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From safety nets to springboard: architecting a social and economic security system for an inclusive future

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Abstract---This report provides a comprehensive analysis of social enablement in India, examining its constitutional foundations, economic debates, and practical implementation through national and state-level welfare schemes. It evaluates their socio-economic impact, fiscal sustainability, and role within the political economy, navigating the contentious "freebies" versus welfare debate with a clear analytical framework. The analysis reveals a complex landscape of significance in poverty reduction, improved health and social indicators juxtaposed with persistent challenges of fiscal strain and implementation gaps. The report concludes by offering a strategic roadmap to transform India's fragmented welfare architecture into an integrated, resilient, and empowering system, capable of supporting the nation's ambition to become a developed economy by 2047 with inclusivity and sustainable prosperity.

Keywords---Freebies, Social Enablement, Competitive Welfarism, Life Cycle, Survival opening.

1.0 INTRODUCTION

Social enablement in India is a foundational pillar of the nation, woven into its constitutional fabric and driven by profound socio-economic challenges like poverty, inequality, illiteracy, health infirmity and unemployment. Rooted in the Directive Principles of State Policy, the commitment to a welfare state has evolved from a planned approach to the rights based legal framework and now to the direct benefit transfer, a technology-centric model. This evolution has been shaped by a "competitive welfarism," fuelling a critical debate between productive welfare that builds human capability and fiscally

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unsustainable electoral "freebies." An assessment of flagship programs reveals a mixed record of success and challenge, yet strongly suggests that social spending provides a powerful macroeconomic dividend. To achieve the vision of a developed India 2047, a paradigm shift is required, moving from fragmented schemes to an integrated social protection system and, most critically, reframing social expenditure as the most essential economic investment in the nation's human capital.

2.0 THE AUTHORITATIVE FOR SOCIAL ENABLEMENT IN INDIA

a) Constitutional mandate, a Blueprint for Social Democracy

India's commitment to social enablement is just not a matter of transient political approach but a foundational covenant, deeply embedded within the nation's Constitutional bedrock. This mandate emanates from the Directive Principles of the State Policy, which serve as the definitive blueprint for achieving social and economic democracy. While not legally enforceable, these principles form the moral and political compass for governance. It guides the state to secure livelihoods, protect its most vulnerable citizens, reduce inequality echoing the philosophies to take care of the citizens in their Life Cycle.

The true genius of this constitutional architecture lies in its deliberate design. By making these thoughtful welfare goals as non-justiciable, the Constitution framers channelled the entire program of secured livelihood and social justice directly into the electoral arena. Citizens, empowered as voters, hold the state accountable at the ballot box. Consequently, welfarism is transformed from a mere aspiration into the central, recurring theme of competitive politics, compelling all in the electoral politics to champion social enablements in their quest for legitimacy and power.

b) Socio economic Rationale: Breaking the Cycle of Deprivation

Beyond Constitutional mandate, social enablement in India is a pragmatic imperative, driven by interwoven socio-economic challenges. The opening of market and free market economy shapes stark inequalities, which concentrates national wealth in the hands of a few. This combines with a paradoxical crisis of displacements and migration, land acquisitions and speculations, untilled farm leading to barren fallow land, multidimensional poverty, high unemployment, malnutrition, mismatched skills, high health care costs, high cost of living, persistently leaves millions of vulnerable to economic shocks.

These are not discrete issues but a self-perpetuating cycle where a lack of nutrition, health, education, skills and opportunities, traps the generations in deprivation, thereby constraining national demand and threatening long-term economic stability.

From this perspective, social welfare programs are not mere freebies but strategic interventions designed to break this vicious cycle and to arrange survival openings. By providing a crucial base income floor, ensuring food security, health facility, literacy, skills, cheap power, subsistence assistance and also supporting at times of unforeseen catastrophic expenditures, these policies act as a powerful multiplier. They create a worthy cycle where improved health, nutrition, education, skills lead to greater productivity and economic participation of all vulnerable sections of society including the poor, the women, the downtrodden. This fundamentally repositions social spending as an essential investment in making qualitative human capital and a prerequisite for sustainable national development.

c) The Foundational Debates - Competing Economic Visions for a Prosperous India

The design of social policy in India is shaped by a reflective debate between competing economic visions. This intellectual landscape is dominated by four key perspectives. Amartya Sen (2017) argues that true development is the expansion of human capabilities and freedoms, positioning social spending on health and education not as a consequence of growth, but as its essential precondition. In direct contrast, Bhagwati & Panagariya (2013) champions the primacy of growth, contending that a rapidly expanding economy is the only sustainable way to generate the revenues necessary for effective social programs. Satyajit Das argues that the global economy is dangerously reliant on excessive debt and speculative financial engineering, which creates an illusion of wealth disconnected from real production. And that today's capitalism is engineered to prioritize short-term financial gains for a select few over the long-term stability and well-being of the broader population.

Bridging these macro-debates, Sen & Dreze (2013) emphasises the imperative of public action and rights-based entitlements, arguing that the failure of the Indian state lies not in its intentions but in its flawed priorities and poor implementation, which can only be rectified through democratic accountability. Shifting the focus from the concepts to ground-level detail, Banerjee& Duflo (2011) advocate for an experimental, evidence-based approach, using randomized controlled trials to determine precisely which policy designs are most effective at alleviating poverty. A truly successful social program, therefore, must synthesize these four pillars i.e. it must be philosophically sound (Sen A,1999), fiscally sustainable (Bhagwati & Panagariya (2013)), politically realistic (Sen & Dreze (2013), and empirically grounded.

This conversation is enriched by global perspectives that diagnose the structural drivers of inequality. Joseph Stiglitz argues that inequality is a choice, driven by rules of the game skewed by the wealthy to extract rent, while Thomas Piketty reveals how capitalism's natural tendency for the return on capital to outpace economic growth concentrates the wealth. Raghuram Rajan adds another dimension, warning that the weakening of the “third pillar” the community at the expense of the state and markets, creates social dysfunction and instability.

This reflection indicates to decide and prioritise, the appropriate social enablement policies based on the relevant time, sector, region, class for the deserving deprived vulnerable individuals in a free market economic growth. This also requires precise implementation methods to deliver rationale choices of social enablements to the pointed needy people, with accountability and technology.

Together, the global critiques pose a critical question for India's current model of “New Welfarism.” It is compared between the productive welfare that builds human capability and the electoral “freebies.”. And contrasted between the direct cash and benefit transfers. Some dismissed the social enablement as fiscally unsustainable. Some approximated that, the symptoms of an unequal economic structure is treated rather than been cured for the underlying disease of wealth concentration, community erosion and political capture etc. Be it as it maybe, it is providing a crucial safety net to the vulnerable population. In the Democracy, it deserves to be seen as the Rational People making the Rational Choices. And needs to be taken further ahead.

3.0 THE INDIAN WELFARE ARCHITECTURE - EVOLUTION AND EFFICACY AND EMPOWERMENT

Moving from the realm of theory to the background of the historical development, ground performance, we can see that there is a empowerment impact on India's vast and complex social protection system. There is the evolution of the Indian welfare state through distinct philosophical phases that provides a critical, evidence-based assessment of its most significant flagship programs.

a) The Evolution of India's Welfare State- From Plans to Rights to Beneficiaries

The architecture of India's welfare state has undergone a thoughtful metamorphosis, evolving through three distinct philosophical periods that have reshaped the relationship between the citizen and the state.

The journey began with the decades of Planned Development (1950s-1980s), a period of socialism where welfare was seen as a natural byproduct of state-led industrialization, expected to “trickle down” to the masses. This gave way to the Rights-Based devolutions (1990s-2000s), a paradoxical flourishing of social protection in the post-liberalization time. Driven by civil society and judicial activism, this

phase reframed welfare not as charity, but as a legal entitlement, empowering citizens with landmark acts like the MGNREGA, Right to Education act, Land compensation act, Food security act etc.
The current phase is that of "New Welfarism" (2014-Present), a techno-centric model that deliver benefits directly to vulnerable individual "beneficiaries" leveraging digital infrastructure. This represents a fundamental shift. While the rights-based approach fostered bottom-up accountability, empowering citizens to legally demand their due from the state, the new welfarism model frames welfare as a top-down delivery of the Government's "guarantee." This reframes the citizen-state dynamic relationship from one of legal entitlement to one of democratic accountability.

b) Beyond Survival: Pathways to True Empowerment

Social assistance programs, when well-designed, act as catalysts for empowerment, transforming passive beneficiaries into active agents of their own development. It supports during immediate hardship. This transformation occurs through multiple interconnected pathways, by building human capital, fostering individuals, and creating a foundation of stability. This allows for a qualitative human capital to emerge out of long-term investment and risk-taking.

Modern social protection is fundamentally an investment in human capital, a premise proven by long-term studies, showing that childhood access to safety nets like nutritious food, basic health, education leads to greater economic self-sufficiency and well-being in adulthood and further Life cycle. By reducing the chronic burden of poverty, these programs foster individuals, creates the mental space for families to think, plan and pursue future opportunities.

This empowerment effect is most profound for socio economic vulnerable people and more to marginalized women. But its success is critically dependent on the mode of delivery. Active work based programs like MGNREGA build individuals intrinsically and also the assets in the rural area. The overall participation of all, including the women, in paid work, at an equal wage, strengthened the women's bargaining power and it challenged patriarchal norms. And is an empowerment.

The Direct Benefit Transfers (DBT), while providing cash, and on been paired with complementary support like skills, financial support, literacy, training to all including women also translates to empowerment. Without the above, the social barriers often meant that men retain control of the funds, making the woman a beneficiary in name only. This reveals a crucial lesson for policymakers, that the design of the delivery mechanism is as important as the benefit itself in determining whether a welfare program successfully builds individual and families or merely provides temporary relief. Some states like Karnataka have Udyogini , Taali bhagya , Gruha Lakshmi yojana , free bus etc , while Maharastra has Ladli behan , Mahalakshmi yojana etc . Wherein the direct benefit transfer is to the household women in the family and not to male head. This is a true visible empowerment.

4.0 THE POLITICAL ECONOMY OF WELFARISM: NAVIGATING THE CROSSROADS

The implementation and discourse surrounding social enablement in India are deeply enmeshed in the country's vibrant and contentious political economy. This section delves into the polarized debate over "freebies," analysing its fiscal consequences for state finances and the competing political visions for welfare that breathes electoral competition.

a) The 'Freebies' Conundrum - Deconstructing the polarising Debate

The term "freebies," "revdi culture" etc. often used in the discourse, lies at the heart of a contentious debate about the nature of welfare, the ethics of electoral promises, and the imperatives of fiscal responsibility. This debate, reflects a genuine dilemma in a democratic nation grappling with poverty, unemployment, hunger and intense electoral competition. Deconstructing this debate requires moving beyond simplistic labels to a structured analysis of the economic and social utility of different types of public expenditure.

b) The Definitional Challenge and Judicial Stance

A central challenge in India's political economy is the significant difficulty in drawing a clear, objective line between productive "welfare schemes" and populist "freebies". The institutions like the Supreme Court and the RBI have attempted definitions distinguishing between sustainable merit goods like education and unsustainable handouts etc. But these lines blur in practice. A supposed 'freebie' like bicycles for schoolgirls can yield immense social benefits like literacy, freedom, mobility, etc. While a 'welfare' measure like a farm loan waiver can destroy credit culture, though the unpaid credits is indirectly passed on to the end consumers of agro products. This ambiguity is compounded by a double standard, where massive corporate tax cuts are framed as essential "incentives" while aid for the poor is dismissed as wasteful 'revdis'. The Honourable Supreme court observed the article 38 (1) and said that state shall strive to promote welfare of the people and expressed deep concern over this issue. But remained reluctant to intervene. And in a way it concurred and upheld the social enablement and strengthened the cause of the vulnerable poor and needy. In a landmark case in 2013, the Supreme Court acknowledged the threat to free and fair elections but deferred to the legislature's spending powers. This leaves the contentious debate squarely in the political socio economic domains, with no clear legal resolution. This fortifies that State has to assure all citizens a life of dignity, with food, education, health care, transport etc in the life cycle. These amenities cannot be called 'freebies' but are welfare schemes to ensure inclusive growth.

c) The Politics of Enablement: Two Competing Social Contracts

An analysis of India's political landscape reveals a broad consensus on the electoral importance of welfarism, and reveal two competing philosophies regarding the state's relationship with its citizens. One approach champions a universal, rights-based social safety net, where citizens are viewed as active claimants. The contrasting approach favours a targeted, beneficiary-centric model that positions citizens as passive recipients of a Governments "guarantee." This fundamental divergence presents a choice between two distinct social contracts. One founded on rights and state accountability, and the other on a more direct citizen government relationship.

5.0 AN OBJECTIVE FRAMEWORK FOR EVALUATION:

To move this debate from the political arena to the realm of sound policy analysis, it is useful to establish an objective framework for evaluating public spending proposals.

Table 1 : A Critical Assessment of Flagship Programs

Scheme	Key Objective	Documented Impacts	Findings and challenges
PDS / NFSA	Ensures food and nutritional security by providing subsidised food grains to the population. This later expanded to basket of essential nutritional food.	Crucial in reducing hunger and malnutrition. Prevented a surge in extreme poverty. During the pandemic it saved the vulnerable people. Prevented stunting in approximately 1.8 million children and improved dietary diversity and overall health. It reinforced household budgets.	Reduced consumption inequality to its lowest level in decades but not eliminated. Technology (Aadhaar/ phone / biometrics /electronic point of sale) has helped eliminate 5.8 crore fake ration cards and reduced leakages and diversion of grains. High errors of inclusion and exclusion persist. Non fulfilling micronutrient cereals deficiencies.
MGNREGA	Provide 100 days of guaranteed wage	Increased rural wages, reduced debt, provided a vital base income floor. During covid shocks, it sustained the people.	Acted as a powerful tool for social mobility, reducing dependency on dominant land-owning castes. Chronic and debilitating delays in wage payments

	employment to rural households, creating durable assets. Later extended to urban households in some states	Empowered women and marginalized castes through equal wages and increased bargaining power. Improved rural economic buoyancy.	discouraged participation and caused hardship Stark variation in implementation across states, determined more by state capacity and accountability than poverty levels. Inadequate funding to meet the full demand for work. Unmindful works taken, wrongful deletion of job cards. Mandatory imposition of the Aadhaar-Based Payment System (ABPS) brought discipline.
NHM / PM-Ayushman Bharat	Strengthen public health systems. provide medicine and provide health insurance to protect against unforeseen catastrophic medical expenditure. Later extended to elderly people for several ailments	Significant decline in Maternal Mortality Ratio and Infant Mortality Rate. Declined casualties due to major ailments etc. It has provided over 36.9 crore Ayushman cards and is credited with over ₹1.25 lakh crore in savings for poor households. Saved a large number of poor people at times of medical expenditure.	Coverage recently expanded to senior citizens and frontline health workers. Reduced the share of out-of pocket expenditure in total health spending. Systemic integration with primary and grassroots public healthcare is required. Widespread fraud and abuse by empanelled hospitals, in inflated claims detected. Persistent challenges are to be meted in ensuring quality of care and last-mile access for the most vulnerable. Uneven distribution of services and infrastructure deficits remain.

Further the following table synthesizes key criteria from economic theory and policy analysis, framing the choice as a spectrum between a productive "springboard" for development and a distortionary "crutch" of dependency.

Table 2 : A Framework for Differentiating Welfare Schemes from Electoral Freebies

Criterion	Productive Welfare Investment (Springboard)	Distortionary Freebie (Crutch)
Economic	Merit Good: Creates positive externalities (e.g., public health, education, nutrition) that benefit society beyond the individual recipient.	Non-Merit Good: Primarily benefits the individual consumer with limited spillover effects (e.g., consumer durables, entertainment).
Horizon	Long-term Capital Formation: Builds human capital (skills, health) or physical capital (infrastructure) that enhances future productivity and earning potential.	Short-term Consumption: Induces immediate consumption with little to no lasting impact on the beneficiary's productive capacity. But sustains a poor person in adversaries
Effect	Empowerment & Productivity: Enhances and improves labour productivity, and enables greater participation in the economy.	Distortion & Dependency: Distorts market prices, creates disincentives for work, and can foster a culture of dependency on state handouts.
Fiscal Impact	Fiscally Prudent: Sustainably funded through buoyant revenues	Fiscally Unsustainable: Often unfunded, announced without clear

	and is considered a long-term investment with positive returns for the economy.	revenue sources, or borrows more debt, or crowds out essential capital expenditure, and can be inflationary.
Rationale	Targeted to Need: Well-targeted to address specific vulnerabilities and market failures, based on a clear socio-economic rationale.	Indiscriminate or Partisan: Often distributed indiscriminately or targeted at specific voter blocs for electoral gain, rather than based on economic and social need.

This framework assesses whether a policy would act as a springboard for long-term, inclusive growth or a short-term, unsustainable crutch. It shifts the focus from the politically charged label of "freebie" to a more sober economic evaluation of a policy's structural impact.

6.0 THE FISCAL FAULT LINES

The proliferation of populist spending, often without adequate fiscal planning, poses a significant and growing threat to the financial health of Indian states.

a) Impact on State Finances and The High Cost of Populism

One of the most damaging consequences of unsustainable populist spending is the crowding-out effect. Every rupee spent on an unproductive subsidy, such as un-targeted electricity concessions or the distribution of non-merit goods, is a rupee that cannot be invested in growth-enhancing capital expenditure. This means less funding is available for building critical long-term assets like schools, hospitals, roads, irrigation networks, power infrastructure, connectivity etc. This trade-off is not merely theoretical. It represents a direct choice between short-term electoral gratification and long-term sustainable development. This dynamics brings the core economic debates into sharp focus, prioritising immediate, often distortionary, consumption (the "freebie" model) comes at the direct expense of building the human and physical capital (as emphasised by both Sen and Bhagwati) needed for future growth and resilience. The Reserve Bank of India (RBI) has repeatedly raised red flags about this trend, warning that a rising subsidy burden is straining state budgets, leading to elevated debt levels and compromising the quality of public expenditure.

b) Evidence of Fiscal Strain in States

The RBI's reports on state finances provide clear evidence of this fiscal strain. While the consolidated fiscal position of states has shown some improvement post-pandemic, this masks underlying vulnerabilities. Several states have announced large-scale new schemes, like Ladli Behan yojana, Bhagyalakshmi yojana , free buses , Gruha Jyothi , Anna bhagya , kisan samman nidhi yojana , etc which are projected to increase their revenue expenditure significantly. This has led to a surge in state's dependence on market borrowings to finance their deficits. State debt levels, while having declined from their post-pandemic peak, remain elevated at a consolidated 28.5% of GDP as of March 2024, well above the 20% recommended by the Fiscal Responsibility and Budget Management (FRBM) Review Committee.

The case of Punjab is particularly illustrative. The state's finances are under severe stress, with a debt-to-GSDP ratio of 47%. A staggering 10% of its total budget is allocated to power subsidies alone, costing over ₹20,000 crore annually. This massive commitment to subsidies has crippled its ability to invest in the future, with capital outlay accounting for a meager 5.8% of its total expenditure. Similarly, Kerala faces a high fiscal deficit and debt burden, which has compelled it to raise taxes to fund essential infrastructure projects, highlighting the direct fiscal trade-offs involved. In West Bengal, a legacy of high debt has been shown to circumscribe developmental expenditure, with studies indicating that a high debt burden has a significant negative impact on a state's ability to invest in the social sector.

The following table presents key fiscal health indicators for a selection of major Indian states, making the abstract risk of fiscal unsustainability concrete. It provides a comparative snapshot of their policy choices and financial consequences. The share of capital outlay in total expenditure is a particularly telling indicator of the crowding-out effect, showing how much a state is prioritizing long-term investment over current consumption and subsidy payments.

Table 3 : Fiscal Health Indicators of Major Indian States (FY2024-25 Budget Estimates)

State	Debt-to-GDP Ratio (%)*	Gross Fiscal Deficit-to-GDP Ratio (%)	Revenue Expenditure as % of Total Expenditure	Capital Outlay as % of Total Expenditure
Punjab	47.0	3.5	90.1	5.8
Kerala	37.2	3.4	86.5	7.9
West Bengal	37.1	3.6	86.8	9.1
Rajasthan	37.5	3.9	82.1	14.3
Andra Pradesh	33.3	3.5	83.2	12.9
Uttar Pradesh	32.8	3.5	76.7	21.0
Karnataka	24.3	2.6	80.5	16.0
Tamil Nadu	25.6	3.4	83.0	13.1
Maharashtra	20.2	2.7	84.5	13.7
Gujarat	15.3	1.8	67.5	29.8
Source :RBI and NITI Aayog reports				

This data powerfully illustrates the fiscal trade-offs. States with very high debt and revenue expenditure shares, like Punjab, Kerala, and West Bengal, allocate a very small fraction of their budget to capital outlay, mortgaging their future growth for present spending. In contrast, states with stronger fiscal discipline, like Gujarat, are able to dedicate a much larger share of their expenditure to building long-term assets. This empirical evidence underscores the urgent need for states to rationalize non-merit subsidies and re-prioritize spending towards productive, growth-enhancing investments to ensure long-term fiscal health and sustainable development. The issue is further compounded by federal tensions, with states like Kerala challenging the Union government's imposition of borrowing ceilings under Article 293 of the Constitution, arguing that it constrains their ability to meet budgetary obligations. The states of Telangana and Karnataka are seeking its share of the GST by the Union Government for Social enablement. They imply that the lack of the due rightful funds has affected their well calculated budget means and is infringing on smooth deliverance of social enablement.

7.0 SOCIAL SPENDING AND ECONOMIC PROGRESS: A STATE-WISE ANALYSIS

State-wise breakdown of social sector expenditure alongside key Social and Economic indicators is shown below:

Table 4 : State-wise social sector expenditure and Socio-economic indicators

State	**Social Sector Expenditure (% of Total Expenditure, 2023-24 RE)**	**GSDP per Capita (in ₹, 2023-24)**	**Multidimensional Poverty Index (% of Population, 2019-21)**	**Literacy Rate (%, 2023-24)**	**Life Expectancy at Birth (Years, 2016-20)**
High Social Spenders					
Kerala	38.6	2,81,001	0.48	95.3	75.0
Tamil Nadu	37.9	3,15,220	1.43	82.9	73.2
Himachal Pradesh	43.1	2,35,199	3.88	86.6	73.5
Delhi	47.3	4,61,910	2.97	88.7	74.3
Moderate Social Spenders					

Maharashtra	35.8	2,77,603	5.48	84.8	72.9
Karnataka	37.3	3,32,926	5.67	77.2	69.8
Andhra Pradesh	42.4	2,42,479	4.19	67.4	70.6
Gujarat	39.7	2,97,722	9.03	82.4	70.5
Lower Social Spenders					
Uttar Pradesh	37.4	1,04,126	17.40	73.0	66.0
Bihar	42.8	68,828	26.59	74.3	69.5
Madhya Pradesh	38.6	1,42,565	15.01	75.2	67.4
Rajasthan	39.5	1,67,964	10.77	75.8	69.4

Source : RBI's and NITI Aayog reports

- The States of Kerala , Tamilnadu , Delhi have higher percapita GSDP because of higher economic development. They have earlier made reasonable higher devolutions in social sector. They have better social indicators in country in poverty, literacy and expectancy at birth. And they have also shown lesser debt to GSDP ratio, indicating a better fiscal position. And implying that investments in the social sector has spiralled a growth. They have further improved the deliverance of social enablement to the pointed vulnerable people.
- The states of Maharastra , Karnataka , Andhra pradesh are moderate states and have higher percapita GSDP and also higher economic development. They were states in piloting economic progress. The public have lost land in acquisition and seen displacements, migrations, loss of livelihood in the process. Many of this became vulnerable sections as evident from their lower social indicators in literacy, life expectancy and poverty and thus necessitating the requirement of social enablement. Further their fiscal position is better than other states as seen in Debt to GDP ratio, Gross Fiscal Deficit to GDP ratio. They can afford for greater devolution in social enablement. Therefore, they have to make reasonably higher devolutions in social sector and give social enablements and safeguard its people who were left behind in the path of development. A splurge opening for free market economy has created a large pool of vulnerable populations despite having a good GSDP . Thereby it necessitates also to make an improvement in deliverance methods and also plan out and focus on more social enablement to the needy, in the selective sectors rationally .
- The States of UP ,Bihar , MP, Rajasthan have lower per-capita GSDP because of slighter economic development. They were lagging in the development path while the economy was opened. They were less spenders in the social sector. Lacked pointed devolutions. Due to the inherent reasons they have large vulnerable sections requiring social enablement. Also their fiscal position is weak and are dependent on the funds from the Centre. They have to make reasonably higher devolutions in social sector and safeguard its people. They also have to plug leakages and losses and adopt a prudent deliverance mechanism driven by technology
- Correspondingly , The Government of India safeguarded the vulnerables through PMGKAY (free food) that gave 813mn people free food grains, Prime Minsters Awas Yojana PMAY (housing) gave 32mn houses built to shelterless families , Ayushman Bharat yojana (health insurance) gave 300mn subsidised healthcare cards to the needy , PMUY (LPG) 168mn household were given liquefied petroleum gas cylinders , Swachh Bharat yojana made 115mn toilets to the sanitation , Jal Jeevan mission provided 11.2mn households with drinking tap water connections . All this have inherently empowered the people directly and indirectly. The social safety net is strong and actually has spring boarded the Country's Growth. All this social welfare schemes put together, the expenditure hovers around 20 to 23 percent of the total expenditure which is highly reasonable one. The remarkable direct benefit transfer to the vulnerables has happened by leveraging technology and pointed devolutions. Large pilferages and leaks have been plugged. And yet more number of social safety net and social enablements have to be chalked out and implemented that commensurate with the desired spectacular economic growth.

The comprehensive analysis of Indian states reveals a strong, though complex, link between expenditure on social sectors, such as education and health, and long-term prosperity. While high social spending doesn't guarantee immediate top-tier economic performance, it is strongly associated with better outcomes in poverty reduction, literacy, and life expectancy.

8.0 THE WIDE-RANGING ANALYSIS IDENTIFIES THREE DISTINCT GROUPS OF STATES:

The classification into high, moderate, and lower spenders is indicative and based on a holistic view of their fiscal priorities over time.

- High Social Spenders (Kerala, Tamil Nadu) have consistently invested in social infrastructure, resulting in a highly educated and healthy populace. This strong human capital foundation is now attracting high-value industries and driving economic growth. The Tamil Nadu model of depositing Rs 50000 to every born girl, free education, free bicycle, uniform cloths, higher education and supporting her in the life cycle has improved the human capabilities and capacities and state achieves one of the best human development indices in India. It has the highest number of working women in the country. The total fertility rate is lower than the replacement level. These empowered women immensely contribute to GDP and wealth creation.
- Moderate Social Spenders (Maharashtra, Gujarat) have industrial powerhouses and strong economies, but their primary challenge is to ensure that this growth is inclusive and translates into more equitable social development across all sections of their populations.
- Lower Social Spenders (Uttar Pradesh, Bihar, Rajasthan) historically have lagged in human development indicators. However, a recent push to increased social spending is beginning to show positive results in the poverty alleviation etc which, given their large populations, may have a significant national impact.

In conclusion, the analysis strongly posits that investing in social enablement is not merely a moral imperative but a sound economic strategy. Provided the selection of social enablement are rational and focussed to needy vulnerable and implemented with accountability and dedication. States that prioritize building human capital are better equipped to foster the sustainable and inclusive growth necessary for India's long-term development goals.

9.0 THE POLITICS OF ENABLEMENT - COMPETING VISIONS

An analysis of India's political backdrop reveals a broad consensus on the electoral importance of welfarism, yet exposes two contending philosophies regarding the state's relationship with its citizens.

One approach champions a universal, rights-based social safety net. This model views citizens as active claimants empowered by legal entitlements to hold the state accountable for its duties.

The second approach favours a targeted, beneficiary-centric model that leverages technology for efficient delivery of specific benefits. This method frames welfare as a direct provision from the government to individuals, positioning them as passive deserving recipients.

Table 5: Comparative Analysis of Key Welfare Promises in Manifestos (2024)

Policy Area	Indian National Congress (INC) Promises	Bharatiya Janata Party (BJP) Promises	Ideological Framing
Employment Guarantee	Increase MGNREGA wage to ₹400/day; launch a new Urban Employment Guarantee scheme.	Continue existing schemes; plus, focus on job creation through 'Make in India', start-ups, and infrastructure development and skilling.	INC: Rights-based, universal employment guarantee. BJP: Growth-led, market-driven job creation.
Food Security	Continue and strengthen the National Food Security Act (NFSA).	Continue the PM Garib Kalyan Anna Yojana (providing free rations) for the next five years.	INC: Upholding a universal legal entitlement. BJP: Targeted provision of a specific benefit.
Health Insurance	Enact a universal 'Right to Healthcare Act'; offer	Expand Ayushman Bharat to cover senior citizens in all	INC: Universal right to healthcare for all

	cashless insurance up to ₹25 lakh.	major ailments	citizens. BJP: Expanding a targeted insurance scheme for specific beneficiary groups.
Cash Transfers	Guarantee the 'Mahalakshmi' scheme: ₹1 lakh/year to one woman in every poor family.	Continue and expand the PM-KISAN scheme (₹6,000/year to farmer families) and other targeted DBT schemes.	INC: Large-scale, targeted minimum income support. BJP: Targeted, specific-purpose cash transfers.
Social Pensions	Double the central government's contribution to pensions for the elderly, widows, and disabled to ₹1,000/month.	Expand social security coverage for gig economy and unorganized sector workers.	INC: Strengthening the universal social assistance floor. BJP: Expanding coverage to new, specific worker categories.
Overall Philosophy	Rights-Based & Universalist: Focus on legal entitlements, strengthening the broad social safety net, and reliance on institutions like the Planning Commission.	Beneficiary-Centric & Targeted: Focus on "efficient delivery of tangible goods (housing, gas, rations) via technology, and empowering vulnerable specific groups (*Gareeb, Yuva, Annadata, Nari*). and reliance is on Nitiayog	INC: Citizen as an active, rights-bearing claimant. BJP: Citizen as a deserving beneficiary

This fundamental separation presents a choice between two distinct approaches. One founded on rights and state accountability, and the other on a more direct relationship of provision between state and citizen. When its seen broadly with right perspective, both the approaches are complementary to one another with different priorities. Both the approaches are operating and provide social enablements and eventually empowers to springboard the social and economic security system for a sustained inclusive future. The prominence of either approach collectively carries profound implications for the future of India's democratic politics and its welfare state.

10.0 DEBATES FOR A PRAGMATIC CONSENSUS

A pragmatic and effective social policy for India requires moving towards complementary economic perspectives which are discussed above, recognizing that long-term growth and short term growth, rights based social safety net and beneficiary centric model are all interdependent.

This involves resolving the apparent conflict between growth-first approach and capability-focused approach. A robust economy is necessary to generate the resources for social spending. However, investments in human capabilities like health and education are themselves essential inputs for higher-quality, sustainable growth. The ideal framework fosters a virtuous cycle where growth funds human development, and enhanced human capabilities fuel more inclusive growth.

Successful policy must integrate micro-level design with macro-level realities that builds state capacity, strengthens accountability, and empowers citizens and governments to demand and provide the right entitlements.

11.0 THE PRAGMATIC PATH FORWARD FOR INCLUSIVE DEVELOPMENT

To realize 'Vikasit Bharat 2047' vision of a developed nation, India must transform its social protection system from a reactive safety net into a proactive springboard for the human potential. This evolution requires three fundamental shifts. First one is to move beyond fragmented schemes to create an integrated system. Second one is to address new socio-economic frontiers. Third one is to frame social spending as a core economic investment in the people. These are indispensable for achieving ambitious economic goals of the country.

- **Architecting an Integrated Future: From Fragmented Schemes to an Integrated System**

India's current social protection system is a fragmented collection of schemes operating in silos, leading to administrative duplication and inefficient use of resources giving distorted unreliable social indicators. To build a resilient safety net, a paradigm shift is needed towards a single, integrated system. This system should be guided by the principle of prioritizing the most vulnerable first and adopt a life-cycle approach. Provide tailored support in critical stages of primary health, nutrition, education, skills, employments, pensions right from early childhood to old age.

- **Addressing New Frontiers Reclassifying Social Spending as Human Capital Investment**

To remain effective as India's economy transforms, its social protection system must evolve to address new challenges. This requires venturing into four critical frontiers:

1. The Care Economy: Investing in child care and grooming, elder care protection, boost female participation in socio economic political activities, employment etc.
2. Rural and Urban Social Safety Nets: Developing programs like employment guarantees, skilling and portable benefits for the growing rural and urban poor and informal workforce.
3. Climate Resilience: Linking public works to green projects like water conservation, soil conservation, clean environment etc. to build resilient assets for wellbeing of the growing population.
4. Universal Social Security: Creating a comprehensive framework of medical, pensions and insurance supports for the vast informal sector and a rapidly aging population in addition to the vulnerable population.

- **The Ultimate Paradigm Shift Reclassifying Social Spending as Human Capital Investment**

A crucial step towards achieving India's national ambitions is to fundamentally change how social spending is classified in the fiscal framework. Currently, spending on health and education is treated as "revenue expenditure," making it a recurring cost vulnerable to cuts. The proposed paradigm shift is to reclassify this as "human capital investment." The rationale is compelling, if building a highway is a capital investment because it creates a long-term physical asset, then investing in a child's nutrition and education which creates a productive citizen for decades is an even more critical form of essential capital investment. This change would reframe the entire "welfare versus growth" debate, positioning social spending not as a trade-off against economic growth, but as its most essential catalyst, thereby protecting and prioritizing these vital investments for India's future.

12.0 CONCLUSION: AN OPTIMISTIC VISION FOR EQUITABLE PROSPERITY

The analysis concludes that a robust social enablement system is the most critical and productive long-term investment India can make. The central challenge is to transform the nation's social safety nets, designed for mere survival, into dynamic springboards that unleash human potential and drive sustainable growth.

Achieving this vision requires a strategic and concerted roadmap. India must move beyond fragmented schemes to architect a single, integrated social protection system that supports citizens throughout their life cycle. This transformation demands the national will to rationalize distortionary subsidies and the foresight to reclassify spending on health, nutrition and education as a core human capital investment, recognizing that a skilled and healthy citizen is as vital asset, as any physical infrastructure. Success is contingent on strengthening state capacity to ensure effective last-mile delivery and leveraging India's world-class digital infrastructure as a tool for inclusion, not exclusion.

A strong focus on welfarism with empowerments and socio-economic justice can be pursued without bankrupting the state, and that such spending is in fact a productive investment that boosts human capital and stimulates local demand. This is to be backed by the economic philosophy which is unequivocally centred on the principles of inclusive growth and welfare of its people. The State has to lead in equitable redistribution of wealth and opportunities. That is possible through means of social entitlements, fiscal policy and taxation policy. The State has to collectively perform as an active agent for correcting historical socio-economic inequalities and the disparities. It has to set right the imbalances in regional and spatial development and bring a uniformed welfare. The "social enablements" represent one of India's most ambitious efforts to create a comprehensive social safety net which is sustainable and also legitimate.

India is uniquely positioned to realize this goal. It is fortified by a Constitutional mandate for Welfare of its people. It is a vibrant democracy that keeps people's needs on the agenda. By harnessing these strengths with political courage and administrative commitment, India can springboard to a future where the fruits of economic growth are shared by all, creating a truly empowered, equitable and developed nation by 2047.

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