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ANALYSIS OF WAGE INEQUALITY IN INDIA

Abstract: the article explores the various factors contributing to the income disparity, such as educational differences, occupational choices, gender biases, regional imbalances. Additionally, it outlines potential solutions, including education reforms, empowerment initiatives, policy interventions, economic developmental strategies, and societal mind-set shifts, aimed at addressing these inequalities.

Keywords: educational, occupational, gender & regional differences.

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АНАЛИЗ НЕРАВЕНСТВА В ОПЛАТЕ ТРУДА В ИНДИИ

Аннотация: в статье исследуются различные факторы, способствующие неравенству доходов, такие как различия в образовании, выборе профессии, гендерные предубеждения, региональные диспропорции. Кроме того, излагаются возможные решения, включая реформы образования, инициативы по расширению прав и возможностей, политические вмешательства, стратегии экономического развития и изменения в общественном сознании, направленные на устранение этого неравенства.

Ключевые слова: образовательные, профессиональные, гендерные и региональные различия.

India, a land of diversity, with various cultures, languages, and traditions. This topic is like peeling an onion—layer by layer, we uncover the complexities behind these disparities. There are different kinds of inequalities in India that are multidimensional and intersectional in nature. While multidimensional poverty has been an area of study in the field of developmental economics since the early 2000s, multidimensional inequality is a fairly new perspective [4].

World Inequality Database (WID) Report, 2021 puts India in the category of ‘extreme inequalities’ countries. The report states that ‘the average national income of the Indian adult population is INR 204,200. While the bottom 50% earns INR 53,610, the top 10% earns more than 20 times more INR 1,166,520. While the top 10% and top 1% hold respectively 57% and 22% of total national income, the bottom 50% share has gone down to 13%. India stands out as a poor and very unequal country, with an affluent elite’. This inequality widens when we compare the wealth possession of the top 10% and the bottom 50% population. Reports find that the top 10% population in India owns 65% and the bottom 10% is just 6% of the nation’s household wealth. i.e., to say that wealth inequality in India between two top 10% and bottom 50% is more than income inequality [1].

When we discuss salary inequality, we're talking about the unequal distribution of wages among people. In India, this divide is glaring. On one end, some individuals earn substantial salaries, while on the other, many struggle to make ends meet despite working diligently.

Education forms the bedrock for a prosperous career. However, unequal access to quality education creates disparities in skills and qualifications, thereby influencing salaries. The type of work one pursues significantly impacts income. Certain professions or industries offer higher wages compared to others due to demand, skill requirement, or societal perception.

In India, gender-based wage gaps persist. Women often receive lower wages for similar work done by their male counterparts, reflecting deep-seated societal norms and biases. Economic development varies across different regions in India.

Metropolises tend to offer higher-paying jobs compared to rural areas, contributing to geographical salary disparities. Supply and demand dynamics in the job market play a crucial role. Industries with high demand for specific skills usually offer higher salaries, while oversaturated sectors often have lower pay scales.

Ensuring equitable access to quality education for all can bridge the skills gap and promote equal opportunities. The things that immediately should be taken care of include student teacher ratio and quality of primary teachers. By enriching the quality of elementary education, India can install a sense of confidence among the youth and would be a workforce to face the challenges of globalization [2].

Encouraging women's participation in the workforce and implementing policies to support marginalized communities is pivotal in narrowing the wage gap. Government policies focused on job creation, skill development, and promoting fair labor practices can significantly impact income equality. Efforts toward balanced regional development can reduce geographical salary disparities and create employment opportunities across the nation. Eradicating societal biases and stereotypes through awareness campaigns and inclusive policies can lead to a more equitable work environment [3].

Salary inequalities in India are a multi-layered issue stemming from various socio-economic factors. Addressing these disparities necessitates a holistic approach involving education, policy reforms, and societal changes. Striving for equality not only benefits individuals but also fosters a more inclusive and prosperous society for all.

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