



Why Should We Care About Development Finance? ...because it's our money!

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How Equal is India, Really? Numbers Tell One Story. Reality Tells Another.

The recent World Bank brief declaring a decline in India's consumption-based Gini coefficient, from 28.8 in 2011–12 to 25.5 in 2022–23, offers the comforting narrative of a country growing more equal. But this figure, like many such national averages, deserves a closer look. In reality, it says very little about how people actually live, and even less about the structural inequalities they navigate daily.

On the surface, a falling Gini coefficient suggests a reduction in inequality. But the Gini is notoriously limited: it is most sensitive to shifts in the middle of the income distribution and largely blind to what happens at the extremes, where inequality is often most entrenched. For a country like India, where the ultra-rich are underrepresented in surveys and the poorest often go uncounted, such figures risk being more symbolic than substantive.

Over the past decade, India has seen an erosion of statistical transparency and institutional independence in producing social and economic data. The result is a growing trust deficit. Claims of rising equality are increasingly deployed to promote a narrative of national success, often at the cost of acknowledging persistent inequality.

The landmark corporate tax cut in 2019 resulted in an annual revenue loss of ₹1.45 lakh crore. Meanwhile, public investment in health and education continues to fall short of both international standards and national promises. India's health expenditure, at just 1.8% of GDP, is far below the WHO-recommended 5%. Education spending still lags below 3% of GDP, despite the much-touted goal of 6% set by the National Education Policy. At the same time, India's informal economy, home to over 85% of its workforce, remains precarious and underprotected. Wages have stagnated or declined, even as the economy continues to grow on paper. Welfare programmes like MNREGA, which provide vital support for rural livelihoods, have seen severe budget cuts. Aadhar-linked payment systems have only added to delays and exclusions.

In short, while India appears to grow more equal in spreadsheets and bar graphs, the on-ground reality tells a different story, one of widening gaps, underinvestment in public goods, and a steady retreat of the welfare state. The real challenge is not just economic, it is political. As long as inequality is treated as a technical problem with a statistical fix, rather than a structural issue requiring redistribution and justice, we will continue to misread our progress.

Team CFA

We refuse to give up trying to demystify finance. We will continue to hold the government and financial institutions accountable for their economic policies and investments. Support us.

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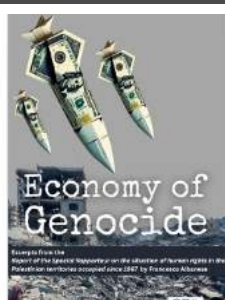
How Rs 21,000 become Rs 15,00,000 in one month? Will RBI explain?

For many days, Facebook has been showing an appeal by Ms. Nirmala Sitharaman, appealing to every Indian to invest Rs 21,000 immediately, as only 1000 can apply now, as 80% has been subscribed in "My Financial Project for Indians". The video shows her speaking and saying, "We have developed an investment platform with the help of Narayanamurthy using AI tools, and we have invested 1 billion \$ for developing this." She says you can earn millions. Rs 5,000 per day, etc. [Read More](#)



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A Tragic Predicament

Excerpt from Wild Fictions By Amitav Ghosh

'Trees were my teachers,' wrote the German poet Friedrich Hölderlin, and if there is any place on Earth that could say the same of itself, it is Ternate, a tiny island in the archipelago that was once known as the Moluccas or Spice Islands.

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Credit Scores and Credit Scars

Speaking at TransUnion CIBIL's Credit Conference, RBI Deputy Governor Shri M. Rajeshwar Rao hailed fintech's role in democratising credit. But this "data revolution" hides deep asymmetries. While individuals get one free credit report annually, no such transparency exists for corporate or bank loan databases—shielding overleveraged, politically linked borrowers from scrutiny. Fintech's promise of inclusion often veers into surveillance: Aadhaar, UPI, GST, land records—all mined to feed opaque credit scoring

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