the activities of the Congress party in the year 1929, Tan mentioned Gandhi's sincerity in the negotiations with Viceroy Irwin before the Lahore session of the Congress in 1929 (Tan, 1930). The talks, however, failed when Irwin expressed his inability to take any decision on the demand of granting dominion status to India. This set the stage for declaring full independence as the goal of the national movement in the Lahore Session.

Tan further argued that Gandhi's devotion to non-violence was complete, amply reflected in his criticism of the bombing of the Viceroy's train in Delhi in December 1929. Quoting from Gandhi's speech, "*By bombs we want to kill innocent Englishmen, we cannot get freedom… We should consider ourselves trustees for the safety of Europeans who chose to remain in India… we want to attain Swaraj not by any means, but by peaceful and legitimate means.*" Tan underscored that Gandhi's adherence to non-violence makes people respect him, but the votaries of violence oppose him for this unwavering commitment to non-violence. Tan saw similarities between the ideals espoused by the Chinese revolutionary leader Sun Yatsen (1866-1925) and seeing Gandhi's commitment to the ideals of peace and non-violence, Tan thought of the last words of Sun Yatsen: "peace, struggle, save China!" (*heping, fendou, jiu Zhongguo*!) much like Gandhi adhered to saving India through peace and non-violent means.

Writing about the course of the Indian National Movement in 1929-30, Tan Yunshan brilliantly summed up the launch, effect, methods and impediments in the path of the Civil Disobedience Movement (Tan, 1930). Calling the letter[2] sent by Gandhi to Lord Irwin describing his plans to wage the Civil Disobedience Movement as an "ultimatum" (*aidimeidun shu*), Tan claimed that this lengthy "ultimatum" earnestly and generously proclaimed the reasons and reality of the Civil Disobedience Movement. At the same time, it manifested the absolutely sincere personality of Gandhi. "Anyone except the 'stone-hearted white European people' (*Ouzhou bairen de ying xinchang*) could have been won by this 'ultimatum'". Calling it an important piece of writing, Tan translated its gist for the Chinese readers.

Tan further argued that the concept of "independence", which requires methods and weapons, is a colossal enterprise under ordinary circumstances and in ordinary countries. But India's situation and conditions were very different, mentioned Tan. The method and weapon of the independence movement led by Gandhi were peace and sincere love, respectively. Tan admitted that "it is quite difficult to appropriately explain Gandhi's movement"; however, Gandhi himself called it "*satyagraha*" ("*jianchi zhenli*"/ Insistence on Truth). Tan elaborated that when used in the context of the independence movement, it meant "to fight for insisting on truth" (*wei jianchi zhenli er zhan*), but the term "fight" used here does not mean "shooting guns" and "firing cannons". The method of this fight was "peace" (*heping*) and the weapon is "sincere love" (*cheng ai*). Additionally, "non-cooperation", "civil disobedience", and "non-violence" were steps or directions of the larger movement of *satyagraha*. Keeping in mind his lay Chinese readers, Tan mentioned that one may find comprehending these terms difficult or may understand them wrongly, but Gandhi's concepts can be summarized as India's "independence movement". Tan described that there were two dimensions to the independence movement: boycott and resistance. Boycott involved boycotting English goods, legislative assemblies, law courts, government schools, etc., and resistance involved breaking laws and non-payment of taxes.

Tan continued in his elaboration of the Indian national movement by describing the Dandi March. Gandhi had launched the Civil Disobedience Movement by breaking the Salt Law and making salt in March-April 1930. Gandhi had asked people to make their own salt, sell it and stop buying government salt. Tan described to Chinese readers that during his march to break the salt law Gandhi was welcomed with slogans like "*Gandhi ji ki jai*" everywhere. Tan mentioned that Gandhi was like Jesus Christ from the four Gospels of the New Testament, and was welcomed the way "good soldiers were welcomed with baskets of rice and vessels of soup" in China (*danshi hujiang, yi ying wangshi*). The only difference was that Jesus Christ ate well wherever he went, but Gandhi neither drank nor ate, not even simple Chinese rice and soup. Gandhi spread his ideas throughout the march. Lauding Gandhi's sincerity towards upliftment of the outcastes, Tan Yunshan said, "absolute sincerity (like Gandhi) can move a heart of stone. One can lead cities and flatten mountains with just a little sincerity. And complete sincerity can move the heavens and the earth, and touch God." Hence, for Tan, Gandhi's Dandi march was smooth and successful.

Tan also tried to answer questions raised by various people as to why Gandhi is only leading Indians in such small "civil disobedience" when the issue is of a larger "independence movement"? Why does he not make a bigger move? Why does he not revive the earlier "Non-Cooperation Movement"? Why again is civil disobedience limited to breaking the salt law? Tan mentioned to his Chinese readers that Gandhi knows about these questions and has his own reasons and views. Gandhi had taken decisions after thoroughly and deeply contemplating the issues at hand, which, according to Tan, were as follows: first, British occupation and exploitation of India was both economic and political. So, boycott of the British goods and breaking of the British laws, like the salt law, inflicted a deadly economic and political blow to the British, which would ultimately lead to their fall. Second, the Non-Cooperation Movement was too broad in scope, and it could not have attained success practically at one go. The Non-Cooperation Movement also did not yield a thorough result last time, when it had to be called off due to violence at Chauri-Chaura in 1922. Reapplying it might not have yielded any visible result. On the other hand, the salt tax affected every Indian and was hated by everyone, so Gandhi strongly believed that breaking the salt law would effectively arouse the masses against the British. Breaking the salt law would also be the first step towards civil disobedience, followed by breaking other colonial laws. Next, payment of taxes will be stopped, and all government orders will be disobeyed. Such a detailed process actually meant that the civil disobedience movement was also a non-cooperation movement in reality. Hence, according to Tan, Gandhi believed that the methods and measures of movement adopted by him were the most effective ones. For Gandhi, Tan emphasised, India would be able to attain independence only by adhering to the non-violent methods and measures. As expected, Tan wrote, the effects of the Civil Disobedience Movement became visible within a month of its launch. On the other hand, the British government also did not take this movement lightly.

Gandhi was arrested on 5 May 1930, within a month of breaking the salt law and sent to jail without even a trial.

After presenting a convincing case of the Civil Disobedience Movement, Tan also voiced caution. He said that there are thorns like Indian anglophiles, landlords and religious disharmony between Hindus and Muslims in the path of India's independence. Though Indian people earnestly respected and obeyed Gandhi, and were affected by his sincere personality, his revolutionary methods still could not completely get the trust and following of the masses. That was because a lot of people only adored him as a great religious saint and didn't see him as a revolutionary politician. Some parties and extremists did not believe in the non-cooperation and non-violence preached by him. So, one can only "wait and see" how the Indian National Movement culminates.

Social Aspect of Gandhi's Movement

In order to highlight the painstaking efforts made by Gandhi to eradicate untouchability and drug addiction, Tan Yunshan translated the writings of Charles F. Andrews (Tan, 1930). C.F. Andrews had written about the Vykom Satyagraha launched in the state of Travancore to seek rights for untouchables to walk on the village road and enter the village temple. Andrews had also written about Gandhi's movement against opium addiction in Assam, which, according to Andrews, was very effective.[3] Tan translated these writings for Chinese readers in Chinese to highlight that Gandhi's efforts transcended the realm of politics and were all-encompassing in nature, which worked not just for political but also for social upliftment of the Indian masses.

Tan Yunshan Meets Gandhi

Tan Yunshan met Mahatma Gandhi at Swaraj Ashram, Bardoli, at the end of April 1931, and himself witnessed the appeal and effect of Gandhi (Tan, 1932). Tan had a strong personal yearning to meet Mahatma Gandhi and wanted to talk to him about the situation in China and India. He also wanted to meet Gandhi to hand over a letter written by the Dalai Lama for Gandhi, which the Dalai Lama had handed over to Tan Yunshan when he had accompanied Xie Guoliang, a special Chinese envoy to Tibet, to Lhasa in November 1930.[4]

Tan Yunshan reached Swaraj Ashram on 26 April 1931, met Gandhi and accompanied him to a village meeting on 27 April and left for Bombay on 28 April.[5] While discussing matters of China and

India, Gandhi told Tan Yunshan, “Since I am preoccupied with matters of my own country, I do not get much time to study the situation in China. But I know that China has a very old and rich culture and history. The Chinese nation is great and peace-loving. Such a great and peace-loving nation will definitely shoulder the responsibility of world peace in future.” On being asked which is the best method to save China. Gandhi replied, “I believe that the best method is that of ‘truth’ and ‘peace’. If China achieves domestic peace and deals with national difficulties following the path of truth and adopting the peaceful method, I believe China can be saved instantly.” Tan Yunshan told him that the young Chinese students deeply sympathize with his thoughts, respect his movements, adore his spiritual personality and ask for his advice for the Chinese youth. Gandhi said, “I also very much adore the young students of China, but I am afraid that I can’t offer any advice. I only wish that whenever they pay attention to me and the situation in India, to reach a correct understanding, please earnestly study my proposition and India’s situation, and never misunderstand things. In America and Europe, some friends have a good opinion about me, but they do not understand the real situation of India and my ideas, which results in misunderstanding. This is very regrettable.” When asked about the future of his movement and India, Gandhi replied that “The future is very good! I am always prepared to fight with the evil forces till the very end.” When asked about his participation in the Second Round Table Conference, he replied that “I am still considering it. I have never shirked from walking the neutral path till one is available.” When Tan Yunshan expressed the hope that Gandhi should visit China. Gandhi said, “I am very eager to visit a country like China, but I don’t want to leave India before it attains freedom”.

While accompanying Gandhi to a village meeting, Tan Yunshan was deeply touched by seeing the affection for Gandhi in the hearts of villagers and their spirit to donate whatever little money they had on them for the cause espoused by Gandhi. On seeing this, Tan wrote, “Gandhi’s greatness is the real greatness, his personality is the real personality and his influence is the real influence” (“*Ta de weida, cai shi weida! Ta de renge, cai shi renge! Ta de ganhua, cai shi ganhua!*”). Tan wrote that Gandhi proved the dictum “only if one has experienced poverty in the world, then one can become the richest person. Only if one sacrifices everything can one get everything” very well. (“*Yao neng wei tianxia zhi zhi pin, caineng wei tianxia zhi fu. Yao neng* *xisheng yiqie, caineng dedo yiqie!*"). Gandhi, Tan continued, had no possessions or family property; his sons and wife also wandered with him on the revolutionary path to save India and its people. But when he needed money, he could get it from everywhere. It was not wrong to say that the property of three hundred million Indians belonged to him, and his riches were only increasing. Gandhi, however, was not using this money for himself. He ate simple vegetarian food and wore a self-woven loincloth only. He spent all the donations collected from the people on saving the country and the people ("*qu zhi yu min, yong zhi yu min*", "*renmin song ta, wei renmin yong*"). Tan Yunshan further wrote that it is not as if Gandhi never had any property and estate; in fact, his father was the prime minister of a princely state, and Gandhi earned five or six thousand pounds annually as a lawyer in South Africa, but he left it all to join the struggle to save his country and people.

Tan Yunshan continued to say that when he had not met Gandhi, he used to only venerate him as "a *Mahatma*" (*sheng zhe*) and "a great spiritual personality" (*weida de jingshen renge*); but after meeting him, Tan felt that Gandhi had many other qualities which made one heartily admire and adore him. It was Gandhi's "ordinariness" along with being "a *Mahatma*" and "a great spiritual personality" ("*sheng zhe* " *yu* "*weida de jingshen renge*" z*hong de pingyong*) which made him truly great. Gandhi could be great and ordinary at one and the same time. He could be ordinary, which is why he was even greater. His greatness could be achieved by other great people, but the ordinariness in his greatness was not possible for other great people to achieve, wrote Tan. This ordinariness of Gandhi's greatness was difficult to attain and hence valuable. This was also the reason that made Gandhi both venerable and adorable, mentioned Tan Yunshan.

Tan mentioned that a lot of friends rightly say that "there is no one who does not love Gandhi on meeting him, and there is no one whom Gandhi doesn't love" ("*yi ge ren jian le Gandi; mei you bu ai ta de; er ta ye mei you ren bu ai*"). People refer to his moral values by using two words: love (*ai*) and peace (*he*). Tan further added "sincerity" (*cheng*) to it and cited from the Confucian classic *Doctrine of The Mean* to underscore the importance of sincerity. "*But given the sincerity, and there shall be the intelligence; given the intelligence, and there shall be the sincerity. It is only he who is possessed of the most complete sincerity that can exist under heaven, who can give his full development to his nature. Able to give his full development to his own* *nature, he can do the same to the nature of other men. Able to give its full development to the nature of other men, he can give their full development to the natures of animals and things. Able to give their full development to the natures of creatures and things, he can assist the transforming and nourishing powers of Heaven and Earth. Able to assist the transforming and nourishing powers of Heaven and Earth, he may with Heaven and Earth form a ternion.*"[6]

Gandhi, for Tan, was the embodiment of pure sincerity in the world (*tianxia zhi cheng yi*). According to Tan, it was easy for people to speak about "sincerity", "love" and "peace", but not so easy to practice them; however, Gandhi not only really put these into practice, but he himself was composed of these three words. The fusion of these three had created his personality, thoughts and doctrine, which in turn had given birth to his various movements. For Tan Yunshan, the Non-Cooperation Movement emerged out of 'sincerity', the Non-Violence Movement from 'love' and the Civil-Disobedience Movement from 'peace'. The combination of these three jointly formed Gandhi's "*Satyagraha*" (*zhenli yundong*). *Satyagraha* was not only a "revolutionary movement" to save India, but a revolutionary movement to save the entire world, so wrote Tan. Gandhi believed that saving the world must begin from saving India only as a matter of process, because) Saving India was part of saving the world.

Tan lamented that a lot of people didn't understand the content and real meaning of Gandhi's "*satyagraha*" clearly; on the other hand, they misunderstood it. For example, they committed a huge mistake when they regarded the "Non-Cooperation Movement" and "Non-Violence Movement" as "non-resistance movements", and the "Civil-Disobedience Movement" as a "passive movement". Irrespective of whether "non-resistance" and "passive" movements existed in the world or not, Tan argued, Gandhi's "*satyagraha*" was definitely not one of them. It was not only not "non-resistance" and "passive", but also a very powerful resistance and highly active movement, just that the force and the method(s) of "resistance" and "action" used by Gandhi were different.

Tan counted some more points on which Gandhi differed from the so-called "great person(s)" and also where such person(s) could never reach. First was Gandhi's "assiduous sacrifice". Gandhi had sacrificed all his material possessions. Second, his "penetration among the masses". His life was totally integrated with the masses. He was often seen amidst the masses, sharing their weal and woe and waging a struggle for them. There was not even the slightest of a gap between him and the masses. Third, he was "as good as his words"; he matched his deeds to his words. In view of the above, Tan concluded the account of his meeting with Gandhi with Rabindranath Tagore's praise for Gandhi by writing that it was not at all improper for Tagore to call Gandhi a "mahatma" (*Taige'er xiansheng ceng chengzan ta shi shijie shang di yi ge da shengren, yi wei guodang*).

Significance of Tan Yunshan's Correspondence

The significance of Tan Yunshan's reporting about Mahatma Gandhi and the Indian national movement was primarily rooted in the overall historical background of the times in China. Chinese intellectuals have been paying close attention to the work and movements launched by Gandhi in India in their own search for methods of saving China from the menaces of foreign imperialism emanating from the West and feudalism and warlordism entrenched in China. The launch of the Non-Cooperation Movement in India in 1920 by Gandhi and the success of his non-violent ways of resistance to the British was appreciated by the Chinese and seen as the awakening of India. Chinese intellectuals advocated that such resistance methods could also be employed against the foreign imperialists in China. However, the withdrawal of the Non-Cooperation Movement following the Chauri-Chaura incident in February 1922, in which 22 policemen and several protestors involved in the Non-Cooperation Movement were killed, left the Chinese confused regarding the aim, nature, and methods of Gandhian resistance against British imperialism. The surge of communism in China and the guidance received from the Sixth Congress of the Communist International (Comintern) held in Moscow from 17 July to 1 September 1928 to communists all over the world influenced Chinese left-leaning intellectuals a lot in their assessment of the Indian national movement and Mahatma Gandhi. The Sixth Comintern Congress had labelled "Gandhism" as "an ideology directed against the revolution of the popular masses" and called Gandhi an agent of Britain (Degras, 1960: 519, 528). Chinese intellectuals and commentators increasingly started calling Gandhi a rightist. Gandhi's willingness to go to prison was also criticised as deserting the frontline of the Indian national movement. The Chinese started arguing that Gandhism was riddled with contradictions (Dong, 1929; Yu, 1931a; 1931b; 1931c).[7] In the Chinese assessment, the central elements of the Indian national movement were landlords and rural feudal classes, the newly emerging urban bourgeois class, small businesspeople and craftsmen destroyed by the British business and industry. The biggest problem in the path of Indian independence was contradictions of class interests between these classes (*jieji liyi de chongtu*), which Gandhi did not address. The Chinese also saw opposition to industrialisation and machinery by Gandhi as his conservative tendency, not commensurate with the overall requirement and situation of the Indian economy.

Tan Yunshan started writing about Gandhi and the Indian National Movement under the abovementioned intellectual ferment in China. Tan Yunshan's proximity to the GMD-led nationalist government in China and individual idealism guided him to report about the Indian national movement and Mahatma Gandhi in a new light to counter the abovementioned criticism. It can be said that Tan Yunshan not only succeeded in this endeavour of shedding light on the lesser-known aspects of Gandhi, his personality and his movement, but in the process also turned into China's India expert and India's China expert – a role he continued to play for the rest of his life in India.

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Footnote

1. Tan Yunshan defined his personal motto as "to attain a moral character and to perfect a speech which can propagate truth and noble ideas, to save other and save the mankind, to be extremely strong and grand, to contribute but adhere to principle, to be able to do what is difficult to do; to be able to tolerate what is difficult to tolerate; adaptable to circumstances yet remaining unchangeable; remaining unchangeable while adapting to circumstances." (See: Tan, 1999: 87-8).
2. "Letter to Lord Irwin" (Satyagraha Ashram, Sabarmati, March 2, 1930), *Collected Works of Mahatma Gandhi* (1971) Vol. 43, pp. 2-8.
3. Andrews, C.F. (1929), *Mahatma Gandhi's Ideas*, London: George Allen & Unwin Ltd., reprinted 1949, pp.178-179, 277. Piper, Jean (1929), "Friend and Disciple of Tagore: Charles Freeman Andrews, Who Looks Like St.Paul, Is Said to be the One Englishman the Hindus Trust", *The Brooklyn Daily Eagle*, 14 July 1929. http://bklyn.newspapers.com/image/59856714/. Accessed on August 25, 2024. Vykom is also spelled as Vaikom.
4. Tan, Yunshan completed the mission after Xie passed away even before reaching Tibet. Also see: Tan Yunshan "My first visit to Gandhiji" in Tan Chung ed. (1999) *In the Footsteps of Xuanzang: Tan Yun-Shan and India*.
5. The letter written to Tan Yunshan and Dalai Lama are part of the *Collected Works of Mahatma Gandhi (CWMG)*. "Letter to Tan Yun-Shan" *CWMG* (1971), Vol.46 p.81. "Letter to Dalai Lama" *CWMG* (1971), Vol.46 p.81.
6. Tan Yunshan quotes from Confucius Classic *Doctrine of The Mean*. English translation cited from Legge, James (1870) translated, *The Chinese Classics*, New York: Hurd and Houghton, p.138.
7. Yu, Zhi (1931a; 1931b; 1931c) do not elaborate about what he considers as Gandhism, or what exactly is Gandhism but goes on to elaborate on non-cooperation and non-violence. "Gandhism" as a set of ideas and actions was better explained in earlier writings in the *Eastern Miscellany*. See: Hua Lu (1922) 'What is Gandhism?' (Gandi zhuyi shi shenme?), The Eastern Miscellany, Vol.19 No.1, 1922, pp. 95-97.

Modern Theoretical Approaches to African Development: Navigating Contemporary Challenges

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1. INTRODUCTION

Modern Theoretical Approaches to African Development

Africa's relentless pursuit of sustainable development has been in the books for decades because the continent faces a myriad of problems; these include weak government, unstable economies, increasing inequality, and impacts of globalization. Therefore, the theoretical underpinnings of African developmental strategies have undergone extensive changes from just the traditional models of growth to more inclusive strategies embracing more of the requirements of environmental sustainability, governance, and poverty eradication.[1] The latter, however, recognizes this more advanced models' presence, thus making aware of role changes from Africa toward globalization, therefore portraying broader changes in development theory. Economic models about development, which, at one time, accepted only Gross Domestic Product as a measurement, are now being seen as requiring a revival.

Modern beliefs, especially those that welcome integrative models, strike a fitting balance between social welfare, environmental protection, and economic development.[2] Emphasis on institutions is perhaps the biggest bone of contention regarding development parlance at the moment. One does find evidence that poor quality significantly restricts sustainable development. Institutional quality and governance are henceforth critical determinants of development trajectories.[3] Institutional problems facing Africa, for instance, partly pose relevance

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to solving problems that emanate from dealing with incompetent systems of governance, which in the past were historically more daunting to successfully carry out developmental programs.

Over time, institutional reforms that enhance accountability, transparency, and capacity-building are increasingly being recognised as important for achieving long-term growth. In addition, the implementation of environmental sustainability in development strategies is critically important in Africa, due to its exceptional status of being a continent rich in natural resources but very vulnerable to the negative impacts of climate change[4]. African development theory has shifted towards methods to place a focus on ecological conservation with economic growth, as the global emphasis is placed on the document of the United Nations Sustainable Development Goals, as reported by Sachs in 2015. This calls for a change, especially in areas with economic instability and impoverished livelihoods due to environmental degradation, and thus, this highlights the need for climate adaptation strategies as well as sustainable resource management. As such, modern theoretical frameworks have increasingly sought to focus more on the nexus between poverty reduction, environmental sustainability, and just economic growth. Ongoing issues of poverty and inequality plaguing the continent form another important dimension to concerns regarding African development[5]. Readjusting paradigms of development that focus on market-driven prosperity at the expense of social welfare is necessary simply because, after decades of economic expansion, many African citizens are still poverty-stricken. Criticisms have been raised on neoliberal development theories that proponents of more inclusive strategies have criticized them as an amplifier of inequality and determinants of social malaise (Ibid). To make the fruits of growth more equitably distributed and reduce poverty and inequality, these perspectives call for a paradigm shift in development policies. Globalization-related factors offer Africa's development both opportunities and challenges. Globalization offers the potential to make African nations more integrated into world commerce and economy, sharing commerce, international investments, and technical innovation. However, on the other hand, the increased integration of the continent into international markets raises concerns over economic sovereignty and dependency.

According to[6], noted the tension between national sovereignty and globalization, pointing out that the forces of international economic integration might actually erode domestic policy autonomy. As countries try to manage the challenges of globalization with control over their development objectives, this debate largely impacts African development. Current research focuses further emphasis on the interrelationship of key concepts of African development: globalization, sustainability, inequality, and governance. Since these issues are so closely interrelated and do not operate in a vacuum, theoretical frameworks that account for this interrelation need to be applied. For instance, bad institutions or poor governance aggravate inequality and do not facilitate sustainable development. In the same way, globalization can exacerbate economic inequality while at the same time expanding the opportunity space for poverty reduction through investment and trade. African policymakers are thus challenged to design policies that capitalize on the globalization opportunity but limit the negative impacts of globalization on sovereignty and inequality.[7]

In this regard, modern theories of African development are becoming not only more intricate but also multi-dimensional to tackle complex problems that the continent is facing. These approaches recognize the need for comprehensive plans that balance national sovereignty with globalization, combining environmental sustainability, poverty alleviation, and economic prosperity. Countries in Africa must embrace new and enabling theoretical structures that promote just and sustainable growth in light of current transformations in the global development space.

2. LITERATURE REVIEW

Reassessing Economic Growth Models in Africa: A Critical Theoretical Perspective

A long-standing feature of the debate about development in Africa has been the view of models of economic growth that stress the importance of industrialization, capital accumulation, and structural change as key drivers of economic prosperity. According to and[8], the neoclassical growth model developed by Solow brought about the fact that technological development is essential for long-run growth, while traditional models of growth, such as the Harrod-Domar model, worked based on capital investment being the engine of economic growth. In the post-colonial African states, there were high hopes that these models would promote industrialization and put the continent out of poverty, while having been based on the experiences of the industrialized Western countries.

However, these models, however elegant they might seem to somebody living in the West, are increasingly being called into question for not doing justice to the political and socioeconomic issues Africa faces. Traditional growth models have not always been easy to apply in Africa due to a lack of advanced technology, shaky political systems, and inadequate infrastructure.[9] Growth models that were initially intended for economies with more solid institutional frameworks and technological capabilities have often seen their effectiveness weakened by these issues. For instance, the emphasis on industrialization as the sole contributor to growth neglected the fact that agriculture currently dominates the economies of many African countries, which further reduced the effects of the industrial policy.[10]

Researchers have thus started to dispute the assumptions that define these classic models because many African states have made little to no growth despite large investments. Because of these imperfections of the early models, all-inclusive strategies, other than industrialization and physical capital, were fashioned. Modern economic theories have shifted their focus, including human capital, institutions, governance, and outside variables such as globalization. Long-term economic growth is fuelled by investments in human capital, innovation, and knowledge, according to the endogenous growth theory, which was first brought forward in the 1980s.[11] Education, skill building, and technological innovation are becoming better known as important factors in the continent's economic success, which tends to favour this view. The first area of emphasis for modern economic theories is institutional quality. New institutional economics, or NIE, refers to the concept of how institutions shape economic results. The new institutional economics perspective was developed by researchers such as North (1990). There is identification of weak entities like political instability, insufficiency of legal frameworks and corrupt governance systems as a fundamental hindrance to continued progress in Africa. It has for a long time been accepted that these institutional failures are the major hindrances to the continent's development.[12] It is now understood that strong institutions and governance reforms are the essential components of Africa's development strategy. Other than ensuring proper allocation of resources, good governance will be equally important in promoting growth, innovation, and economic stability.

Emerging theoretical viewpoints highlight the necessity for inclusive growth models that strike a balance between economic advancement and social welfare, poverty alleviation, and environmental sustainability as part of this move toward more comprehensive strategies. Global frameworks such as the Sustainable Development Goals (SDGs) promote integrated strategies that address the economic, social, and environmental aspects of development and an all-encompassing approach is in line with those.[13] The African Development Indicators by the World Bank in 2020, based on these concepts, underscore that inclusive growth, which keeps all citizens, especially the marginalized and disfranchised, in its mind is the key. Modern theories of economics, even with their developments in theory, have not yet agreed on whether they should be applied in Africa. While such models have provided a sophisticated understanding of Africa's development constraints, their usage has been uneven.

Many African countries are still suffering from low development of their economies, significant inequality in the distributive structure, and vulnerability to external shocks such as changes in the prices of worldwide commodities, as well as climate change.[14] The persistent issues raise questions about the adequacy of even modern growth theories in addressing the complex economic landscape in Africa. Critics argued that, just like their predecessors, contemporary models often fail to adequately explain the specific historical, social and political conditions of African countries.[15] Instead, critics claimed that there is a need for tailor-made approaches to development sensitive to specific conditions in different African countries and hence, 'one-shoe-fits-all' approaches are not good. This calls for dynamic frameworks that consider regional factors regarding social dynamics, governance structures, and environmental constraints in the various economies of Africa.

Lastly, because the historical framework of growth in economic models served as the skeleton around which post-colonial development initiatives are based in Africa, their failure is all the more visible. Though they themselves also face challenges to successfully answer Africa's diversified development needs, more contemporary ideas that consider human capital, governance, and environmental sustainability offer more holistic answers. For that reason, intermingling several theoretical models while adjusting those templates to particular local situations may turn out to be the most practical path forward for the development of the African continent. Several strategies combined can enable African countries to achieve more sustainable and equitable growth through better managing the complexities of their respective development paths.

The Role of Governance and Institutions in Africa's Developmental Pathways

African contexts demonstrate the way institutional frameworks and governance have long been recognised as crucial determinants of a country's growth trajectory. The influence that institutions and governance systems have on development program successes or failures throughout the continent has held more attention from scholars over the past several years. As[16] &[17] say, strong institutions and efficiency in governance are what give way to political stability, economic growth, and sustainable development. On the contrary, weak governance and institutional failure have been regarded as major development barriers for Africa. One of the core theories of this field of knowledge is that of new institutional economics (NIE). It states that institutions, which refer to formal and informal laws governing human interaction, are among the central tenets of factors of economic performance.[18]

According to[19], there are significant implications of institutional quality on development results in Africa, which is overwhelmed by governance issues, from a very weak rule of law to widespread corruption and inefficient bureaucracies. Effective institutions reduce transaction costs; honour contracts; and encourage an environment that encourages investment and innovation. However, institutional flaws have hindered economic growth and development in many African nations because states frequently lack the capacity to efficiently manage resources or promote critical reforms[20]. Since the effects of corruption on development outcomes have been widely researched, it has become one of the biggest governance issues facing African countries. Corruption in public sector organizations can waste money on things like infrastructure development, health, and education when it comes to these kinds of vital services.[21] In many African countries, institutionalization of corruption has led to a decline in public confidence and kept both international and local investment at bay.

As,[22] puts it, in weak institutions, there often occur high rates of corruption due to the inability of their governance frameworks to hold political leaders accountable or provide transparency in how decisions are made. Contrarily, better development results are often experienced in nations with more robust institutional frameworks and governance systems. For instance, Botswana is commonly regarded as one of the most successful African development stories for various reasons, among which is its solid institutional structure that has facilitated political stability, careful exploitation of resources, and sound economic management.[23]

Institutional quality as evidence of how it can shape a country's development path is one in which Botswana does not suffer from the resource curse that has captured many other resource-endowed African countries, owing to its good governance. Inclusive political structures are very important according to contemporary theories of governance and institutions. According to [24] Sustainable development is based on inclusive institutions allowing multilateral participation in political and economic processes. The opposite is seen to be extractive institutions, whereby money and power are concentrated among a few individuals, which tend to cause socio-political instability and economic stagnation. Numerous post-colonial republics in Africa inherited extractive institutions, which have impeded inclusive growth and contributed to ongoing inequality.[25]

African countries have the task of transforming these establishments and constructing inclusive governance frameworks that encourage involvement, responsibility, and openness. Building capacity and preserving political stability are two other factors that determine how well institutional changes and governance work in Africa. Strong governance frameworks are often difficult to develop in fragile governments, especially those that have recently emerged from violence[26]. The challenges of restoring institutions that were damaged or undermined by war have been brought to light by post-conflict reconstruction initiatives in nations like Sierra Leone and Liberia[27]. International support and capacity-building programs have been integral to these efforts, but sustained political will and local leadership are still needed for the long-term sustainability of these reforms. In addition, there is a growing recognition that strong institutional arrangements and good governance are key to achieving the SDGs for Africa. Every development aspect, from poverty eradication to environmental sustainability, is believed to be warranted by good governance[28].

Strengthening governance structures and institutions, thereby calls for strengthening structures and institutions whose intent will be to ensure effective development policy implementation and the fair distribution of development gains. The attainment of better governance is, therefore, not possible without the achievement of the long-term development goals on the continent, according to Agenda 2063, presented by the African Union.[29] As a result, institutions and governance form the backbone of determining how Africa will develop. Robust institutions and efficient governance frameworks determine sustainable growth, lowering levels of corruption, and political stability. While some African countries have performed exceptionally well by developing inclusive institutions and better governance, others are still struggling with institutional weaknesses that hinder growth.

Therefore, programs that are targeted at institution strengthening and inclusive, transparent, and responsible government, to mention some capacity-building ones, should be prioritised in future endeavours towards the achievement of development in Africa.

Sustainable Development in Africa: Balancing Economic Growth with Environmental and Social Factors

In Africa, where there is a pressing need to strike a balance between economic growth and environmental sustainability as well as social equality, sustainable development has acquired huge momentum as a framework for growth. The continent has challenges in its development, such as extreme poverty, degrading environmental conditions, and increased vulnerability to climate change. African countries must consider these challenges and develop a plan for development that harmonises and integrates social and environmental needs with the objective of promoting economic growth. The theories of sustainable development have been applied in recent years to African contexts with varying degrees of success as countries try to master the intricate interactions among these elements.[30] What first popularized sustainable development at the global level was 'development that meets the needs of the present without compromising the ability of future generations to meet their own needs,' according to a 1987 report from the Brundtland Commission.[31]

Since then, this idea has emerged as a major development discourse issue, especially when considering development within the context of the Sustainable Development Goals (SDGs) of the United Nations. With a focus on the connections between these problems, the SDGs present an ambitious agenda for nations to address economic growth, environmental degradation, poverty, inequality, and climate change.[32] Implementation of theories of sustainable development has called for a fundamental shift in policy focus in Africa, where traditionally economic expansion has been made over and above environmental and social factors. A major constraint of implementing theories of sustainable development in Africa is the balance between environmental sustainability and economic growth. The extraction of natural resources, such as lumber, minerals, and oil, is a primary source of growth for many African countries[33].

However, the extraction of resources frequently results in environmental deterioration, such as pollution, soil erosion, and deforestation, which can have detrimental long-term effects on the environment and nearby communities.[34] Moreover, economies based on resources are highly prone to external price shocks of commodities worldwide, making matters worse in economic instability and destroying efforts to achieve sustainable development. Africa, where climate change effects are already being felt, special emphasis has been laid on the environmental dimension of sustainable development. The consequences of climate change, including droughts, floods, and desertification, are especially hazardous for many nations in Africa because they threaten livelihoods, water access, and food security.[35] Consequently, efforts for climate adaptation and mitigation have gained more attention in the implementation of sustainable development concepts in those environments. In Kenya and Ethiopia, for example, efforts to promote climate-resilient agriculture like agroforestry and conservation farming have been pursued to make food security greater while reducing environmental degradations.[36]

Social sustainability is also crucial in Africa for sustainable development. Such issues have to be addressed to ensure that the fruits of development are equitably distributed, and all elements of society are able to benefit from economic development. Poverty, inequality, and social exclusion are some of the key problems encountered in many of these nations as over 40% of Africans live below the international poverty line.[37] Africa, in the efforts to achieve social sustainability, has focused so much on the inclusive development plans that give prominence to human development metrics such as gender equality, healthcare, and education. For instance, Agenda 2063 of the African Union emphasizes the need for inclusive growth and sustainable development with a focus towards reducing poverty and enhancing social inclusion.[38] The "triple bottom line" theory, which points to the importance of maintaining a balance between economic, environmental, and social goals is another theoretical approach to sustainable development that has been implemented throughout Africa.

In this regard, many African countries and international bodies operating on the continent, including the United Nations Development Programme (UNDP), have embraced this strategy to ensure that policies and development initiatives support long-term sustainability.[39] This requires ensuring that development projects meet social as well as economic goals and incorporating environmental impact evaluations into economic planning procedures. African countries have made strides in policy by instigating the ideals of sustainable development into their national development plans.[40] The country's Vision 2020 has placed a high emphasis on environmental sustainability compared to the economic and social development goals to ensure the protection of natural resources and transform Rwanda into a knowledge-based middle-income economy.[41] South Africa has similarly established policies aimed at giving the economy a leap towards a green economy through investments made towards water conservation, sustainable agriculture, and renewable energy.[42] Although there are still some challenges that have to be addressed before such policies can be successfully implemented across the continent, these examples prove how sustainable development theories are being applied in African contexts. Despite this, the biggest setbacks facing Africa in attaining sustainable development remain huge, aside from the above efforts.[43] The leading setback is the lack of funding for project activities aimed at sustainable development. Numerous African nations rely significantly on foreign aid and international development support, which can be unreliable and inadequate to address the magnitude of the problems encountered.[44]

According to[45], the implementation of sustainable development strategies is frequently hampered by inadequate institutional capacity and governance in many African nations. Corruption, inefficiency, and lack of transparency can hinder social and environmentally sustainable development objectives, especially in countries with poor institutional frameworks.[46] In summary, theories of sustainable development have been used widely in Africa where it is essential to balance economic growth with respect to environmental and social considerations. In several African nations, national plans are increasingly imbued with the principles of sustainable development, but a host of bottlenecks are yet to be overcome, including limited resources, inadequate institutional frameworks, and continued effects of climate change. Development partners and African governments must ensure that such growth is socially and environmentally inclusive, sustainable, and carried out in ways that allow people, through access to opportunities, to improve their livelihoods and the well-being of the wider community. They will also have to continue prioritizing sustainable development.

Globalization and Africa: Economic Integration and the Quest for Economic Independence

Globalization has had a significant impact on African growth, especially in terms of economic integration and the pursuit of economic independence. For African countries, connecting the world's economies is both an opportunity and a challenge.[47] Trade liberalization opened up economic opportunities for African nations to be integrated and have a chance to access world markets. With lowered tariffs and a single continental market for products and services, programs like the African Continental Free Trade Area (AFCFTA) aim to enhance intra-African trade.[48] This integration should improve access to new markets, bolster regional value chains, and facilitate economic growth. On the downside, however, liberalization through trade bears ill effects that include competition from more advanced nations, which may imperil regional industries. The frequent uncompetitive edge of African countries vis-à-vis subsidized commodities in rich nations poses periodic challenges to African trade balances and economies.[49]

Globalisation has increased foreign direct investment, which is a major source of much-needed cash, technology, and knowledge for most economies. As per[50] the construction of roads, trains, and ports in Africa has been greatly aided by China's Belt and Road Initiative. Enhancing connectivity and promoting trade depend heavily on these investments. However, FDI can increase reliance on outside funding and resources, possibly overshadowing regional capacity building and wider economic development.[51] Historically, African economies have relied on commodity sales and unprocessed raw materials. The flaw in this is that they are more susceptible to changes in the global market and prices. Globalization offers opportunities for inclusion in global supply chains and attracts foreign investment in value-added industries; yet vulnerability to commodities can lead to economic shocks, and for example, oil price volatility hurts oil-based economies such as Nigeria and Angola.[52]

African countries have utilized regional integration and economic diversification as their panacea for these challenges. To expand intra-African trade, reduce dependency on external markets and create a more extensive and more stable market, programs such as the AFCFTA and regional economic communities, RECs, have been established.[53] Most of the African nations are also focused on diversified economies. For instance, the "Big Four Agenda" of Kenya identifies the following development areas: manufacturing, universal healthcare, and affordable housing.[54] Finally, globalization presents significant opportunities for economic integration and growth in Africa; however, it also presents challenges related to dependency on external markets and economic vulnerabilities. Enhanced regional integration, diversification of the economy, and adoption of resilience-supportive policies towards sustainable development are critical steps toward economic independence.

3. OBJECTIVES OF THE STUDY

The aims to achieve key objectives:

- **To critically assess modern development theories** in the context of Africa's political and socio-economic challenges.
- **To analyse the applicability, relevance, and limitations** of these theories in addressing Africa's unique developmental context.
- **To understand and contextualize Africa's core development challenges**, including political instability, economic dependency, poverty, and inequality.
- **To examine how contemporary development theories** offer insights for overcoming these challenges.
- **To bridge the gap between theory and practice** by proposing context-sensitive, practical policy recommendations based on modern theoretical frameworks.

METHODOLOGY OF THE STUDY

The research employs a qualitative research strategy based solely on secondary sources of data. It analyses and interprets current theoretical frameworks for African development, with emphasis on how these models address current political and socio-economic realities. The data are sourced from a wide range of academic books, peer-reviewed journal publications, book chapters, conference papers, policy briefs, government reports, and reliable online sources. These multiple sources provide depth and credibility. Systematic content analysis is employed in the study to determine the major themes, trends, and important insights arising from current theory approaches. The analysis aims to comprehend the rationales, assumptions, and mechanisms of prominent development theories in the African situation.

Through the consolidation of expert opinion, the paper gives a comparative analysis of the degree to which various theories and models address issues of political instability, economic dependence, poverty, and inequality. In doing so, it further demonstrates best practices and lessons to the advantage of actionable, theory-informed policy recommendations useful in Africa's development agenda.

DISCUSSIONS

The use of more modern theoretical paradigms in the study of African development really makes analysis more insightful about the challenges that the continent presents. In this respect, these perspectives include governance, sustainability and economic growth, and thus, they offer a totally more balanced view regarding Africa's current dilemma. Of significant influence in post-colonial theory is its explanation of how the effects of colonialism continue shaping structures across the continent. This arbitrary nature of borders that had been drawn by colonial powers, coupled with the erection of extractive institutions, has left African states with governance systems ill-equipped to deal with the political and social complexities of post-colonial realities[55]. The division of ethnic groups, coupled with the concentration of political power in the hands of an elite few, has created ethnic tension and authoritarianism in many African nations as a general causality for continued political upheaval. Such colonial heritages are inevitably tied to current governance issues since inappropriate institutions and political instability have thwarted much-needed effective development policies. Post-Colonial Theory approaches these grievances with the idea that redress of historical injustices would be a catalyst for governance reforms that are both effective and representative. Since foreign models of governance were imposed during the colonial era, systems had developed to be unable to identify or internalize with local contexts and cultures.[56]

Thus, governance reforms need to be tailored toward the specific historical and social conditions of Africa in order for them to be successful. It is argued by scholars that governance structures should be formed based on African traditions and should incorporate marginalized populations. Strengthened civic participation, as well as the decentralization of political power, would allow African nations to develop governance systems more responsive to the needs of their citizens.[57] This also addresses the historical injustices of colonialism and provides a route for building stronger, more resilient institutions capable of supporting sustainable development. The Capability Approach, which has been advanced by Amartya Sen, thus adds complementarity with Post-Colonial Theory in underlining the importance of capability empowerment and democratic participation to better governance outcomes. Thus[58] posits that it should be a development as that augments people's capabilities, enabling them to lead lives they have reason to value. For the purpose of governance, this provides for the realization of full citizen participation in political matters and that citizens' voices are heard in the decision-making processes.

Strengthening democratic participation enhances accountability and responsiveness of government toward the people it serves. Africa has had its share of countries with weak democratic institutions and much limited political participation. The Capability Approach emphasizes human capital as a crucial element for governance enhancement. The education levels and information available to citizens increase the likelihood that they will hold their governments accountable and demand clear, transparent, and democratic ways of handling their affairs. Therefore, education and civic engagement remain crucial investments in building more effective governance structures in Africa. Empowering citizens to participate in politics enables African countries to develop more inclusive, open, and responsive institutions. These reforms would have been crucial to achieving sustainability, as good governance is a primary catalyst of economic growth and social development. Sustainability becomes another focus of African development, considered a contemporary theoretical framework. The profound relationship between social inclusion and sustainable development is explored through the Social Exclusion Framework and Human Development Theory.

The Social Exclusion Framework, it highlights that generally, such marginalized groups would be denied the benefits of the potential offered by these developments. Often, it is also women, rural communities, and ethnic minorities. This exclusion perpetuates inequality and undermines sustainability efforts since these groups are often at the highest vulnerability to environmental degradation and would also likely be the least beneficiaries from sustainable development initiatives.[59] Social exclusion, therefore, plays a critical role in achieving sustainable development in Africa that is sustainable. For this, there has to be integration of development policies so that the impact of economic growth and environmental sustainability will benefit the whole mass, particularly the most vulnerable population groups. This is further emphasized by Human Development Theory, closely tied with the Capability Approach, by making human welfare at the heart of development policies. This theory articulates that development is not only an increase in economic prosperity but also an increase in opportunities and choices for people to improve their quality of life. It would include policies for education, healthcare, and social protection, tackling environmental concerns. Human development is interlinked with environmental sustainability: untrammeled practices may have devastating impacts on the environment as well as human well-being.

Hence, it is of great importance to integrate green technologies and sustainable practices in Africa's development plans to ensure long-term economic stability with environmental security[60]. Besides governance and sustainability, recent conceptual frameworks offer key insights regarding growth policies for the economy in Africa. The Capability Approach argues that human capital is fundamental in commanding economic growth. Investing in education, healthcare, and skills development not only improves individual well-being but also enhances the productive capacity of the economy. In Africa, where many countries face challenges related to low levels of education and poor health outcomes, human capital development is critical for fostering innovation and economic diversification[61].

In this respect, increasing education and workforce skills can lead to reducing dependency on foreign markets and foreign aid and mainly contribute to developing local industries and services. The problem of economic dependency is also addressed by Post-Colonial Theory, which is an overarching challenge for most African countries. The African economies remain highly dependent on the exportation of primary commodities and foreign aid. These have been the sources of frailness in African economies, as changes in commodity prices and shifts in global demand expose them to shocks.[62] The dependence has, therefore, restricted Africa's ability toward sustainable economic growth and poverty and underdevelopment cycles. According to postcolonial scholars, reducing economic dependency is an important step toward development. The group suggests that it can be achieved by advocating economic diversification, value-added investment, and regional trade and integration. Strengthening regional integration is an important strategy to reduce the economic dependency on external markets for Africa.

Initiatives such as the African Continental Free Trade Area (AFCFTA), therefore, present a great opportunity in spurring economic growth through intra-African trade and fostering collective economic interests in economic cooperation by nations within Africa. More and larger, better integrated markets will help reduce reliance on exports to non-African countries and build more resilient economies from global economic pressures (Ibid).

It will also help to address some of the structural challenges that hinder Africa's development, such as inadequate infrastructure and weak institutions. In pooling their resources and coordinating their policies, Africa can find a way out of these constraints and create a more favourable environment that sustainably leans on it. In conclusion, the application of the newest theoretical frameworks provides a more substantial understanding of the complex issues that African growth needs to deal with.[63]

In conclusion, post-colonial theory emphasizes reforms appropriate for the context that are aimed at historical injustices and civic re-energization that highlights the long-term impacts of colonization on the administration of governance. This is complemented by the Capability Approach, which puts importance on democratic engagement and citizen empowerment as vital to good government. This will add the theory of Human Development and the Social Exclusion Framework to the understanding of how environmental sustainability and social inclusion may play a part in development policy. Modern growth theories give excellent policy guidance on how to successfully navigate the intricacies of African development by demanding that investment in human capital, economic diversification, and regional integration be established as essential preconditions to reduce Africa's dependence on foreign markets and accelerate long-term development.

Findings

The utilization of the modern approach for theoretical procedures creates a better intensified background in understanding and solving what defines development in Africa. The findings are that postcolonial theory plays a paramount role in identifying and resolving historical inheritances that influence African governments. Thus, recognition of such past injustices and efforts toward inclusive and equitable political processes form a vital part of the significant governance improvement. Sustain the Environmental Stewardship and Human Well-being of Development Initiatives. Affirms the Human Development Theory, which forms notions of the Long-term Sustainability Sought after Achieving the Right Kind of Sustainable Development Approach Designed Towards Combat Against Social Injustices, Including the Greening Technologies in the Process. The Social Exclusion Framework lays stress on equal distribution of development benefits, mainly to the excluded subjects as well. The Capability Approach puts much value on investment in human capital to accelerate strategies for growth.

Findings suggest the need to invest in health, education, and skills enhancement to further economic diversification and innovation. In addition, since the argument against economic dependency given the context of Post-Colonial Theory, there must be development policies towards economic self-reliance and regional trade as compared to reliance on aid from developed nations. Broad avenues toward formulating appropriate approaches to economic growth, sustainability, and governance transitions would be presented at large by such integration of theoretical perspectives into the review of African development challenges. Findings indicate that real approaches to development must acknowledge historical injustices, bring about inclusiveness, and improve human well-being while being theoretically informed yet grounded in practice to navigate the current challenges of Africa successfully.

CONCLUSION

A careful analysis of contemporary theoretical frameworks concerning African development reveals several significant findings that are central to the handling of problems facing the continent today. A fusion of ideas like postcolonial theory, the capacity approach to development, human development theory, and the social exclusion framework is necessary for a holistic understanding of Africa's complex issues in relation to governance, sustainability, and economic growth. Post-colonial thought, thus, emphasizes and also explains the long-run effects of colonial legacies in African governance. It would also suggest the need for reform aimed at redressing injustices of the past and improving inclusive democratic processes. Effective governance, thus, should be guided by an awareness of such historical settings to make political institutions in Africa just and responsive to the demands of a range of populations.

The Capability Approach emphasizes the necessity of augmenting personal capacities and assured participatory involvement in democratic procedures. In this regard, development plans should empower people and give them more possibilities because this will lead to better governance and the realization of more successful development outcomes. The actions that actually concentrate on the improvement of civic engagement are the ones necessary for building transparent and accountable governance structures. They are also useful for sustainability in a conversation with the Social Exclusion Framework and Human Development Theory. In this theory of human development, what concerns have to be included for the long-run conservation of the natural environment as well as of human betterment. In the case of the Framework on Social Exclusion, much more is taken as a step by requiring the implementation of more inclusive methods for development so that any deprived are benefited by the development undertaking. For this purpose, sustainability in the long run is ensured. Capability Approach makes it imperative to invest in capital of people or things like education and health including skills development with the objective to be directed towards macroeconomic development and innovation regarding economic growth. Literature indicating that investment in human resources remains a pre-condition in the pursuit of economic development and diversification, are supportive of this argument. In addition, critique by Post-Colonial Theory of dependency syndrome demonstrates that the imperative of implementing policies that encourage self-reliance, as well as reducing dependency on foreign aids, for instance, regional trade and integration.

Future Recommendations

- **Government Reforms:** The future theoretical work should focus on government reforms in such a manner that acknowledges some of the earlier mistakes and could offer an opportunity for all to be part of the mainstream. This is achieved by creating political institutions and procedures that are able to be resilient to unique local contexts and populations.
- **Sustained Development Practices:** There must be human welfare and environmental sustainability as part of the development process. This incorporates environment-friendly

technology; promotion of environmental stewardship; and fair distribution of the benefits of progress.

- **Investment in Human Capital:** The sectors of education, health care, and up-skilling education are all important to foster innovation and growth in the economy.
- **Economic Self-Sufficiency**: For their economic independence, efforts have to be directed for the encouragement of regional trade and economic co-operation together with decreased reliance on foreign assistance. The policy objective ought to be building resilience or economic self-sufficiency. Resilience and economic self-sufficiency ought to be the aim of policy.

Thereby Policymakers and development practitioners are then able to manage better the problems of African development by coordinating theoretical insights with workable solutions. Incorporation of these contemporary theoretical methods offers a complete framework for developing solutions that solve problems related to governance, foster sustainably economic growth-all leading to more sustainable and equitable development results in Africa.

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Financial Literacy, Consumption and Resilience: Evidence from Nationally Representative Surveys in India

Manika Malhotra*

Abstract

Financial literacy is increasingly recognized as a cornerstone of sound household financial decision-making, yet its role in shaping real-world financial outcomes remains unevenly understood across emerging economies. This study investigates the relationship between financial literacy and household financial behavior in India, using secondary data analysis. By examining key outcomes such as savings behaviour, investment diversification, debt levels, and insurance uptake, the paper aims to assess whether higher financial awareness translates into greater financial resilience and better planning.

The findings suggest a significant positive association between financial literacy and prudent financial behavior, particularly in urban and semi-urban households. However, the impact is heterogeneous across income groups, gender, and educational attainment. Households with higher financial knowledge are more likely to maintain emergency savings, avoid high-cost debt, and engage in formal financial markets. The results also highlight gaps in financial inclusion, where financial literacy alone is insufficient without institutional access and trust.

By integrating insights from multiple nationally representative datasets, the study aims to provide a comprehensive understanding of how financial knowledge interacts with income dynamics, access to financial services, and behavioral factors to shape financial outcomes. In doing so, it contributes to the ongoing discourse on designing more effective, targeted, and inclusive financial education policies in India.

Keywords: Financial Literacy, Financial decision making, Indian Household, Education, women, low-income groups, savings.

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Introduction

Household financial decision-making constitutes a critical determinant of economic well-being, particularly in emerging economies such as India, where income volatility, limited access to formal financial systems, and low levels of financial literacy intersect to heighten economic vulnerability. Despite the expansion of financial inclusion initiatives and the rapid proliferation of digital financial services, a substantial proportion of Indian households continue to exhibit suboptimal financial behaviours. These include inadequate precautionary savings, reliance on informal credit channels, and limited participation in formal insurance and investment products.

Financial literacy, defined as the ability to understand and effectively apply fundamental financial concepts, has been widely recognized as a key enabler of improved financial outcomes. International evidence consistently demonstrates that higher levels of financial literacy are associated with increased savings, more diversified investment portfolios, and enhanced preparedness for retirement and unforeseen contingencies. However, within the Indian context, robust empirical investigations of this relationship remain relatively limited, particularly those grounded in large-scale, nationally representative datasets that capture the diversity of household experiences.

In response to these challenges, institutions such as the Reserve Bank of India (RBI), the Securities and Exchange Board of India (SEBI), and the National Centre for Financial Education (NCFE) have undertaken a range of initiatives aimed at enhancing financial awareness across demographic groups. While these efforts reflect a strong policy commitment, their effectiveness in translating financial knowledge into improved household-level financial behavior remains an open question. Are financially literate households in India better prepared to manage economic shocks? Do they engage more with formal financial institutions? Are financial knowledge gains sufficient to bridge the persistent gaps in savings and investment behavior? This paper seeks to address these gaps by examining the relationship between financial literacy and household financial behavior in India through a data-driven analysis.

Objectives

The primary objective of this study is to examine the relationship between financial literacy and household financial outcomes in India, using nationally representative data. Specifically, the study seeks to:

1. Assess the level of financial literacy among Indian households across different socio-economic, geographic, and demographic groups.
2. Analyze the impact of financial literacy on key household financial outcomes, including:
    - Savings behavior (e.g., emergency funds, formal vs. informal savings)
    - Investment decisions (e.g., use of financial instruments beyond basic savings)
    - Borrowing patterns (e.g., incidence of high-cost or informal debt)
    - Insurance uptake (e.g., participation in health, life, and general insurance)
3. Evaluate disparities in financial behavior by gender, urban-rural residence, income quintile, and educational attainment, to understand which groups benefit most from higher financial literacy.
4. Examine the effectiveness of financial literacy initiatives, as reflected in household behavior, particularly in regions where government or regulatory bodies have conducted awareness campaigns.
5. Provide evidence-based recommendations for enhancing financial education policies and designing targeted interventions that promote inclusive financial well-being.

To Understand Patterns of Financial Behavior across Income Classes in India

This section analyzes the financial behavior of Indian households by examining their income, expenditure, and saving patterns across different income and social classes. The data is drawn from the ICE360° surveys conducted by the People's Research on India's Consumer Economy (PRICE). The disparities in saving capacity, consumption burden, and access to formal financial instruments have been presented through a series of visualisations to better understand the pressing need for targeted financial literacy and inclusion initiatives.

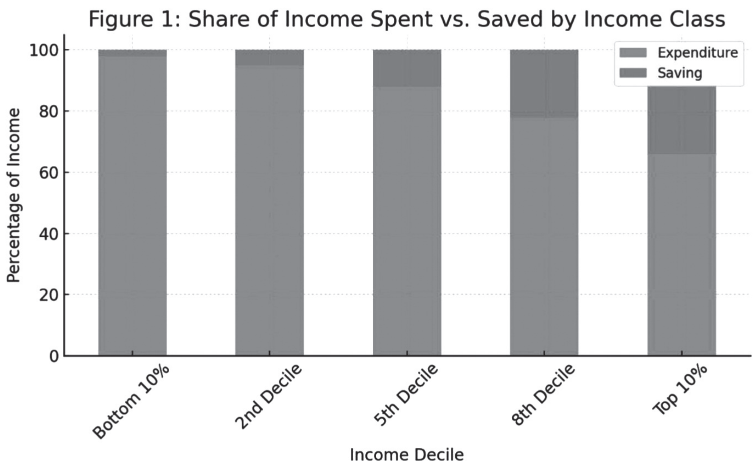

Figure 1: Share of Income Spent vs. Saved by Income Class

Figure 1 highlights how the burden of consumption relative to income is significantly higher for lower-income deciles. The bottom 10% of earners spend nearly all their income on consumption (98%), leaving negligible room for savings. As we move to higher deciles, particularly the top 10%, the capacity to save increases dramatically (up to 34%). This disparity suggests that financial education and planning are most crucial for the lower and middle-income groups who are financially vulnerable.

Behavioral Trend Analysis

- **Precautionary Saving**: More prevalent among higher-income and urban households, influenced by macroeconomic conditions (e.g., inflation, job uncertainty).
- **Consumption Lag in Rural Households**: Rural income growth has not kept pace with inflation, forcing rural households to reduce non-essential consumption and savings simultaneously.
- **Financial Inclusion Impact**: Post Jan Dhan Yojana, access to bank accounts has increased, but active savings behavior still lags, particularly in lower-income segments.

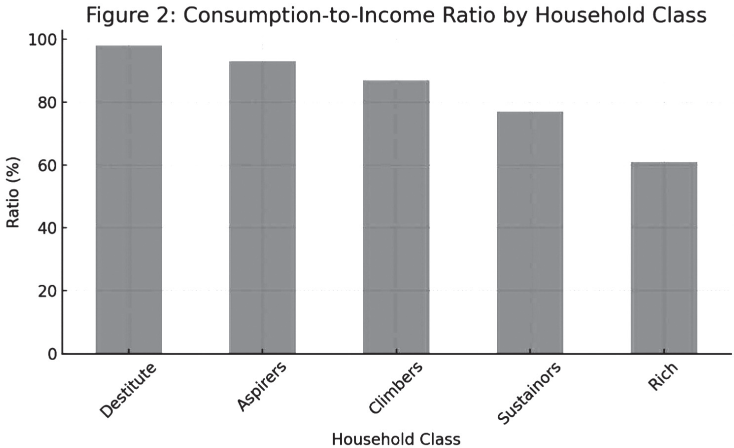

Figure 2: Consumption-to-Income Ratio by Household Class

The consumption-to-income ratio offers additional insights into financial stress. Households in the 'Destitute' and 'Aspirer' classes have ratios close to or above 90%, indicating subsistence-level living with no buffer for emergencies. In contrast, the 'Rich' class has a lower ratio (61%), reflecting better income elasticity and saving potential. The data clearly shows how household financial behavior is closely tied to income and class structure.

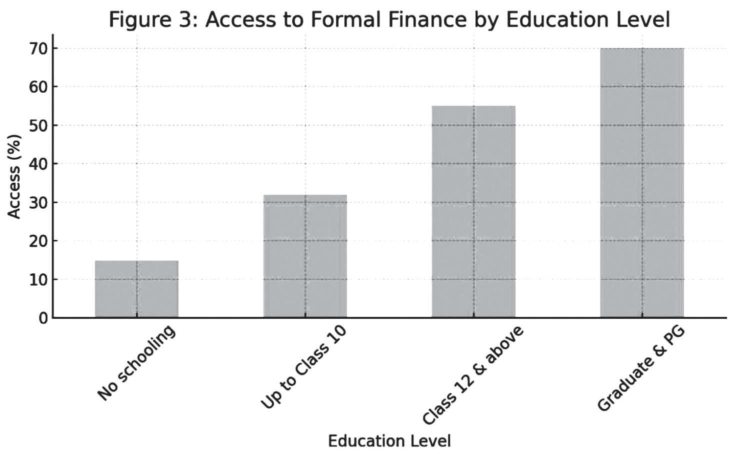

Figure 3: Access to Formal Finance by Education Level.

Access to formal financial instruments also varies strongly by educational attainment. As shown in Figure 3, only 15% of those with no schooling use formal finance, compared to 70% of graduates and postgraduates. This correlation between education and financial inclusion emphasizes the role of literacy in empowering households to engage with the formal economy and adopt safer financial habits.

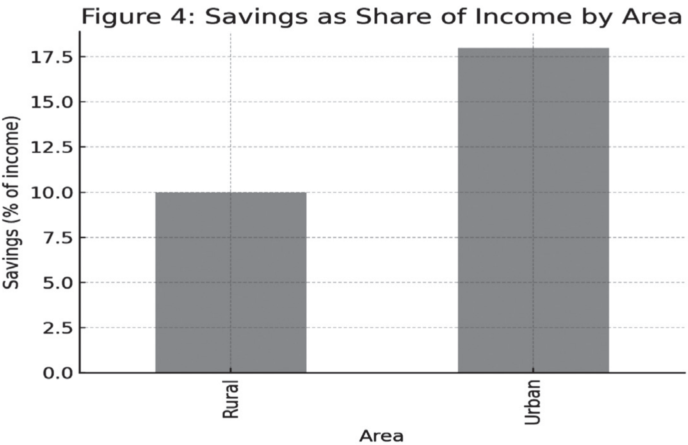

Figure 4: Savings as Share of Income by Area

Finally, Figure 4 compares rural and urban saving patterns. Urban households save nearly twice as much of their income (18%) as rural households (10%). This difference may reflect both higher disposable incomes in urban areas and greater access to financial services. Bridging this rural-urban divide is key to achieving inclusive financial development.

Role of Financial Literacy and Education in Household Financial Behavior in India

Financial literacy and education significantly shape household financial behavior in India. Higher educational attainment is strongly associated with better financial knowledge, increased use of formal financial services, and higher savings and investment rates. This section draws upon data from SEBI, RBI, CMIE Consumer Pyramids, and PRICE (ICE360°) surveys.

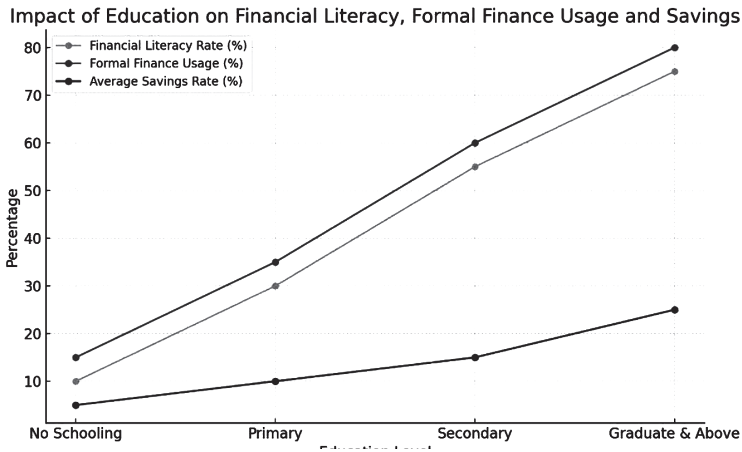

Figure 5: Impact of Education on Financial Literacy, Formal Finance Usage, and Savings

Figure 5 shows a positive correlation between education level and financial engagement. Only 10% of individuals without schooling demonstrate financial literacy, compared to 75% among those with graduate-level education. Usage of formal financial services and average household savings also rise in line with education, indicating the vital role education plays in enabling informed financial decisions.

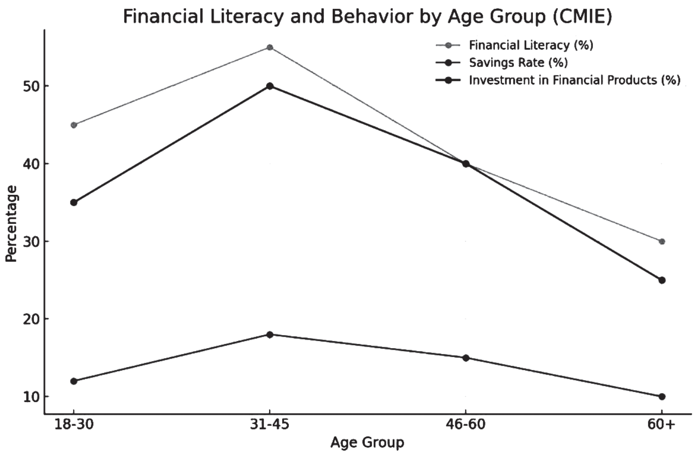

Figure 6: Financial Literacy and Financial Behavior by Age Group (CMIE)

According to CMIE data, individuals aged 31–45 show the highest financial literacy (55%) and financial participation, including a 50% investment rate in financial products and an 18% average savings rate. This underscores how financial awareness peaks during prime working years, highlighting the importance of age-targeted financial literacy interventions.

Barriers to Accessing Formal Financial Services among Indian Households

Despite the rise of financial inclusion initiatives in India, significant disparities persist in access to formal financial services, including banking, insurance, and digital finance. This section examines the barriers that households, particularly those from lower-income groups, encounter when accessing these services. Data has been interpreted from sources including RBI reports, SEBI studies, ICE360°, and CMIE Consumer Pyramid Surveys.

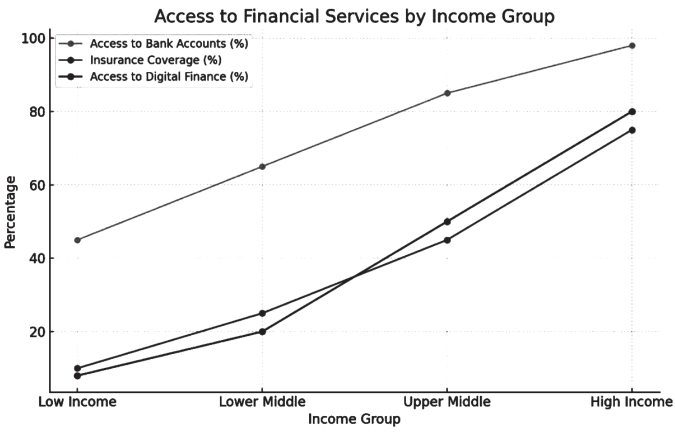

Figure 7: Access to Financial Services by Income Group

As shown in Figure 7, a stark divide exists between low-income and high-income households in India. Only 45% of low-income households have access to a formal bank account, compared to 98% in high-income groups. Insurance penetration is extremely low among the poorest at just 10%, while digital financial tools are adopted by only 8% of the lowest income bracket. These figures highlight affordability, digital literacy, and lack of trust or awareness as key barriers.

Detailed Analysis

1. **Access Gaps Are Income-Driven** According to data compiled from **PRICE's ICE360° Survey**, low-income households significantly lag behind in using bank accounts for savings or receiving government benefits. While most may have accounts in name (thanks to PMJDY), **active usage remains low**.
2. **Insurance Penetration Is Alarmingly Low** Insurance coverage (life, health, and general) is highly unequal. Just 10% of low-income households are insured, versus 75% in the high-income bracket.
3. **Digital Financial Services See Wide Gaps** Access to mobile wallets, UPI, and internet banking is skewed. Only 8% of low-income households report using digital finance tools, compared to 80% of high-income households (SEBI and CMIE data).

Key Barriers Identified

Based on observations highlighted in the findings of the secondary data sources (RBI, SEBI, CMIE, and PRICE), the major barriers are:

- **Lack of awareness** about financial services and products
- **Inadequate documentation** for account or insurance access
- **Low financial literacy**, particularly among women and older adults
- **Digital illiteracy** and lack of access to smartphones or a stable internet
- **Mistrust in formal systems**, worsened by experiences of fraud or hidden charges
- **Geographical inaccessibility** to bank branches or ATMs in remote areas

According to CMIE's **Consumer Pyramids Household Survey (2023)**:

"Nearly 38% of low-income households had no interaction with any formal financial institution in the past year."

The Role of Financial Education in Shaping Household Financial Behavior and Resilience

While access to financial services has expanded across India, financial behavior, such as saving regularly, insuring against risk, and avoiding over-indebtedness, still shows large inefficiencies and vulnerabilities.

A growing body of evidence suggests that financial education plays a crucial role in enhancing household financial decision-making and building economic resilience, especially among low- and middle-income groups.

Key Hypothesis

Households with greater financial knowledge are more likely to engage in sound financial practices such as budgeting, saving, insuring, and planning for retirement, thereby increasing their financial resilience in the face of income shocks or health emergencies.

Financial Literacy Rates by Demographic Group

Demographic Segment	Financial Literacy Rate (%)
Urban Men	34
Urban Women	27
Rural Men	23
Rural Women	18
Youth (18–25 years)	25
Low-income households	19

Impact of Financial Education on Key Behaviors

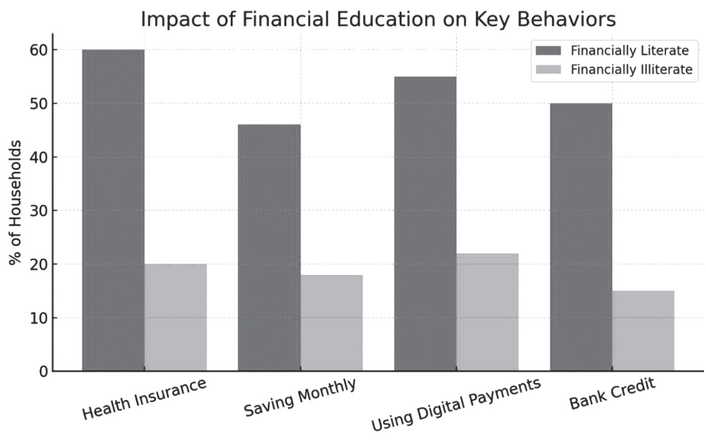

Figure 8: Comparison of Financial Behavior Between Literate and Illiterate Households

The graph above shows that financially literate households are significantly more likely to engage in positive financial behaviors, such as purchasing insurance, saving regularly, using digital payments, and accessing bank credit, compared to financially illiterate households.

Financial education serves as a crucial enabler for household financial decision-making, especially in economies like India, where access to financial products has grown, but usage remains suboptimal due to limited understanding.

Key behavioral issues observed among Indian households include:

- Underestimation of compounding interest
- Over-reliance on informal borrowing
- Poor insurance penetration
- Low long-term savings for retirement or emergencies

The SEBI Investor Survey (2020) and the RBI Financial Literacy Framework (2022) highlight gaps in even basic financial awareness. Many respondents did not understand the impact of inflation on savings or the risks of unsecured loans.

Table 1: Financial Literacy Levels Across Key Demographics (SEBI 2020)

Demographic Group	*% Aware of Interest Calculations*	*% Aware of Inflation Impact*	*% With Budgeting Knowledge*
Urban Men	54%	48%	51%
Urban Women	38%	29%	32%
Rural Men	27%	22%	25%
Rural Women	18%	14%	17%

Source: *SEBI Investor Survey, 2020*

Behavioral Nudges and Financial Outcomes

Research in behavioral economics has shown that **financial education, when paired with nudges**, can significantly alter saving and investment behavior. Programs that used reminders, peer groups, or goal-based planning improved household budgeting and reduced debt reliance.

Case Insight: RBI Pilot in Maharashtra (2022)

In a pilot involving rural SHG women:

Metric	Pre-Education	Post-Education (6 months)
Households with active RD accounts	18%	42%
Women who discussed insurance	12%	53%
Use of digital payments	21%	49%

This indicates that contextual, language-specific modules delivered through community channels can shift both knowledge and behavior.

Table-2: Access vs. Usage of Financial Products (RBI FL Framework, 2022)

Financial Product	% with Access	% with Effective Use
Bank Account	91%	41%
Insurance (any type)	23%	8%
Investment in MF/Equity	9%	3%

Many have access but don't use products due to a lack of understanding.

Evidence-Based Recommendations

1. Institutionalize Financial Education Across Life Stages

- **Schools & Colleges**:
  Integrate age-appropriate financial literacy modules into the National Curriculum Framework (NCF), emphasizing budgeting, digital payments, and saving behavior.

Rationale: SEBI's Investor Survey 2020 highlights low financial literacy among youth despite high smartphone usage and digital access.

- **Working Adults**:
  Embed financial training in onboarding programs for government and private sector employees, including modules on EPF, NPS, insurance, and mutual funds.
- **Senior Citizens**:
  Create advisory programs focused on fraud protection, pension planning, and low-risk investments for retirees.

2. Focus on Women and Marginalized Communities

- **Leverage SHG and NRLM Platforms** :
  Use Self-Help Groups and National Rural Livelihood Mission platforms to deliver micro-level financial literacy focused on savings discipline, credit management, and digital tools.
- **Build Financial Capability for Women Entrepreneurs**:
  Tailor content to women-led microenterprises with a focus on budgeting, pricing, digital transactions, and working capital management.

Evidence: The RBI Household Finance Survey shows that women are underrepresented in formal financial instruments despite being more likely to save informally.

3. Digital Financial Literacy for the Bottom 40%

- **Localized and Multilingual Tools**:
  Develop mobile-based learning modules in vernacular languages covering topics like UPI use, loan apps, safe investment practices, and grievance redressal.
- **Gamified Learning**:
  Encourage behavioral nudges through interactive games and apps that reward good financial decisions, especially effective among youth and low-literacy populations.

4. Combine Financial Education with Product Access

- **Bundled Interventions**:
  Pair training with access to appropriate financial products like micro-pensions, recurring deposits, or low-premium insurance.

Price360 data shows that the bottom 20% of households can save small amounts, but lack low-risk, accessible instruments to do so.

- **Nudge Formalization of Savings**:
  Use behavioral nudges (e.g., SMS reminders, cashback on savings, matching schemes) to convert informal savers into formal ones.

5. Monitor Impact and Target Support

- **Use Household Finance Data to Target Interventions**:
  Data from CMIE and Price360 can help identify districts or income groups with low savings rates or high financial vulnerability.

- **Track Longitudinal Outcomes**:
  Encourage third-party evaluations of financial education programs using real behavioral indicators, e.g., bank account usage, debt repayment, and emergency savings buffer.

6. Strengthen Public-Private Partnerships

- **Work with Fintechs and NBFCs**:
  Collaborate with digital platforms to deliver financial literacy and tailored credit products with transparent terms.

7. Policy-Level Interventions

- **National Financial Capability Framework**:
  Go beyond basic financial literacy to include financial decision-making, planning, and resilience-building in policy design.
- **Standardization & Certification**:
  Develop a national certification for financial literacy trainers and standardize curricula to ensure consistent messaging and quality.

Conclusion

This paper examines the multifaceted dynamics of household financial behavior in India, with a particular emphasis on the role of financial literacy and education. Drawing upon nationally representative datasets from CMIE, RBI, SEBI, and Price360, the analysis systematically explored five key dimensions: income-consumption-saving relationships, patterns of financial product usage, disparities in financial literacy across socio-economic groups, structural barriers to formal financial inclusion, and the scope for targeted policy interventions.

The findings indicate that while income levels have shown improvement across segments, the capacity to translate income gains into sustained savings remains constrained, particularly among the bottom 40 per cent of households. High expenditure burdens, limited financial awareness, and persistent trust deficits in formal institutions contribute to suboptimal financial decision-making. Moreover, pronounced disparities across gender, geography, and educational attainment further exacerbate these challenges, highlighting the uneven distribution of financial capability within the population.

Importantly, the analysis underscores that access to financial services, in isolation, is insufficient to ensure meaningful financial inclusion. The central challenge lies in bridging the capability gap, that is, enabling individuals not only to access financial products but also to understand, evaluate, and effectively utilize them in alignment with their long-term financial well-being. This calls for a shift from input-based measures of inclusion (such as account ownership) to outcome-oriented approaches that emphasise usage, resilience, and informed decision-making.

In this context, financial literacy interventions must transition from generic, one-size-fits-all models to targeted, data-driven, and behaviorally informed frameworks. Embedding financial education across life stages, designing gender-sensitive and context-specific modules, leveraging digital platforms for scalable delivery, and integrating education with accessible and secure financial products emerge as critical priorities. Such an approach would enable more inclusive participation in formal financial systems while addressing the structural vulnerabilities faced by low-income and marginalized households.

In conclusion, strengthening financial capability is integral not only to improving household-level financial outcomes but also to enhancing macroeconomic resilience and stability. The evidence presented in this paper provides a basis for reorienting policy design toward more nuanced, inclusive, and adaptive financial inclusion strategies. A coordinated effort among policymakers, financial institutions, educators, and civil society will be essential in advancing the goal of a financially informed, resilient, and equitable economic ecosystem in India.

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Intra Inequality and Argument for Subcategorization within the Scheduled Castes (SCs): The Empirical Evidence of the Gujarat State

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Abstract

The paper examines inequalities within Scheduled Castes (SCs) in Gujarat, particularly the educational and socioeconomic gaps among sub-castes. Utilizing empirical data (Census Report 2011), it illustrates how dominant sub-castes gain more from affirmative action policies, exacerbating the disadvantages marginalised groups face. The analysis uncovers notable differences among the SCs in educational success, urbanization, and economic opportunities across sub-castes, revealing that progressive groups like Vankar and Garoda achieve better outcomes than less advantaged ones like Valmiki and Nadia. Following a recent Supreme Court decision permitting subcategorization among SCs, the paper supports implementing a horizontal reservation model, considering factors like geography of residence and socioeconomic status. It underscores the importance of eliminating a creamy layer within SCs to guarantee fair distribution of affirmative action benefits, thereby promoting a more inclusive approach to social justice.

The paper indicates that subcategorization as vertical reservation within the Scheduled Castes (SCs) may lead to an unfair environment for rural residents from progressive subcaste groups. Within each subcaste, you can find both progressive and non-progressive groups. Implementing horizontal reservation can foster the advancement of the most disadvantaged among the weaker populations. Eliminating a hypothetical subcaste should be avoided

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from affirmative action, as it would result in new injustices for those who are more disadvantaged within progressive sub-castes compared to those who are more advanced in relatively backward sub-castes. Analysis recommends establishing a creamy layer identification process for the implementation of reservations and advocates for subcategorization (Horizontal reservation within SC) among the subcastes of SC.

Keywords: *Subcategorization, Schedule caste, Caste Reservation, Social Inequality*

Introduction:

The discourse on intra-inequality with the SC is multifaceted and has evolved, encompassing social, political, and cultural dimensions. The term "Scheduled Castes" is introduced in framing policies that aim to reduce caste-based inequalities at a macro level. Subcaste with SCs has a region-specific spectrum. Scheduled Castes are treated as a collective category in the Constitution of India, which addresses the historically oppressed class. Affirmative action in the form of reservations in education, employment, and politics was designed for the collective SC category to avoid fragmentation and ensure that the Constitution accepted a broader and more cohesive approach to social justice at the beginning of independent India. However, within the SC category, significant social and economic status variations exist across Scheduled Castes. Basically, the subcaste identity is based on its dedicated task/work, which also varies by different regions of India. Within Scheduled Castes, there are issues of untouchability and unequal treatment. There is no level playing field among the Scheduled Castes; hence, affirmative action treats them collectively. The basic arguments are that "The benefits of affirmative action are disproportionately accessed by more dominant sub-castes within the SC category; moreover, the beneficiary subcaste becomes more dominant and can contradict the interests of other SCs.",

"Affirmative action is used to empower already empowered dominant sub-castes". The current debates are primarily about "Whether to treat Scheduled Castes collectively or to fragment them by sub-castes to assure benefits to the weakest among the weak."

Current Debates:

(Supreme Court of India, 2024) The Supreme Court of India's judgment in the case of "State of Punjab & Others vs. Davinder Singh & Others" is a landmark judgment delivered on August 1, 2024. The seven-judge bench, led by Chief Justice D.Y. Chandrachud, addressed the issue of sub-classification among the Scheduled Castes (SC) for affirmative action. The judgment overturned E.V. Chinnaiah's judgment (2004), which had previously prohibited subcategorization within the SC category. With this judgment, subcategorization within the SCs is permitted to ensure benefits for the most disadvantaged groups, provided it is based on empirical evidence, and states must provide data justifying subcategorization. It should not exclude other SC subgroups entirely from the reservation framework. The judgment also recognizes the possibility of identifying and excluding the "creamy layer" within the SC to deliver benefits to the most marginalized sections within the SCs. Some states, like Andhra Pradesh and Haryana, have implemented subcategorization of SCs for reservations and other affirmative programs to ensure the distribution of benefits among SCs. The judgment sparked debates on this issue. Supporters of subcategorization argue that a "one-size-fits-all" approach ignores the diversity and inequality within SCs. In contrast, opponents fear that subcategorization (Vertical subcategorization[1]) could weaken collective Dalit solidarity and dilute the larger efforts for Dalit upliftment. Discussions on subcategorization also intersect with issues of gender, region, and religion, adding further layers of complexity. This paper aims to contribute to the discourse on current Scheduled Castes: whether SC should be treated collectively or if subcategorized SCs would better address the weakest among the weaker.

Table-1 Sub-castes within the SCs in Gujarat:

Sub castes Title and identification (Numbered in the second column for graphical illustration[<?>])			
Title	No	Persons	% of total SC
All Schedule Castes	--	4074447	100.00
Others	--	26450	0.65
BawaDedh, DedhSadhu	1	9831	0.24
Bhambhi, Asadaru, Chamar, Rohidas, Rohit,	2	1032128	25.33
Bhangi, Mehtar, Valmiki	3	462719	11.36
Garoda, Garo	4	72948	1.79

Mahar, Taral, Dhegu Megu	5	28417	0.70
Mahyavansi, Vankar, Maru, Antyaj	6	1608359	39.47
Mang, Matang, Minimadig	7	13238	0.32
Meghval, Meghwal, Menghvar	8	221531	5.44
Nadia, Hadi	9	50331	1.24
Senva, Shenva, Chenva, Sedma, Rawat	10	116307	2.85
Turi	11	15449	0.38
Turi Barot, Dedh Barot	12	16659	0.41
Koli, Kori	13	30048	0.74
Generic Castes etc.	--	370032	9.08

Source: Census of India 2011

Population and proportion of different Sub-castes in Gujarat:

(Census of India, 2011) According to the Census of India 2011, in Gujarat, Vankar is a cloth weaver community. They are also known as Mahyavansi, (primarily in Surat and the surrounding areas). They are also referred to as Maru, Antyaj, etc. They constitute 40% of the total SC population in Gujarat. The second largest SC population in Gujarat is 25%, constituted by Bhambhi/Asadaru/Chamar/Rohidas/Rohit, etc. The name "Rohidas" is derived from Sant Rohidas. Historically, he was the guru of Mirabai. (Bhattacharyya, 1989). They traditionally engage in handling and disposing of animal carcasses, skinning animals, leather tanning, and related work. The third largest subcaste group is known as Bhangi/ Mehtar/ Valmiki etc. In the state of Gujarat, they make up 11% of the total SC population. The fourth largest subcaste originated in the neighboring regions of Gujarat and migrated to the present parts of Gujarat; they are known as Meghval/Meghwal/ Menghvar, etc. Meghs originated in the northwestern regions of India, particularly in Rajasthan, Punjab, Northwest Gujarat, and Sindh (now in Pakistan). The terms Meghval, Meghwal, and Menghvar refer to an SC community in India. The name "Meghwal" is derived from Megh, which translates to "cloud". Symbolizing their traditional association with rain and fertility. They trace their origin to the worship of Megh, a deity believed to bring rain and prosperity. (Sukhvir Singh Gahlot and Banshi Dhar, 1989) They have historically been associated with various occupations under the caste-based social system. Their primary traditional roles include weaving and textile craft; they are renowned for their skills in weaving and crafting textiles, especially in creating woolen goods, blankets, and rugs. Leather work: some members of the Meghwal community were engaged in leather tanning and related work. Many Meghwals have traditionally worked as agricultural laborers or small-scale farmers. The Meghwal community has a prosperous cultural heritage. They are also known for vibrant embroidery work, mirror work, and leather craftsmanship. They have spiritual practices centered around regional deities, including Baba Ramdev Peer and Guru Jambheshwar (Bishnoi traditions).

80% of the SC community in Gujarat state is constituted by these four sub-castes. Almost 10% of the SC population in Gujarat is considered under the title of "Generic Castes." (Census of India, 2011). The remaining 10% is constituted by BawaDedh/DedhSadhu (0.24%), Garoda/Garo (1.79%), Mahar/Taral/DheguMegu (0.7%), Mang/Matang/Minimadig (0.32%), Nadia/Hadi (1.24%), Senva/Shenva/Chenva/Sedma/Rawat (2.85%), Turi (0.38%), Turi Barot, Dedh Barot (0.41%), Koli, Kori (0.74%), and others (0.62%). Others include those sub-castes that collectively represent less than 1% of the total SC population in the state, comprising various sub-castes with smaller numbers.

Contemporary Status of all Sub-castes within the SC:

After the implementation of the constitution and the inclusion in the Scheduled Castes category, all subcaste communities have gained access to affirmative action policies, especially reservations in education, employment, and political representation. Despite this, many still face socioeconomic challenges and caste-based discrimination. Social movements and educational initiatives have empowered several members within these different sub-castes to step out of traditional occupational roles and achieve upward mobility (Nandu, 2005). Moreover, a hierarchy exists within the Scheduled Castes group, and not all sub-castes face equal exclusion. This hypothetical arguments paper tries to examine the contemporary status of different sub-castes within the SC and aims to contribute to debates regarding subcategorization within the SC.

Methodology:

The Census of India collects data on the population attending educational institutions. The data, titled "Percentage of the Population Attending

Educational Institutions” in the Census of India 2011, refers to the proportion of the population, expressed as a percentage, that was actively enrolled in educational institutions (schools, colleges, vocational training centres, etc.).

The population includes individuals across all age groups. However, the paper discusses specific data focused on age groups where educational attendance is more expected, such as the age group of 20-34 years.

Percentage Calculation:

Percentage = (Population attending educational institutions × 100) ÷ Total population of the relevant group.

Significance: The census uses collected data to analyse educational trends, focusing on areas requiring specific attention regarding educational access. Such data indicate access to, achievement in, and participation in education. This data helps us identify educational disparities across sub-castes of SC and their gender dimensions, as well as rural-urban disparities. The educational status of the social group and its general progress toward development have a positive correlation and are broadly accepted, with some exceptional cases. When examining the progress of different scheduled castes, it is particularly relevant because SCs have limited resources for development rather than education. The paper uses simple methods of percentage calculation to analyze the scenario among the scheduled castes.

Disparities of Educational Status and SubCaste Imbalances:

Education is the cornerstone of the progress of mankind. Especially, it has the power to dismantle the structural barriers imposed by the caste system; education can empower individuals. Education plays a pivotal role in fostering social, economic, and political development. Historically subjected to systemic discrimination and socioeconomic exclusion, the Scheduled Castes have struggled to overcome barriers to their upliftment. It is generally accepted that education serves as a transformative tool to break the cycle of poverty, marginalization, and inequality. (Jogdand, 1995) Education provides the power for economic empowerment by enhancing employability. Education equips individuals with skills and knowledge, improving their employability in both traditional and modern sectors, which results in upward mobility. Through critical thinking and innovation, it encourages entrepreneurship. All these factors together create an environment of social inclusion and equality. Educated individuals are better positioned to challenge caste-based prejudices and stereotypes. Education facilitates participation in governance, local bodies, and community organizations. Awareness of rights and entitlements helps SCs resist exploitation and discrimination. Education nurtures leadership qualities, enabling SC individuals to represent their communities effectively. Education inculcates self-worth and dignity, encouraging SC individuals to aspire to higher achievements. (Vinaykumar, 2023) Educated parents prioritize education for their children, creating a virtuous cycle of development. Education improves awareness of health, hygiene, and family planning, leading to better living standards. All these arguments make it clear that higher educated sub-castes are receiving more benefits than the other sub-castes within the SC.

Educational disparities: Population attending educational institutions:

Table-2 Percentage of the Population (within the particular subcaste) attending educational institutions

Sub castes	%Persons	%Males	%Females
All Schedule Castes	25.19	27.21	23.01
Others	23.43	25.11	21.55
BawaDedh, DedhSadhu	24.87	26.83	22.73
Bhambhi, Asadaru, Chamar, Rohidas, Rohit,	26.30	28.57	23.86
Bhangi, Mehtar, Valmiki	22.66	24.58	20.66
Garoda, Garo	26.36	28.85	23.72
Mahar, Taral, Dhegu Megu	21.37	22.49	20.18
Mahyavansi, Vankar, Maru, Antyaj	25.46	27.33	23.43
Mang, Matang, Minimadig	24.41	26.77	21.92
Meghval, Meghwal, Menghvar	24.27	26.73	21.70
Nadia, Hadi	22.61	24.43	20.71
Senva, Shenva, Chenva, Sedma, Rawat	23.81	26.19	21.22

Turi	26.35	28.91	23.59
Turi Barot, Dedh Barot	24.58	26.59	22.44
Koli, Kori	20.99	21.79	20.07
Generic Castes etc.	25.96	27.80	23.96

The table shows that 25% of all scheduled castes are attending educational institutions. Bhambhi, Garoda, Vankar, and Turi are above the average for all SC categories. Hypothetically, the backward sub-castes among the SC in Gujarat are Valmiki, Nadia, and Shenva; their values for this indicator stand at 22.66%, 22.61%, and 23.81%, respectively. They constitute around 15-16% of the total SC population in Gujarat. Under the category of 'Generic castes', most of the progressive SC are included. That is why this category shows a higher value than the average. With the help of this data, no one can get a clear picture of the educational disparity between the sub-castes of SC in the state of Gujarat. There is some concern in this regard, such as the type of education, quality of education, and level of education, etc. All these aspects are discussed below.

Table-3: Percentage of the Population (within the particular subcaste) attending College Education

Sub Caste	%Persons	%Males	%Females
All Schedule Castes	2.44	2.93	1.92
Others	1.96	2.42	1.45
Bawa Dedh, Dedh Sadhu	2.50	2.75	2.23
Bhambhi, Asadaru, Chamar, Rohidas, Rohit,	2.29	2.87	1.66
Bhangi, Mehtar, Valmiki	0.99	1.25	0.71
Garoda, Garo	3.70	4.56	2.78
Mahar, Taral, Dhegu Megu	1.68	1.93	1.41
Mahyavansi, Vankar, Maru, Antyaj	3.13	3.64	2.58
Mang, Matang, Minimadig	1.13	1.37	0.87
Meghval, Meghwal, Menghvar	0.83	1.17	0.47
Nadia, Hadi	1.05	1.46	0.63

Senva, Shenva, Chenva, Sedma, Rawat	1.02	1.38	0.62
Turi	2.82	3.48	2.10
Turi Barot, Dedh Barot	1.82	2.29	1.32
Koli, Kori	1.29	1.46	1.10
Generic Castes etc.	3.30	3.80	2.74

The above shows that 2.44% of all scheduled castes attend college education. Bava/Sadhudedh, Garoda, Vankar, and Turi are above the average for all SC categories. Hypothetically, the backward sub-castes among the SC in Gujarat are Valmiki, Nadia, and Shenva; their values for this indicator stand at 0.9%, 1%, and 1%, respectively. The category of 'Generic castes' includes most of the progressive SC, which reported a comparatively higher value of 3.3%. The Vankar and Garoda are reported in the top position, while Valmiki, Nadia, Shenva, and Meghaval are reported as the worst. The Census of India also provided data on the percentage of the population (within the particular subcaste) attending vocational education, as discussed below.

Table-4 Percentage of the Population (within the particular subcaste) attending vocational education

Sub caste	%Persons	%Males	%Females
All Schedule Castes	0.46	0.63	0.29
Others	0.29	0.39	0.19
BawaDedh, DedhSadhu	0.45	0.64	0.23
Bhambhi, Asadaru, Chamar, Rohidas, Rohit,	0.46	0.64	0.26
Bhangi, Mehtar, Valmiki	0.19	0.24	0.14
Garoda, Garo	0.61	0.85	0.35
Mahar, Taral, Dhegu Megu	0.36	0.48	0.23
Mahyavansi, Vankar, Maru, Antyaj	0.64	0.84	0.41
Mang, Matang, Minimadig	0.26	0.44	0.06
Meghval, Meghwal, Menghvar	0.19	0.28	0.10

Nadia, Hadi	0.17	0.23	0.11
Senva, Shenva, Chenva, Sedma, Rawat	0.20	0.28	0.12
Turi	0.50	0.83	0.13
Turi Barot, Dedh Barot	0.26	0.33	0.20
Koli, Kori	0.12	0.16	0.09
Generic Castes etc.	0.41	0.55	0.26

Hypothetical progressive and regressive sub-castes follow their comparative position in the data reported above. 0.46% of all scheduled castes attend vocational education. Hypothetically progressive sub-castes Garoda, Vankar, and Turi have comparatively much higher values than the average for all SC categories. However, hypothetically, backward sub-castes report comparatively lower values, such as Valmiki (0.19%), Nadia (0.17%), and Shenva (0.2%). The average performance does not reflect a clear reality. Hypothetically, one can argue that the performance of women in comparatively progressive castes is not significantly different from the performance of males in backward sub-castes. Similarly, the rural performance of the relatively progressive subcaste group does not vary from the urban performance of the comparatively backward subcaste groups. The rural-urban scenario should also be considered in this regard, as mentioned below.

Illusive Case for Vertical Subcategorization within the SC:

The graph depicts the considerable disparity among the data discussed above. The vertical dark line is defined as the divider line between progressive sub-castes and backward sub-castes. One can identify that, in the case of educational attainment, Garoda, Turi, and Vankar are in a better position, whereas the vertical dashed line identifies the most backward subcaste groups among the SC. However, the picture shows just a partial portion with an average figure; in that sense, it creates an elusive case for subcategorization within the SC. Other factors should be considered as follows.

Urbanisation Process and Education Attainment: Impact on various SC sub-castes:

Table-5 Rural-Urban Population within the sub-castes of SCs

Sub caste	Urban Population %		Rural Population %	
	Percentage of total urban SC population	Percentage of Urban Po^n. within the sub-caste population	Percentage of total rural SC population	Percentage of rural Po^n. within subcaste
All Schedule Castes	100.00	44.00	100.00	56.00
Others	0.78	52.85	0.55	47.15
BawaDedh, DedhSadhu	0.33	60.53	0.17	39.47
Bhambhi, Asadaru, Chamar, Rohidas, Rohit,	18.26	31.72	30.89	68.28
Bhangi, Mehtar, Valmiki	14.55	56.39	8.84	43.61
Garoda, Garo	1.99	49.03	1.63	50.97
Mahar, Taral, Dhegu Megu	1.36	85.90	0.18	14.10
Mahyavansi, Vankar, Maru, Antyaj	41.91	46.72	37.56	53.28
Mang, Matang, Minimadig	0.32	43.55	0.33	56.45

Meghval, Meghwal, Menghvar	4.27	34.56	6.35	65.44
Nadia, Hadi	1.59	56.63	0.96	43.37
Senva, Shenva, Chenva, Sedma, Rawat	1.30	20.03	4.08	79.97
Turi	0.29	33.60	0.45	66.40
Turi Barot, Dedh Barot	0.50	54.20	0.33	45.80
Koli, Kori	1.16	69.10	0.41	30.90
Generic Castes etc.	11.37	55.10	7.28	44.90

Multiple studies (Bapat, 2009) show that urban areas provide a relatively more socially inclusive environment than rural areas. Urban environments offer more inclusion and opportunity (Roy, 2018). These studies help support the argument that the subcategorization (vertical) within the SCs may create an unjust environment for rural residents from progressive subcaste groups.

The data depict that Mahar, Koli, Valmiki, and Nadia are among the relatively backward sub-castes that reported higher urbanization than the others. This is due to survival issues (Prashad, 2000). For example, Valmiki in urban India, who play their role as cleanliness workers, struggle for dignity and better opportunities, which is still a serious issue. The urban areas have provided them with both challenges and a limited scope for social and economic upgradation. Rohit/Chamar reported a 31.7% urban population, which is due to the nature of their traditional work, which is generally available and executed in rural areas. Mahar reported the highest urban population of almost 86%, which is due to their migratory character (Zelliot, 1996).

The difference between rural and urban educational attainment shows that a higher urban population always favours better educational attainment. Though Valmiki, Nadia, and Mahar have a larger number of urban residents, they have lower educational attainment compared to progressive sub-castes; however, if we compare their educational attainment with that of their rural population, it is considerably lower. Thus, the argument sustains that "Vertical subcategorization within the SCs may create an unjust environment for rural residents from progressive subcaste groups. For example, the Shenva comparatively backwards subcaste in urban areas, has almost the same achievements as that of the comparatively progressive subcaste Vankar, residents in rural areas. The difference between rural living progressives and urban living backward residents is not so significant. The vertical subcategorization without consideration of residents' nature would create further injustices within the sub-castes.

The data regarding the percentage of the college-attending population by residence (Rural vs. urban) depicted in the graph shows that all the subcastes have lower values for the rural college-attending population than that of the urban, except Mahar. Significant variation was reported between rural and urban college-attending populations. With this significant difference, the group of persons from progressive subcaste living in urban areas are closer to groups of so-called backward subcastes living in urban areas. The data regarding the Percentage of particular population group attending vocational education described in Table-6 along with college education shows a similar scenario.

Table-6 Percentage of particular Population Group Attending college and vocational education:

	Rural		Urban	
	%College	%vocational	%College	%Vocational
All Schedule Castes	**1.68**	**0.37**	3.41	0.59
Others	**1.47**	**0.25**	2.40	0.34
Bawa Dedh, DedhSadhu	**1.31**	**0.21**	3.28	0.60
Bhambhi, Asadaru, Chamar, Rohidas, Rohit,	**1.68**	**0.37**	3.60	0.65
Bhangi, Mehtar, Valmiki	**0.65**	**0.16**	1.24	0.21

Garoda, Garo	**2.82**	**0.45**	4.61	0.77
Mahar, Taral, Dhegu Megu	**2.32**	**0.67**	1.57	0.31
Mahyavansi, Vankar, Maru, Antyaj	**2.23**	**0.50**	4.16	0.79
Mang, Matang, Minimadig	**0.52**	**0.19**	1.91	0.35
Meghval, Meghwal, Menghvar	**0.50**	**0.15**	1.45	0.28
Nadia, Hadi	**0.75**	**0.20**	1.28	0.14
Senva, Shenva, Chenva, Sedma, Rawat	**0.77**	**0.18**	2.03	0.28
Turi	**2.47**	**0.39**	3.51	0.71
Turi Barot, Dedh Barot	**1.38**	**0.13**	2.19	0.38
Koli, Kori	**0.53**	**0.03**	1.63	0.16
Generic Castes etc.	**1.57**	**0.26**	4.70	0.54

Recent trend for Differences in educational attainments:

Data in Table-7 below shows the recent trend of disparity between the different sub-castes in SC. The census also collected age-group-wise data. With a compilation of different (belonging) age groups, the age group of 20-34 years has been derived, which belongs to the younger population. The data for the age group of 20-30 years has been analyzed, considering a recent trend.

Table-7 Present dynamics within the age group of 20 to 34 years:

Age group of 20-34 (Percentage within the Sub caste category by age group of 20-34)			
	Population attending educational institutions	College	Vocational
All Schedule Castes	9.96	5.65	1.07
Others	7.40	4.35	0.64
Bawa Dedh, DedhSadhu	9.35	5.26	0.90
Bhambhi, Asadaru, Chamar, Rohidas, Rohit,	9.47	5.40	1.07
Bhangi, Mehtar, Valmiki	6.13	2.32	0.41
Garoda, Garo	13.40	8.84	1.42
Mahar, Taral, Dhegu Megu	6.86	3.67	0.70
Mahyavansi, Vankar, Maru, Antyaj	11.72	7.23	1.47
Mang, Matang, Minimadig	8.58	2.74	0.65
Meghval, Meghwal, Menghvar	5.10	1.91	0.43
Nadia, Hadi	5.70	2.49	0.34
Senva, Shenva, Chenva, Sedma, Rawat	5.76	2.30	0.46
Turi	10.64	6.91	1.23
Turi Barot, Dedh Barot	7.38	4.21	0.44

Koli, Kori	6.92	2.93	0.27
Generic Castes etc.	13.23	7.17	0.93

The graph depicts the two trends first is the Population within the age group of 20-34 years attending educational institutes. Data shows that within the Valmiki, only 6.13% attend educational institutes; the other backward sub-castes are closer to the Valmiki. However, the progressive are reported to be 12 to 13% in the same. In a parallel scenario, one can obtain the second trend of data, which shows the percentage of college education attendees within the age group of 20-34 years. Valmiki and other backward subcastes reported only around 2%, whereas the progressive stand at 7% to 8%. The variation shows a clear case for subcategorization because data from recent trends magnify the intra-inequality among the various SC subcastes.

The population with backward sub-castes, around 15-16% of the total SC population, is far behind in educational attainments. On the other hand, Vankar and Garoda, constituting around 41-42% of the total SC population, are achieving more than double to triple (in general). If we consider rural-urban disparity, the progressive subcaste group living in urban areas would be the significant gainer from the affirmative programmes. Along with all this disparity, temporal factors that indicate intergenerational factors might have worsened the scenario in which the general critics for affirmative programmes would have sustained regarding *"Only a limited number of empowered families are getting benefits from affirmative actions; generation by generation"*[2].

Now the argument for "providing a level field for all sub-castes" stands, but the question arises: how to provide a level field within the sub-castes of SC? The other factors influencing the scenario should be taken into account; for example, residential status etc.

Table-8 Percentages of Urban Rural data for the age group 20 to 34 years (Percentage of the person attending education)

	Rural		Urban	
	College	Vocational	College	Vocational
All Schedule Castes	4.06	0.84	7.39	1.32
Others	3.16	0.42	5.17	0.59

BawaDedh, DedhSadhu	3.31	0.44	6.32	1.14
Bhambhi, Asadaru, Chamar, Rohidas, Rohit,	4.06	0.85	7.86	1.48
Bhangi, Mehtar, Valmiki	1.63	0.36	5.01	0.86
Garoda, Garo	6.9	1.01	10.64	1.79
Mahar, Taral, Dhegu Megu	5.7	1.63	3.39	0.57
Mahyavansi, Vankar, Maru, Antyaj	5.38	1.15	9.06	1.79
Mang, Matang, Minimadig	1.14	0.47	4.63	0.86
Meghval, Meghwal, Menghvar	1.21	0.35	3.1	0.58
Nadia, Hadi	2.04	0.41	2.78	0.3
Senva, Shenva, Chenva, Sedma, Rawat	1.72	0.4	4.21	0.64
Turi	6.02	1.02	8.42	1.59
Turi Barot, Dedh Barot	3.32	0.16	4.92	0.67
Koli, Kori	1.35	0.14	3.51	0.31
Generic Castes etc.	3.79	0.59	9.5	1.15

All the sub-castes except Mahar show higher educational attainment in urban areas compared to rural areas. Valmiki (and other backward sub-castes) in urban areas reported results almost similar to those of Vankar (and other progressive sub-castes) reported in rural areas. The urban caste scenario provides a better environment for SC development. Dr. Ambedkar also reported that it favours the urban environment (Kumar, 2020) And all subcastes have subgroups of the urban population that are comparatively more benefited under this environment. With the implementation of vertical subcategorization, if we exclude some progressive subcastes from the treatment of affirmative action, that would be an injustice for those who are living in rural areas with the existence of caste discrimination. Hence, a lower developmental environment. On the other hand, vertical subcategorizations favor those groups of people belonging to backward subcastes and living in urban areas with comparatively more developed environments.

Vertical subcategorization within the SC would not be applicable, hence there is a case for subcategorization. There would be a subcategorization which include multiple reasons for backwardness rather than subcaste. Subcaste-based subcategorization creates more distortions than distortions that happen in present disparities. All subcastes have groups living in urban are comparatively more educated; in that sense, all subcastes have groups of empowered people. However, it might be larger or smaller in proportion to the total number of that particular group. Under the consideration of this reality, the case for vertical subcategorization should not be applicable. On the other hand, each group of subcaste has a backward portion in rural areas, which raises the case for horizontal reservation to address the inequality within the subcaste of SC.

Vertical Reservation and Horizontal Reservation:

(D.D.Basu, 2023) In the Indian reservation system, the concepts of horizontal reservation and vertical reservation refer to the distinct methods of categorizing and allocating reserved seats or positions across various sectors. The meaning of vertical reservation involves constitutional categories that address social and educational disadvantages or marginalization. It includes various categories like SC, ST, OBC, etc. Horizontal reservation, on the other hand, pertains to specific groups that span across all vertical categories. Different criteria identify these groups. This system is designed to promote social justice and equitable representation for historically marginalized groups, while also addressing the specific needs of communities such as women and individuals with disabilities.

Vertical vs. Horizontal reservation and Subcategorization within the SC:

Educational attainment is generally accepted as the fundamental indicator of development. The subcaste-based data for SC is discussed above with fundamental stratification. Analyses show that there is inequality within the sub-castes of SC. Hypothetically, progressive sub-castes report better performance in education and vice versa. If educational attainment is considered as a parameter of overall development, then we can accept the hypothetical statement: “Within the sub-castes of SC, there is inequality and a case for subcategorization among them to address this inequality”. Further analysis shows that subcategorization should be in the form of horizontal reservation. Within each subcaste, there are progressive groups and vice versa. Horizontal reservation can provide the environment for the progress of the weakest among the weaker. Hence, delisting a hypothetical progressive subcaste should be avoided because it would create other injustices for those who are comparatively more backward in progressive sub-castes than those who are more developed in comparatively backward sub-castes. In concern with the Supreme Court of India's judgement regarding subcategorization within SC, this summary analysis advocates for a creamy layer identification process among the SC for reservation execution and suggests subcategorization among the sub-castes of SC.

Conclusion

The inspection of sub-castes within the Scheduled Castes (SC) category highlights substantial disparities in socioeconomic and educational outcomes. Although affirmative action policies are designed to uplift SCs as a whole, evidence indicates that the benefits are mainly enjoyed by more progressive sub-castes, which leaves the backward sub-castes even more marginalized. Data from Gujarat shows that sub-castes such as Valmiki, Nadia, and Shenva consistently fall behind others in terms of educational achievement and vocational opportunities. In contrast, sub-castes like Vankar, Garoda, and Turi exhibit greater levels of development.

This discrepancy emphasizes the need for targeted policies that respond to intra-caste inequalities. While the Supreme Court's ruling on subcategorization offers a framework to ensure fair distribution of affirmative action benefits, this paper advocates for a horizontal reservation approach instead of a vertical one. Horizontal reservation, which factors in various dimensions of disadvantage, including urban-rural differences, would more effectively support the most vulnerable segments within each subcaste.

Moreover, implementing a "creamy layer" concept within the SCs could enhance the reservation system, ensuring that assistance reaches those who truly need it. The study stresses that subcategorization should not lead to further divisions but should instead foster a unified strategy to uplift all SC members equitably. As India progresses towards social justice, policy development must be adaptable, inclusive, and reflective of the complex realities of caste and subcaste disparities.

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Footnote

1. Vertical vs. horizontal subcategorization: 1. Vertical Subcategorization: Involves dividing a broad category into more specific subcategories (SCs division by subcaste; here progressive subcaste to backward subcastes) that follow a hierarchy structure. 2. Horizontal Subcategorization: Involves dividing a category into multiple parallel subcategories/ Diverse types under the same category (Entire SCs groups including all subcaste divided by some parameters); here progressive members from each subcaste will create progressive groups to backward members from each subcaste will create backword groups of people) that are at the same level of classification. The subcategories do not follow the hierarchy.
2. The general critics or limitations for affirmative programmes specially caste based reservation policy are Commented in different debates and conversation on different platforms specially on social media

Rising Retail and Retreating Foreign Capital: Can Retail Investors Anchor India's Markets?

Prince Kumar Poddar*

India's capital markets have undergone a profound transformation in recent years. Driven by the rapid digitisation of financial services, there has been an unprecedented surge in Demat accounts and active participation, empowering the common citizen as a formidable force in the form of retail investors. For decades, Foreign Institutional Investors (FIIs) set the tempo of Dalal Street, fueling rallies, triggering corrections, and shaping market valuations. However, today, retail investors are emerging as pivotal players, reinforced by a steadily expanding base of Domestic Institutional Investors (DIIs).

Since 2020, sustained FII sell-offs have led to notable capital outflows from Indian markets. Yet, the equity markets have demonstrated remarkable resilience, with retail investors stepping in to bridge the gap—a role that Finance Minister Nirmala Sitharaman aptly described as a "shock absorber."

This evolution, however, raises a critical and timely question: can domestic investors, particularly retail participants, truly supplant FIIs as the principal drivers of India's equity markets? And what implications might this shift hold for India's long-term growth trajectory?

The Rise of Retail

The surge in retail participation since 2020 marks one of the most significant structural changes in Indian financial markets. Individual investors' holdings in listed companies have multiplied several times, reaching tens of lakh crores in value. Demat accounts have crossed the 15-crore mark, reflecting an unprecedented democratization of equity ownership. This transformation has been brought about by growing

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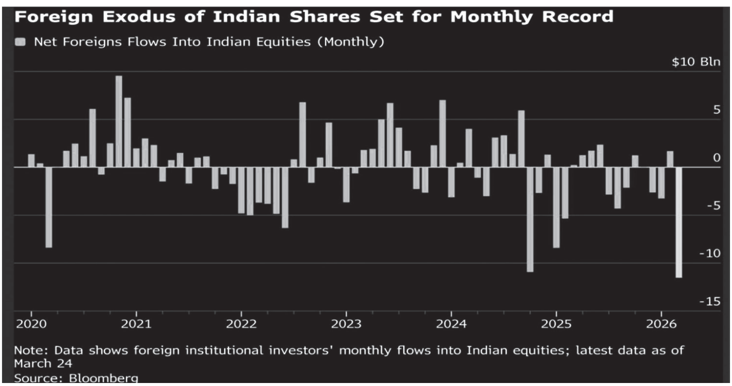
financial awareness among the newer generation, increased digital access through digital brokerage platforms and systematic expansion of SIP (Systematic Investment Plan).

Retail investors are no longer passive spectators. They are active participants, providing liquidity and even influencing price movements. As per the Economic Survey 2025-26, retail investors, high-net-worth individuals, and DIIs reached an all-time high of 27.8 per cent by value of holdings in the Indian Equity Market. Monthly SIP inflows- now consistently exceeding INR 25,000-30,000 crore—have created a steady pipeline of domestic capital that cushions market volatility.

Yet, with this encouraging growth lies a concerning reality. Retail participation is broad but often shallow. A significant portion of activity is concentrated in derivatives trading, especially futures and options, where short-term speculation dominates long-term investment thinking. This behavioural pattern limits the ability of retail investors to act as stable anchors during periods of stress.

FII Outflows: An unabated exodus

In contrast to the gradual surge of domestic investors, FIIs have presented an increased volatility in capital allocation. Since 2020 (Pandemic times), India has witnessed a large and continued foreign capital outflow, running into tens of billions of dollars. The outflow has not been a result of weakness in the fundamentals of the market, Indian corporations or economy, but by global macro-economic dynamics.



Some of the primary factors leading to the FII outflow can be attributed to (a) rising interest rates in the United States due to a surge in inflation, strengthening of the dollar and depreciation of the rupee, and thereby altering global risk appetites and making emerging markets like India relatively less attractive in the short term. As yields rise in developed markets, capital tends to flow back to these markets, irrespective of growth prospects elsewhere.

The Role of Domestic Capital:

The steady exodus of FIIs may be influential, but its behaviour as "market maker" has changed or weakened over the years. Historically, large FII outflows would trigger sharp market declines. Many of the Domestic Institutional Investors, such as Mutual Funds, Insurance Companies, and Pension Funds, have come forward as replacements for FIIs. On multiple instances, DII buying has not only offset FII selling but has exceeded it, resulting in protecting the market from sharp corrections and maintaining stability.

Apart from DIIs, retail investors, though indirectly through a mutual fund, have played a crucial role in this process. The regularity and growing SIP inflows provide a systemic stability that volatile foreign flows lack. Unlike FIIs, which can exit rapidly, domestic flows are firm and long-term oriented. This has led to a significant shift in ownership patterns. Domestic investors now hold a larger share of Indian equities than foreign investors.

With this, we reach to our fundamental question: can retail capital along with DIIs replace FIIs?

The pulling out of FIIs and its subsequent replacement by Retail and domestic may seem appealing, but it is not desirable and sustainable. It may provide stability and may absorb shocks in the short term, but it may create long-term structural dilemma specially in an emerging market like India. An incoming foreign capital not just brings a huge balance sheet but also institutional research and trust for market efficiency. FIIs also integrate India into global financial risk allocation, which retail investors are, by and large, fragmented and also driven by sentiment.

Thus, the more pragmatic framework is not a replacement, but a rebalancing. India is transitioning from FII dominance to a more balanced ecosystem where domestic and foreign capital coexist, each playing distinct roles.

Implication for India’s long-term Growth Story:

Many of the Ace investors and market Gurus have termed the current exodus as temporary, reaffirming the resilience of the Indian financial market and not a verdict on India’s long-term growth story. On the positive side, it reduces vulnerability to external shocks. Markets are no longer entirely at the mercy of global capital flows. This enhances financial stability and supports long-term capital formation.

It also reflects a deeper structural shift, the financialization of household savings. As more Indians move from physical assets like gold and real estate to financial instruments, capital becomes more productive, fuelling corporate growth and economic expansion.

However, risks due to the exodus remain. Excess liquidity provided by retail participation can inflate valuations, particularly in penny stocks. Due to excessive retail participation, speculation and noise in the market have increased manifold, which has led to a crackdown by SEBI through various means. High participation in derivatives markets raises concerns about systemic risk and investor protection. Moreover, persistent FII outflows, even if globally driven, can affect investor sentiment and currency stability.

What can be done to bring FIIs back:

The most important factors that could determine the return of FII are the corporate earnings, which have been mild to sluggish over recent years. As the visibility in earnings growth is realised, the inflow of FIIs would accelerate. The govt may bring in Policy intervention, which may accelerate demand and consumption in the economy. Secondly, the strengthening of the Indian rupee is also a key factor. If the rupee strengthens, their returns improve in dollar terms, and that typically encourages FIIs to increase allocations. Thirdly, keeping a tight grip on inflation is another crucial factor to attract Fll inflows. Fourth, the introduction of Securities Transaction Tax along with long term capitals gains tax must be rationalised, which is putting a double burden on the returns of foreign capital.

In a nutshell:

India’s equity markets are no longer what they were a decade ago; they have evolved into a more resilient and internally anchored ecosystem. The rise of retail investors and domestic institutions signals a decisive shift toward endogenous strength and stability, with markets increasingly supported by domestic capital rather than being predominantly externally driven. Yet, this transformation should be viewed not as a replacement but as a phase of transition and evolution. Retail investors are not substitutes for FIIs, but complementary participants in a more balanced and diversified market structure.

If guided with the right policies and reforms, this evolving equilibrium has the potential to become one of India's significant economic strengths-bolstering not only capital market stability but also advancing the nation's broader development aspirations.

Empirical Evaluation of the Jal Jeevan Mission in the Select Rural Areas of Virudhunagar District: A Study on Access and Impact with Special Reference to Rajapalayam and Sattur Blocks

Lt. Dr. B. Ajantha*

Abstract

The Jal Jeevan Mission (JJM), a flagship initiative by the Government of India, aims to provide functional household tap connections to every rural household. This paper presents an empirical evaluation of the JJM in the select rural areas of Rajapalayam and Sattur blocks of Virudhunagar district, Tamil Nadu, focusing on the dimensions of access and impact. Using a mixed-method approach comprising household surveys, focus group discussions, and key informant interviews, the study investigates the levels of accessibility, the socio-economic benefits achieved, and the transformative effects on health, education, and gender roles. The findings indicate significant improvements in water accessibility and health outcomes, though disparities persist based on caste and geographic location. The study concludes by recommending strategies for more equitable access and sustainable community engagement.

Keywords: *Jal Jeevan Mission, rural water access, Rajapalayam, Sattur, impact evaluation, public policy, social equity*

1. Introduction

The Jal Jeevan Mission (JJM), launched in 2019 by the Government of India, represents one of the most ambitious public policy interventions

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in the domain of rural water supply. Its central objective is to ensure universal and equitable access to safe and adequate drinking water through the provision of Functional Household Tap Connections (FHTCs) across all rural households by 2024. Framed within the broader vision of sustainable and inclusive development, JJM marks a significant departure from previous supply-driven models, shifting the focus towards decentralised, demand-based, and community-managed water governance.

Within this national framework, Virudhunagar district in Tamil Nadu emerges as a pertinent case for empirical inquiry. The district is characterised by hydro-geographical variability, seasonal water scarcity, and a socially stratified rural populace. In particular, the blocks of Rajapalayam and Sattur exemplify both the challenges and opportunities of implementing a centrally sponsored scheme in contexts where progressive decentralisation co-exists with enduring caste and class-based inequities.

This study undertakes an empirical evaluation of the Jal Jeevan Mission in select rural areas of these two blocks, with a dual emphasis on access and impact. It seeks to understand not merely the infrastructural penetration of the scheme, but also the lived experiences of rural households—how access is shaped by socio-spatial factors, what forms of participation are enabled or excluded, and what tangible and intangible benefits are perceived by the beneficiaries. The deployment of a bilingual and A culturally sensitive questionnaire, developed specifically for this study, facilitates the gathering of granular, locally grounded data from diverse respondents.

By focusing on the micro-dynamics of implementation and reception in two demographically distinct rural blocks, this research contributes to a deeper understanding of how national-level policy initiatives are mediated, negotiated, and experienced at the grassroots level.

2. Objectives of the Study

This study seeks to critically examine the implementation of the Jal Jeevan Mission (JJM) in the rural blocks of Rajapalayam and Sattur in Virudhunagar district, Tamil Nadu. Anchored in a socio-empirical framework, the research is guided by the following key objectives:

1. To assess the extent, quality, and reliability of household-level access to drinking water enabled by the Jal Jeevan Mission, with a particular focus on the presence of functional tap connections,

duration and frequency of supply, and perceived adequacy from the perspective of rural beneficiaries.

2. To analyse the socio-economic impact of improved water access on households, examining outcomes related to public health, time-use efficiency, school attendance—especially among girls—and livelihood productivity, as articulated by the respondents.
3. To identify structural and systemic disparities in water access and service delivery, particularly as these relate to caste-based exclusions, gendered labour divisions, and geographic remoteness, thereby exposing the uneven terrain of water governance in marginalised rural spaces.
4. To propose context-sensitive and evidence-based policy recommendations aimed at enhancing the inclusiveness, transparency, and long-term sustainability of rural water governance under JJM, with a specific emphasis on strengthening community participation, institutional accountability, and capacity-building at the local level.

3. Literature Review

Access to safe and reliable drinking water is widely acknowledged as a foundational determinant of public health, gender equity, and socio-economic development. Numerous studies have established that enhanced water accessibility directly correlates with reductions in waterborne diseases, improved nutritional and sanitation outcomes, and greater participation of women and girls in education and the labour force. According to the World Health Organization (2014), the absence of clean water exacerbates preventable morbidity, particularly among children and vulnerable populations in rural areas. Similarly, Sorenson et al. (2011) and UNICEF (2016) emphasise the time-saving benefits of household tap connections, noting that this disproportionately benefits women, who are most often tasked with water collection in patriarchal household economies.

In the Indian context, the discourse on rural water governance underwent a paradigm shift following the 73rd Constitutional Amendment Act, which decentralised water provisioning responsibilities to Panchayati Raj Institutions (PRIs). This shift was premised on the belief that community ownership and participatory governance would enhance both efficiency and accountability. Scholars such as Narain

(2008) and Agarwal & Narain (2010) have argued that empowering local institutions, including Village Water and Sanitation Committees (VWSCs), is essential for ensuring the long-term sustainability of water infrastructure and services.

The Jal Jeevan Mission (JJM), launched in 2019, embodies this decentralised and participatory ethos. It not only mandates the provision of Functional Household Tap Connections (FHTCs) but also stresses the involvement of rural communities in planning, implementation, and monitoring. However, emerging empirical evidence suggests a persistent disconnect between policy architecture and on-ground realities. Studies by Reddy & Batchelor (2012) and Joshi et al. (2020) reveal that the benefits of water schemes are frequently mediated by caste hierarchies, socio-economic class, and gender norms, resulting in uneven access and exclusion of marginalised groups such as Scheduled Castes (SCs) and Scheduled Tribes (STs).

Moreover, the lack of technical personnel, inadequate financial devolution, and limited awareness at the village level have further constrained the effective implementation of such schemes. While national-level assessments offer broad insights into performance indicators, there exists a dearth of micro-level, district-specific empirical studies that account for local variations in geography, community structure, and administrative capacity.

The present study addresses this research lacuna by offering a disaggregated, block-level evaluation of JJM implementation in Rajapalayam and Sattur, thereby contributing to the growing corpus of evidence-based, context-sensitive policy research in rural water governance.

4. Methodology

This study adopts a mixed-methods research design to undertake a comprehensive and context-sensitive evaluation of the Jal Jeevan Mission (JJM) in the rural blocks of Rajapalayam and Sattur in Virudhunagar district, Tamil Nadu. By integrating both quantitative and qualitative methodologies, the research seeks to triangulate findings and capture the multifaceted dimensions of access, impact, and governance mechanisms.

4.1 Research Setting and Sampling

The study was conducted in ten purposively selected villages, five each from the Rajapalayam and Sattur blocks. The selection was based on criteria such as variation in caste composition, geographical remoteness, existing water infrastructure, and administrative responsiveness. A total of 300 households were selected using a stratified random sampling technique, ensuring proportional representation across social groups (Scheduled Castes, Scheduled Tribes, Other Backward Classes, and General category), gender of household heads, and economic categories. This approach enabled the exploration of intra-district heterogeneities in the experience of water access under JJM.

4.2 Data Collection Instrument

The primary tool for data collection was a structured and bilingual questionnaire, titled *Empirical Evaluation of the Jal Jeevan Mission in the Rural Areas of Virudhunagar District*, developed specifically for this project. The questionnaire comprised 35 closed and semi-open items, organised into five thematic sections:

- Demographic and Household Profile
- Access to JJM Infrastructure and Services
- Perceived Socio-Economic Impact
- Sustainability and Maintenance Issues
- Suggestions and Community Feedback

The bilingual format (English and Tamil) facilitated inclusivity and ensured cultural sensitivity in respondent engagement.

4.3 Qualitative Methods

To enrich the quantitative data and provide deeper contextual insights, the study also employed qualitative tools:

- Focus Group Discussions (FGDs) were held with women's self-help groups (SHGs), youth representatives, and informal community leaders to understand lived experiences and collective perceptions of water access and governance.
- Key Informant Interviews (KIIs) were conducted with Panchayat leaders, local engineers, frontline health workers, and VWSC members, focusing on institutional capacity, decision-making, and operational constraints in JJM implementation.

These qualitative insights were particularly instrumental in understanding gendered dynamics, power relations, and local governance practices.

4.4 Data Analysis

Quantitative data were coded and analysed using Statistical Package for the Social Sciences (SPSS). Descriptive statistics were used to identify trends and distributional patterns, while cross-tabulations and chi-square tests were employed to explore relationships between social variables and JJM-related outcomes.

Qualitative data from FGDs and KIIs were subjected to thematic content analysis, using inductive coding techniques. Translations from Tamil were back-verified to maintain semantic integrity and ensure accuracy in interpretation.

4.5 Ethical Considerations

The study followed ethical research protocols in line with national and institutional guidelines. Informed consent was obtained from all participants before data collection. Respondents were assured of anonymity and confidentiality, and participation was strictly voluntary. Ethical clearance for the study was obtained from the institutional review board overseeing social science research projects.

5. Findings and Discussion

This section presents the empirical findings from fieldwork conducted in the rural villages of Rajapalayam and Sattur blocks, examining the key themes of access, impact, and equity in the context of the Jal Jeevan Mission (JJM). The analysis draws from household survey data, focus group discussions, and key informant interviews, offering both quantitative patterns and qualitative insights.

5.1 Access to Water

The data reveal that 87% of surveyed households reported access to functional household tap connections under JJM. This suggests commendable progress in infrastructural delivery. However, disaggregated analysis uncovers notable disparities:

- In Scheduled Caste and Scheduled Tribe-dominated hamlets, the access rate dropped to 65%, indicating systemic inequalities in the spatial and social distribution of benefits.
- Respondents from remote and peripheral settlements noted inconsistencies in water supply duration, with daily access

ranging from less than 2 hours to 12 hours, depending on the village and season.

- Distance to tap points also varied: in some households, especially in hamlets not fully integrated into the main pipeline grid, residents still had to walk to shared or partial connections, undermining the core objective of doorstep delivery.

These variations highlight the gap between statistical coverage and experiential access, necessitating a more granular understanding of 'functionality' beyond mere infrastructure presence.

5.2 Socio-Economic Impact

The study found substantial positive outcomes associated with improved water access, particularly in terms of time-use efficiency, health, and educational participation:

- Time spent on water collection was reported to have declined by approximately 60%, especially benefiting women and adolescent girls, who were previously responsible for fetching water. This time-saving has translated into increased availability for income-generating activities, household care, and school attendance.
- 72% of households acknowledged a perceptible decline in water-borne illnesses, including diarrhoea and skin infections. This is corroborated by local health workers, who reported reduced outpatient visits for such conditions.
- School attendance among girls has improved due to reduced domestic responsibilities, with mothers in FGDs noting a tangible difference in girls' morning routines and punctuality.

However, these benefits were less visible in households without direct connections or in areas with frequent service interruptions, pointing to the need for strengthening reliability and last-mile connectivity.

5.3 Community Participation and Equity

One of the key pillars of JJM is community-led water governance, particularly through Village Water and Sanitation Committees (VWSCs). However, the study revealed limited awareness and participation among the target population:

- Only 40% of respondents were aware of the existence or function of VWSCs in their villages.
- Decision-making processes within VWSCs were often reported to be dominated by upper-caste or politically influential groups,

marginalising the voices of women, SC/ST communities, and economically weaker households.

- Maintenance and monitoring responsibilities were largely perceived as the prerogative of government engineers rather than the community, leading to low ownership and delayed repairs in several villages.

This disconnect between the intended participatory framework and actual ground-level engagement reflects a deeper issue in decentralised governance: institutional mechanisms exist, but social capital and inclusion are unevenly distributed.

Together, these findings suggest that while JJM has led to significant improvements in water access and associated socio-economic indicators, the equity and sustainability dimensions require more focused attention. Addressing intra-village disparities, strengthening community capacity, and ensuring inclusive decision-making are critical to moving from access to empowerment in rural water governance.

6. Challenges Identified

While the Jal Jeevan Mission (JJM) has expanded infrastructural access in the study areas, field-level observations and respondent testimonies reveal several operational and systemic challenges that constrain the mission's equitable and sustainable implementation in Rajapalayam and Sattur blocks. These challenges are categorised as follows:

6.1 Intermittent Water Supply and Quality Concerns

Despite the presence of functional tap connections in the majority of surveyed households, intermittent and unreliable water supply remains a pressing issue, particularly in peripheral and geographically remote hamlets. Many respondents reported inconsistent schedules, with water sometimes available only once in two or three days, and for limited durations. Additionally, concerns regarding water quality—including turbidity, odour, and presence of sediments- were raised by several households. These issues are exacerbated during the summer months, pointing to inadequate source sustainability and a lack of real-time water quality monitoring.

6.2 Limited Technical and Institutional Capacity at the Panchayat Level

Effective implementation and maintenance of rural water infrastructure depend heavily on the technical competence and institutional readiness of local governing bodies. However, many Gram Panchayats lack skilled personnel, diagnostic tools, and dedicated funds for timely repairs and regular maintenance. Interviews with Panchayat secretaries and engineers highlighted over-reliance on block-level technicians, leading to delays in addressing service interruptions. The absence of village-level water technicians also affects the responsiveness to community complaints and emergency repairs.

6.3 Insufficient Awareness and End-User Training

One of the key assumptions of JJM is that decentralised, demand-driven implementation will empower communities. However, the study found low levels of awareness among beneficiaries regarding their entitlements under JJM, the roles of Village Water and Sanitation Committees (VWSCs), and procedures for grievance redressal. Households rarely viewed themselves as stakeholders in service management. Moreover, training for end-users on water conservation, household tap maintenance, or tariff systems was largely absent, limiting the scope for community ownership and long-term sustainability.

These findings point to the critical need for capacity-building interventions, enhanced information dissemination, and a more robust service delivery architecture at the grassroots level. Unless these institutional bottlenecks and informational asymmetries are addressed, the mission's potential to achieve universal and inclusive access will remain circumscribed.

7. Policy Recommendations

Drawing on the empirical evidence gathered from the field, the following policy recommendations are proposed to strengthen the design, implementation, and long-term viability of the Jal Jeevan Mission (JJM) in the rural contexts of Rajapalayam and Sattur blocks. These suggestions aim to address operational deficiencies, deepen community participation, and ensure equitable and sustainable water governance.

7.1 Strengthen Capacity Building for Local Governance Institutions

There is an urgent need to build technical and managerial capacities at the Panchayat and block levels. This includes:

- Regular training of Panchayat functionaries, VWSC members, and local technicians on system maintenance, complaint resolution, and data management.

- Establishment of village-level water technicians or para-engineers to reduce reliance on block-level support and ensure timely maintenance.
- Provision of dedicated budget lines for maintenance and water quality assurance within the Panchayat annual development plans.

7.2 Enhance Community Engagement through Awareness and Inclusive Participation

To ensure true decentralisation and accountability:

- Conduct village-wide awareness campaigns on JJM entitlements, user responsibilities, water conservation, and hygiene practices.
- Institutionalise inclusive representation in VWSCs by mandating quotas for women, Scheduled Castes, and economically marginalised groups.
- Promote regular Gram Sabha reporting and public audit meetings to build transparency and participatory decision-making.

7.3 Institutionalise Grievance Redressal and Quality Monitoring Systems

A responsive and transparent delivery system is critical for user trust:

- Develop multi-tier grievance redressal mechanisms, including toll-free helplines, village complaint registers, and mobile tracking apps.
- Implement routine water quality monitoring, with publicly displayed results at Panchayat offices and schools.
- Engage local schools and self-help groups in citizen science initiatives to build water literacy and early detection systems.

7.4 Promote Convergence with Health, Education, and Sanitation Schemes

The impact of JJM can be significantly amplified through inter-sectoral integration:

- Coordinate with the National Health Mission (NHM) for health awareness drives and data on water-related diseases.
- Collaborate with the education sector to ensure safe water in schools and integrate water education into Curriculum.

- Align JJM with the Swachh Bharat Mission (SBM) and local sanitation efforts to promote holistic WASH (Water, Sanitation, and Hygiene) outcomes.

Together, these policy interventions can transform the Jal Jeevan Mission from a supply-driven infrastructure project into a community-led, sustainable public service that advances social equity, health security, and rural empowerment.

8. Conclusion

The Jal Jeevan Mission (JJM) represents a significant advancement in India's pursuit of universal rural water security. Its implementation in the rural blocks of Rajapalayam and Sattur has yielded noteworthy progress, particularly in terms of infrastructural outreach and reductions in time poverty for women and girls. The provision of functional household tap connections has positively influenced health outcomes and educational participation, signalling the transformative potential of decentralised water governance.

However, the study also uncovers critical fault lines that threaten the sustainability and equity of these gains. Disparities in access—especially in Scheduled Caste and geographically remote hamlets—coupled with intermittent supply, poor service quality, and limited community participation, indicate that the mission's transformative promise is unevenly realised. Moreover, the gap between institutional design and ground-level engagement reveals the limits of top-down policy implementation in socially stratified and infrastructurally constrained environments.

To ensure the long-term effectiveness and inclusivity of the JJM, a shift is needed from a purely infrastructure-centric approach to a participatory, rights-based, and institutionally resilient model. Strengthening local governance capacities, fostering inclusive representation in decision-making, and embedding the mission within broader health and sanitation ecosystems are imperative.

The region-specific findings from this study offer valuable micro-level insights into the operational and socio-political dynamics of rural water supply in Tamil Nadu. Such granular analyses are crucial not only for course-correcting existing interventions but also for informing future frameworks of sustainable and equitable water governance across India's diverse rural landscapes.

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