Syllabus subtopic:

- Indian Economy and issues relating to planning, mobilization of resources, growth, development and employment.
- Role of NGOs, SHGs, various groups and associations, donors, charities, institutional and other stakeholders

Prelims and Mains focus: about the key highlights of the report regarding income disparity in India and recommendations

News: Oxfam India’s report, “Time to care”, released in Davos, Switzerland, highlights the need for Asia’s third-largest economy to plug a growing rich-poor gap.

Background

- The findings come at a time when the government is preparing to present the Union budget for FY21 seeking to address an economic downturn, distress in the rural economy, and improve incomes and add new jobs.

- The Narendra Modi administration has been following a progressive taxation policy and higher welfare spending to try and tackle income inequality.

Key findings of the report

- India’s richest 10% control more than 74% of the national wealth, while poor women and girls—the bottom of the economic heap—put in Rs.19 trillion of unpaid care work every year.

- The gap becomes even wider when considering the richest 1% of Indians: they hold 42.5% of the national wealth, while the bottom 50%, the majority of the population, has a mere 2.8% share of the national wealth.

- The top 1% holds more than four times the wealth held by 953 million Indians, who make up the poorest 70% of the population.

What does the report recommend?
The report said its findings call for a dialogue on the rising income disparity in the world’s largest democracy.

The Oxfam report makes a strong case for raising taxes on corporations and rich individuals to tackle poverty and lift the responsibility of care from women.

It said successive governments are “massively under-taxing the wealthiest individuals and corporations” and “underfunding vital public services and infrastructure” that could help reduce the workload of women and girls.

The gap between the rich and the poor cannot be resolved without deliberate inequality-busting policies, and too few governments are committed to these.

Women’s unpaid care work, it said, is taken for granted or ignoring the physical, mental and emotional effort it requires. Investments in water and sanitation, electricity, childcare and healthcare could free up women’s time and improve their quality of life.

Governments must ensure corporations and wealthy individuals pay their fair share of tax and increase investment in public services and infrastructure. It also argued that people who care for parents, children and the most vulnerable, an important social function, should be paid a living wage.

About Oxfam India

Oxfam India is leading NGO of people and organisations working hand on hand to fight inequality in India. Supporting civil society organisations in India over the past 60 years, In 2008 Oxfam registered as an Independent organisation. Oxfam is celebrating its 67th year of humanitarian service in India.

In 1951, Oxfam Great Britain launched its first full scale humanitarian response to the Bihar famine. In the past six decades Oxfam has supported civil society organisations across the country. In 2008, various Oxfams in India joined forces to form Oxfam India. Registered as an independent
organisation, Oxfam India has indigenous staff and board members. It is a member of the global confederation of 19 Oxfams.

It focuses on four poverty eliminating goals

1. **Livelihood**: More women and men will realise their right to secure and sustainable livelihoods.

2. **Fight for women**: More women will lead a violence-free life. This can be achieved through changes in attitudes and beliefs about gender relations and through encouraging women's engagement and assuming leadership in institutions and decision-making roles.

3. **Education and Health**: People living in poverty, especially women and girls will realise their right to accessible and affordable healthcare, education, clean water and sanitation.

4. **Human Rights**: Those facing a humanitarian crisis will be assured the protection and the assistance they need, regardless of who they are, where they live or how they are affected.