

Welfarism in Changing Economic Social and Political System

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Abstract

Welfarism in India has been a cornerstone of state policy, evolving alongside the nation's complex socio-economic and political transformations. This paper delves into the metamorphosis of welfarism, from its inception as a state-driven framework in the post-independence period to a dynamic, multi-stakeholder paradigm shaped by globalisation, market liberalisation, and rapid technological advancements.

The 1991 economic reforms, while unleashing unprecedented growth, exposed systemic vulnerabilities and widened socio-economic disparities. In response, welfare policies have shifted from generalised subsidies to targeted interventions like Direct Benefit Transfers (DBT) and flagship programs such as MGNREGA and Ayushman Bharat. This research critically evaluates their efficacy in balancing economic efficiency with social equity.

On the political front, the role of cooperative and competitive federalism in welfare policy implementation is analysed. The research highlights how regional disparities, electoral dynamics, and policy populism have influenced welfare outcomes, underscoring the tension between political expediency and long-term sustainability.

This paper offers valuable insights into the interplay of welfarism and governance in a diverse, emerging economy, contributing to global debates on welfare paradigms in multicultural, high-growth nations. It underscores India's potential to inspire a reimagined welfare state model that is inclusive, resilient, and sustainable.

Keywords: *Welfarism in India, Post-Independence Welfare Policies, Economic Reforms 1991, Direct Benefit Transfers (DBT), MGNREGA.*

1. Introduction

Welfarism has long been a cornerstone of governance, emphasising the protection and promotion of individual and collective well-being. Rooted in ideals of equity and social justice, welfare systems aim to bridge socio-economic divides by addressing the needs of vulnerable populations. However, the rapid pace of globalisation, technological innovation, and political polarisation has challenged the adaptability and effectiveness of traditional welfare models. This paper explores the transformation of welfarism in response to these changes, addressing its theoretical foundations, historical trajectory, and future prospects.

Unique Challenges in Welfarism: Current Perspectives (Detailed Analysis)

1. Technological Displacement and Workforce Realignment

The integration of automation and AI across industries like manufacturing, agriculture, and services is accelerating at an unprecedented pace. While technology enhances efficiency and innovation, it also displaces millions of workers in routine, repetitive jobs. For instance, autonomous vehicles threaten to eliminate jobs in transportation, while AI-powered systems reduce the need for human labour in customer service and data processing. This displacement disproportionately impacts low-skilled workers, exacerbating income inequality. Furthermore, many countries lack adequate retraining and upskilling programs to prepare workers for emerging fields like AI development, renewable energy, and digital services. Governments must bridge this skills gap by investing heavily in education, vocational training, and continuous learning programs, while also providing income support during transition periods.

2. Climate-Induced Migration

Rising sea levels, prolonged droughts, and extreme weather events are forcing millions to migrate from their homes. According to the International Organization for Migration, climate change could displace up to 200 million people by 2050. These "climate migrants" face significant challenges, including loss of livelihoods, inadequate housing, and lack of legal recognition in host regions. Many host countries, particularly in the Global South, already struggle to provide welfare for their own populations, leaving migrants in precarious conditions. Welfare systems must integrate climate resilience into policies by creating adaptive housing, sustainable livelihoods, and cross-border frameworks to support displaced populations. Global cooperation, such as climate migration funds and regional agreements, is essential to address this growing challenge.

3. Digital Divide in Welfare Access

The increasing reliance on digital platforms for welfare delivery—such as online healthcare consultations, digital education, and electronic cash transfers—has created a dependency on technology. While this shift improves efficiency and accessibility for many, it marginalizes those without access to devices, internet connectivity, or digital literacy. For example, in rural areas of India, lack of reliable internet prevents farmers from accessing government subsidies or market information. Elderly populations also face difficulties navigating digital systems for pensions or healthcare benefits. To address this divide, governments must invest in digital infrastructure, offer affordable technology, and provide training programs to ensure no one is excluded from welfare benefits due to technological barriers.

4. Polarisation of Welfare Policies

Political polarisation has deeply affected the design and implementation of welfare systems. Populist governments often prioritise short-term, high-visibility measures, such as cash transfers or fuel subsidies, to gain electoral support. However, these policies frequently neglect critical areas like education reform, healthcare infrastructure, or social security, which require long-term investments. For example, some countries have reduced funding for public health systems while introducing populist schemes that lack sustainability. Furthermore, political parties often view welfare as a tool to serve their voter base rather than addressing broader societal needs. To overcome this challenge, there must be a bipartisan consensus on welfare as a fundamental public good that transcends electoral politics.

5. Ageing Populations and Dependency Ratios.

In many developed countries, populations are ageing rapidly, with fewer working-age individuals supporting an increasing number of elderly citizens. For example, Japan's aging population has led to a dependency ratio of over 47%, straining its pension and healthcare systems. Similar challenges are emerging in South Korea and parts of Europe. These demographic shifts result in higher expenditures on healthcare, long-term care, and social security, while shrinking tax revenues from the working population. Policymakers must explore innovative solutions, such as encouraging immigration, raising the retirement age, and promoting family-friendly policies to address declining birth rates. Developing nations, though currently youthful, must prepare for similar transitions through proactive policies.

6. Health Crises and Pandemics

The COVID-19 pandemic exposed the vulnerabilities of global health and welfare systems, particularly in low-income and developing countries. Health crises disproportionately impact marginalized communities, who lack access to quality healthcare, clean water, and basic sanitation. Additionally, pandemics often disrupt livelihoods, pushing millions into poverty. For example, the World Bank estimated that COVID-19 increased global poverty for the first time in two decades. Future welfare systems must integrate robust healthcare infrastructure, universal access to medical care, and emergency social safety nets to ensure resilience against such crises. Governments must also establish contingency funds and strengthen international collaboration to address global health emergencies.

7. Rise of Platform Economies and Gig Workers

The gig economy, driven by platforms like Uber, DoorDash, and Amazon Mechanical Turk, has created new forms of employment but also significant challenges for welfarism. Gig workers often lack job

security, health benefits, and retirement plans because they are classified as independent contractors rather than employees. For instance, drivers for ride-hailing services face long hours, low wages, and no access to traditional labour protections. Welfare systems must evolve to address these gaps by extending benefits like health insurance, pensions, and paid leave to gig workers. This requires regulatory reforms that balance the flexibility of gig work with the rights and protections of workers.

8. Intersectionality and Marginalised Groups

Many welfare systems fail to account for the compounded disadvantages faced by individuals with intersecting identities. For example, a woman with a disability in a rural area may face barriers due to gender, physical limitations, and geographic isolation. LGBTQ+ individuals in conservative societies often face exclusion from social services due to stigma or discriminatory policies. Welfare programs must adopt an intersectional approach, designing policies that address the unique challenges of overlapping vulnerabilities. Tailored interventions, such as affirmative action, inclusive healthcare policies, and targeted education programs, can help bridge these gaps and promote equity.

9. Global Refugee Crises and Statelessness

Conflicts in regions like the Middle East, Africa, and Eastern Europe have led to a surge in refugees and stateless individuals. The United Nations High Commissioner for Refugees (UNHCR) reports over 35 million refugees worldwide, with many living in precarious conditions. Refugees often lack access to healthcare, education, and employment in host countries due to legal restrictions or resource limitations. Stateless individuals, who lack citizenship, are particularly vulnerable, facing systemic exclusion from welfare systems. Governments must collaborate with international organisations to create comprehensive frameworks for refugee integration, including legal recognition, access to essential services, and pathways to citizenship.

10. Erosion of Trust in Institutions

Mistrust in public institutions is growing globally, fuelled by corruption, inefficiency, and political instability. For example, welfare programs in some countries are perceived as tools for patronage rather than equitable service delivery. This mistrust discourages citizens from participating in welfare initiatives or reporting fraud and corruption. Rebuilding trust requires transparent governance, community involvement in welfare planning, and the use of technology to enhance accountability. Governments must also address systemic corruption and ensure that welfare programs are inclusive, effective, and free from political interference.

Challenges as a Viksit Bharat Perspective

1. Urban-Rural Divide in Welfare Access

In India's pursuit of becoming a Viksit Bharat (developed nation), the persistent urban-rural disparity in welfare delivery remains a critical challenge. Urban areas often receive better healthcare, education, and digital infrastructure, leaving rural regions underserved. For example, while urban populations have access to specialised healthcare facilities, rural areas struggle with shortages of doctors, equipment, and medicines. Bridging this gap requires decentralized welfare models that empower local governments and improve last-mile connectivity through technology and infrastructure investments.

2. Empowering Small and Marginal Farmers

Agriculture remains the backbone of India's economy, yet small and marginal farmers face declining incomes due to shrinking landholdings, erratic weather, and inadequate market access. Current welfare programs, like PM-KISAN, need to be expanded to include crop diversification support, agro-processing facilities, and guaranteed procurement of diverse crops. A Viksit Bharat vision demands holistic agricultural reforms that integrate sustainable farming practices, advanced irrigation techniques, and access to global markets.

3. Women's Participation in Workforce and Welfare

Women in India continue to face barriers in accessing welfare benefits and participating in the workforce. Female labour force participation remains below 25%, hindered by lack of childcare facilities, wage disparities, and unsafe work environments. A gender-sensitive welfare system under the Viksit Bharat framework must prioritise universal childcare, skill development programs tailored

for women, and social safety nets to support unpaid care workers. Policies like reserved quotas in employment and leadership roles can further empower women economically.

4. Digital Bharat and Inclusive Growth

The Digital India initiative has made significant strides, but many citizens still lack the digital literacy needed to access welfare schemes effectively. Programs like Ayushman Bharat or online subsidies often remain out of reach for those without smartphones or digital skills. A Viksit Bharat welfare system must expand digital inclusion by providing free or low-cost devices, public Wi-Fi in rural areas, and training programs. Ensuring inclusivity in digital governance can bridge the gap between technology and welfare accessibility.

5. Youth Skilling and Employability

With over 50% of its population below the age of 25, India faces the dual challenge of harnessing its demographic dividend while addressing unemployment. Many youth lack access to quality skill development programs aligned with industry needs. Welfare policies must focus on enhancing employability through initiatives like Skill India and PM Kaushal Vikas Yojana. Furthermore, integrating entrepreneurial support, mentorship networks, and incubation centres into welfare frameworks can empower the youth to drive economic growth.

6. Environmental Sustainability and Welfare

As India advances towards industrial and economic development, environmental sustainability must remain integral to the welfare agenda. Challenges like water scarcity, pollution, and deforestation disproportionately impact vulnerable communities. A Viksit Bharat model should incorporate eco-friendly welfare initiatives, such as subsidised solar panels for rural households, reforestation drives tied to employment schemes like MGNREGA, and incentives for adopting green technologies. Sustainable urban planning, clean energy investments, and awareness campaigns can further ensure a balance between growth and environmental protection.

7. Universal Health Coverage with Quality Standards

While schemes like Ayushman Bharat aim to provide universal health coverage, disparities in healthcare quality persist. Rural health centres often lack specialists and modern equipment, leading to unequal outcomes. A Viksit Bharat welfare perspective calls for expanding healthcare infrastructure, introducing mobile medical units in remote areas, and incentivizing private sector partnerships to improve service quality. Telemedicine platforms and AI-driven diagnostics can further enhance accessibility and efficiency.

8. Strengthening Social Security for Informal Workers

The informal sector employs over 80% of India's workforce but remains largely excluded from formal social security programs like pensions and health insurance. Welfare initiatives must integrate informal workers into schemes like ESI and EPFO by providing flexible enrolment options and portable benefits. A Viksit Bharat approach must also address challenges specific to gig workers, migrant labourers, and domestic helpers by creating customised policies that ensure their financial stability and well-being.

9. Resilience to Natural Disasters

India is highly vulnerable to natural disasters, including floods, cyclones, and earthquakes, which disrupt lives and livelihoods. Welfare policies under the Viksit Bharat framework must incorporate disaster preparedness and recovery mechanisms. This includes creating dedicated disaster relief funds, setting up rapid-response welfare teams, and ensuring housing and crop insurance for at-risk populations. Promoting climate-resilient infrastructure and training local communities in disaster management are crucial to building resilience.

10. Addressing Regional Disparities

States like Kerala and Tamil Nadu perform well on welfare indicators such as literacy and healthcare, while others, such as Bihar and Uttar Pradesh, lag significantly behind. A Viksit Bharat vision requires addressing these regional disparities through targeted welfare programs. Providing additional funding and resources to underperforming states, combined with accountability measures, can ensure equitable development across the nation.

11. Food Security in a Changing Climate

Despite significant progress in reducing hunger, India faces emerging food security challenges due to climate change, soil degradation, and changing dietary patterns. Welfare systems must integrate climate-resilient agriculture, promote dietary diversity, and ensure universal access to fortified foods. Strengthening the Public Distribution System (PDS) with biometric tracking and expanding it to include urban poor and migrant workers can enhance food security.

12. Cultural and Linguistic Inclusivity in Welfare

India's cultural and linguistic diversity presents unique challenges in welfare implementation. Policies and schemes must account for regional languages, traditions, and community practices to ensure inclusivity. For example, welfare outreach materials in multiple languages and region-specific programs for tribal communities can increase participation and impact.

Conclusion: Toward a Viksit Bharat: Realising the Vision of a Self-Reliant, Inclusive, and Prosperous India

The vision of Viksit Bharat—a developed, self-reliant, and inclusive India—rests on the foundation of a robust welfare system that addresses the diverse needs of its citizens while fostering equity, resilience, and sustainable growth. Welfarism, as a pillar of governance, has historically been central to India's nation-building efforts, reflecting the values of justice, equality, and fraternity enshrined in our Constitution. However, the evolving social, economic, and political landscape presents both opportunities and challenges that require innovative, adaptive, and inclusive approaches to welfare delivery.

Addressing the urban-rural divide is another critical aspect of the Viksit Bharat agenda. Ensuring equitable access to healthcare, education, and digital infrastructure is not just a necessity but a moral obligation. Leveraging technology, such as telemedicine and e-learning platforms, can bridge these gaps and ensure that welfare reaches even the most remote corners of the nation. Furthermore, integrating climate resilience into welfare policies—through sustainable agricultural practices, renewable energy adoption, and disaster preparedness—can safeguard livelihoods while promoting environmental stewardship.

A Viksit Bharat is not merely about economic prosperity but also about fostering a sense of unity, dignity, and pride among its citizens. It is about creating an India where every individual, irrespective of gender, caste, or region, has the opportunity to live with dignity and contribute to the nation's progress. This vision requires not just government action but also active participation from all sections of society. Civil society, private enterprises, and individuals must come together to support and amplify welfare initiatives, creating a collective force for national development.

As India moves towards its centenary of independence, the dream of a developed nation is within our grasp. By prioritising inclusive growth, sustainable development, and social equity, we can transform this vision into reality. The journey to Viksit Bharat is a patriotic call to action for every Indian to contribute to a brighter, stronger, and united India. Together, with resolve and responsibility, we can fulfil the aspirations of our forefathers and secure a future that reflects the greatness of our nation. Let us rise, as one India, to build a welfare state that embodies the spirit of Ek Bharat, Shreshtha Bharat—One India, Great India.

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