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## **DR. B.R. AMBEDKAR'S ECONOMIC VISION AND ITS RELEVANCE TO CONTEMPORARY ECONOMIC INEQUALITY IN INDIA**

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### **Abstract**

Dr. B.R. Ambedkar's economic vision offers one of the most rigorous Indian frameworks for understanding inequality as a social, political and economic problem. This paper analyses Ambedkar's economic thought and evaluates its relevance to contemporary economic inequality in India. It argues that Ambedkar did not treat poverty as a temporary failure of income generation alone; he located it in the deeper structure of caste hierarchy, unequal access to land and productive assets, exclusion from education, labour market discrimination and the absence of social democracy. The study is analytical and descriptive in design. It uses secondary data from official sources such as the Household Consumption Expenditure Survey, the Periodic Labour Force Survey and the All India Survey on Higher Education, alongside recent inequality estimates from the World Inequality Lab and World Bank. The paper reviews literature on Ambedkar as an economist, caste and economic exclusion, state socialism, labour rights, education and social justice. The data analysis shows that contemporary India combines poverty reduction and rising consumption with persistent structural inequality, including wealth concentration, rural-urban gaps, labour market segmentation and unequal access to higher education. The central finding is that Ambedkar's vision remains relevant because it links economic growth to social justice, institutional safeguards, redistribution, public education and democratic control over economic power. The paper concludes that India cannot address inequality through

growth alone; it requires an Ambedkarian model of economic democracy that expands capabilities, protects marginalised groups and reduces inherited social disadvantage.

### Keywords

B.R. Ambedkar; economic democracy; caste; inequality; social justice; India; labour rights; education; redistribution; state socialism

### 1. Introduction

Economic inequality in India is often discussed through income, consumption, employment and wealth indicators. Yet these indicators do not fully capture the historical structure through which inequality is produced and reproduced. Dr. Bhimrao Ramji Ambedkar understood this problem with unusual clarity. As an economist, constitutional thinker and social reformer, Ambedkar argued that political democracy would remain incomplete if society continued to reproduce caste, economic dependency and social humiliation. His writings on land, currency, labour, state socialism and caste show that he saw inequality as an institutional problem, not merely a problem of individual effort or market reward.

The continuing relevance of Ambedkar's thought becomes visible in contemporary India. India has achieved major gains in economic size, infrastructure, digitalisation and poverty reduction. Consumption surveys and poverty estimates suggest improvement in average living standards. At the same time, wealth concentration, unequal educational access, insecure labour and caste-linked deprivation remain significant. Ambedkar's economic vision is therefore useful because it asks whether economic growth expands freedom for those historically excluded from property, education and dignified work.

This paper examines the relationship between Ambedkar's economic ideas and contemporary economic inequality in India. It does not treat Ambedkar only as the architect of the Indian Constitution, although that role is central. Instead, it reads him as a political economist whose ideas

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anticipated many modern debates about inclusive growth, social protection, labour dignity, redistributive justice, public education and anti-discrimination. The paper follows the format of an analytical research paper, beginning with a problem statement and objectives, followed by conceptual background, literature review, methodology, data analysis, discussion and policy implications.

### 1.1 Problem Statement

India's economic debate frequently assumes that high growth and welfare delivery are sufficient to reduce inequality. However, inequality in India is not simply a gap between rich and poor; it is also structured by caste, region, gender, land ownership, education and occupational hierarchy. Many historically marginalised communities experience exclusion not only through low income but through restricted access to assets, networks, markets and dignity. The core problem addressed in this paper is therefore: how far can Ambedkar's economic vision explain and respond to contemporary economic inequality in India? The problem is significant because current inequality cannot be understood only by aggregate GDP growth; it must be examined through the social mechanisms that Ambedkar identified as barriers to economic democracy.

### 1.2 Importance of the Study

The importance of this study lies in reconnecting Ambedkar's economic thought with current debates on inequality. Ambedkar is often remembered primarily for his role in constitutional drafting and the struggle against untouchability. Yet his academic training in economics and his writings on currency, small holdings, labour and state socialism reveal a broader development vision. Studying this vision helps explain why equality requires more than formal rights. It requires institutional arrangements that secure access to education, land, employment, public resources and representation. The study is also important because contemporary inequality debates often separate caste from economics, while Ambedkar insisted that caste itself operates as an economic system by controlling labour, status and opportunity.

### 1.3 Objectives of the Study

- To analyse the major components of Dr. B.R. Ambedkar's economic vision, including economic democracy, state responsibility, labour rights, education and social justice.
- To examine how caste and social hierarchy operate as economic mechanisms of exclusion in Ambedkar's thought.
- To review relevant literature on Ambedkar, caste and contemporary inequality in India.
- To interpret recent secondary data on inequality, consumption, employment and education in India through an Ambedkarian framework.
- To identify policy implications for addressing contemporary economic inequality through social democracy, redistribution and capability expansion.

## 2. Conceptual and Background Context

### 2.1 Ambedkar as an Economist

Ambedkar's academic training in economics shaped his understanding of social reform. His early works, including studies of provincial finance, currency and small holdings, show a technical interest in fiscal policy, monetary stability and agrarian structure. In *The Problem of the Rupee*, Ambedkar examined currency instability and argued for institutional safeguards in monetary management. In *Small Holdings in India and Their Remedies*, he analysed the limitations of fragmented agriculture and the need for structural remedies rather than moral appeals to peasants. These writings show that Ambedkar's economic thought was grounded in institutional analysis.

Unlike economic approaches that treat markets as socially neutral, Ambedkar linked market outcomes to inherited power. He believed that a society organised by caste could not produce genuinely free labour markets because caste allocated occupations, regulated social interaction and restricted mobility. His economic vision therefore combined technical institutional reform with a radical critique of social hierarchy. For Ambedkar, the problem was not only low productivity but also the denial of

equal human status.

## 2.2 Caste, Labour and Property

Ambedkar described caste as a system that divides labourers rather than merely dividing labour. This distinction is central to his economic thought. A normal division of labour may improve efficiency, but caste fixes labour by birth and denies occupational mobility. It produces inherited economic roles and social stigma. This makes caste an economic institution because it affects wages, education, employment, ownership and bargaining power. The caste system also limits collective worker solidarity because it fragments labour into ranked groups.

Property and land were equally important. Ambedkar recognised that landlessness and dependence made oppressed groups vulnerable to economic coercion. Social equality could not be achieved if marginalised communities remained dependent on dominant castes for employment, credit, housing and local access. His concern with state intervention, public sector responsibility and safeguards for minorities must be read against this background. Economic liberty without redistribution could preserve domination under a new constitutional form.

## 2.3 Economic Democracy and Social Democracy

Ambedkar's idea of democracy was wider than electoral participation. He argued that political democracy must rest on social democracy, understood as a way of life based on liberty, equality and fraternity. Economic democracy was the material condition for this social democracy. Without food security, education, work, fair wages and freedom from social humiliation, the vote could become formal rather than substantive. Ambedkar's model therefore challenged the idea that constitutional equality alone could transform society. Rights required material conditions.

In States and Minorities, Ambedkar proposed strong safeguards, including state ownership or control of key industries and protections against exploitation. Although these proposals were not adopted in full, they demonstrate his concern that democracy can be captured by concentrated

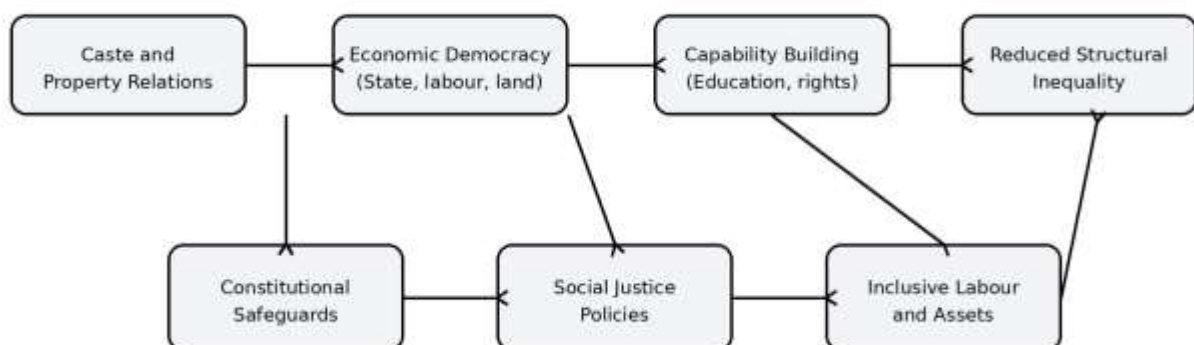
economic power. His economic vision was not anti-development; rather, it insisted that development must be socially controlled and ethically directed. Growth must not reproduce social hierarchy.

#### 2.4 Education, Representation and Capability

Education was central to Ambedkar's strategy of emancipation. His call to educate, agitate and organise placed education before political mobilisation because knowledge enables individuals to challenge inherited subordination. In contemporary terms, Ambedkar anticipated a capability-based understanding of development. The ability to participate in markets and democracy depends on schooling, higher education, health, legal awareness, social recognition and institutional access. Education is therefore not only a welfare input; it is an instrument of freedom.

#### 2.5 Ambedkarian Conceptual Pathway

The conceptual pathway used in this study connects Ambedkar's critique of caste to current inequality outcomes. Caste and unequal property relations generate exclusion from education, labour markets and assets. Economic democracy, constitutional safeguards and social justice policies can reduce this exclusion by expanding capabilities and bargaining power. The relationship is not automatic: legal rights must be supported by public investment, anti-discrimination enforcement and redistributive policy.



**Figure 1. Analytical pathway linking Ambedkarian economic thought with contemporary inequality reduction.**

### **3. Review of Literature**

#### **3.1 Ambedkar and Indian Political Economy**

The literature on Ambedkar has increasingly recognised him as more than a constitutional jurist. Scholars such as Rodrigues and Jaffrelot highlight the breadth of his intellectual project, which included democratic representation, minority safeguards, social reform and economic reconstruction. Ambedkar's economic writings show that he was concerned with the institutional foundations of development. His work on money and finance placed him within early twentieth-century debates on monetary stability, while his writings on land and labour connected economic policy to the everyday conditions of oppressed communities.

This stream of literature is important because it corrects a narrow reading of Ambedkar as only a leader of Dalit politics. Ambedkar's politics cannot be separated from economics: his demand for representation, education and safeguards was also a demand for access to economic resources and decision-making. His critique of caste was therefore also a critique of the social organisation of production.

#### **3.2 Caste and Economic Exclusion**

A second body of literature examines caste as a continuing economic institution. Deshpande argues that caste shapes access to education, employment and social networks even in modern labour markets. Thorat and Newman document how exclusion and discrimination operate in markets, including housing, employment and public services. Correspondence studies of urban employment also show that caste identities can affect hiring opportunities. This literature supports Ambedkar's argument that caste is not merely a cultural belief; it has economic consequences.

The relevance of this literature lies in its movement beyond legal equality. Even where formal

discrimination is prohibited, unequal networks, inherited assets and social stigma can reproduce hierarchy. Ambedkar's thought remains valuable because he anticipated this problem. He understood that law must challenge social power, not simply declare equality.

### 3.3 State Socialism, Land and Labour

A third theme concerns Ambedkar's proposals for state socialism and labour protection. His ideas in States and Minorities proposed state ownership or strong public regulation of basic industries and agriculture, along with constitutional guarantees for fundamental economic rights. These proposals are often interpreted as reflecting the economic context of the 1940s, but their broader logic remains relevant: democracy should prevent the domination of the many by concentrated ownership and unchecked private power.

Labour was a major concern in Ambedkar's public life. As Labour Member in the Viceroy's Executive Council, he supported measures related to working hours, social security, maternity benefits and labour welfare. The literature on Ambedkar's labour policy points to his belief that dignity at work is a democratic question. In contemporary India, where informal employment and insecure livelihoods remain widespread, this aspect of Ambedkar's vision has renewed importance.

### 3.4 Education and Social Mobility

A fourth stream links Ambedkar's thought to education and social mobility. Ambedkar placed education at the centre of liberation because it weakens dependence on traditional hierarchy and creates the capacity for public participation. Contemporary studies of education show that enrolment has expanded, including among Scheduled Castes and Scheduled Tribes, but gaps remain in quality, access, completion and transition to high-value employment. Ambedkar's focus on education therefore remains relevant, but it also requires attention to the quality and social location of education.

### 3.5 Contemporary Inequality Studies

Recent inequality studies present a complex picture of India. Official consumption data suggest

improvements in average monthly per capita consumption and reductions in some consumption inequality measures. World Bank estimates also show a decline in extreme poverty and a relatively low consumption-based Gini index. However, the World Inequality Lab reports high income and wealth concentration, with the top one per cent holding a historically large share of income and wealth. The contrast between consumption-based and wealth/income-based indicators is analytically important. It suggests that welfare improvements at the bottom can coexist with strong concentration at the top.

### 3.6 Research Gap

The literature establishes Ambedkar's importance for caste, democracy and social justice, and contemporary inequality studies provide extensive data on poverty, income, wealth and labour. However, there is still a gap in connecting Ambedkar's economic vision directly with current inequality indicators. Many discussions celebrate Ambedkar's constitutional role but understate his economic reasoning. Similarly, inequality data is often analysed without sufficient attention to caste as an economic structure. This paper addresses that gap by interpreting contemporary inequality through Ambedkar's concepts of economic democracy, social democracy, caste abolition, labour dignity and state responsibility.

### 3.7 Thematic Summary of the Literature

Theme	Representative insight	Relevance to inequality	Key sources
Ambedkar as economist	Economic policy must be examined through institutions such as currency, land, labour and public finance.	Shows that Ambedkar had a systematic economic vision, not only a social reform agenda.	Ambedkar (1918, 1923); Rodrigues (2002)

Caste and markets	Caste restricts mobility, networks and access to dignified work.	Explains why formal market access may not remove inherited disadvantage.	Ambedkar (1936); Deshpande (2011); Thorat and Newman (2010)
State and redistribution	State intervention is necessary where property and industry create concentrated power.	Connects democracy with material safeguards and public control of key resources.	Ambedkar (1947); Jaffrelot (2005)
Education and capability	Education creates social mobility and public participation.	Highlights why enrolment gaps and quality differences matter for equality.	AISHE (2021-22); Omvedt (2004)
Contemporary inequality	Poverty and consumption gains coexist with income and wealth concentration.	Shows the need to distinguish welfare improvement from structural equality.	World Bank (2025); Bharti et al. (2024); MoSPI (2025)

**Table 1. Thematic synthesis of literature on Ambedkar and inequality.**

## 4. Research Methodology

### 4.1 Research Design

This study uses a descriptive, analytical and qualitative-dominant research design. It is descriptive

because it summarises Ambedkar's economic ideas and presents current inequality indicators. It is analytical because it interprets those indicators through Ambedkar's conceptual framework. It is qualitative-dominant because the central task is conceptual interpretation, but it also uses secondary quantitative data to support the analysis.

#### 4.2 Data Sources

The study relies entirely on secondary sources. Primary texts include Ambedkar's writings such as *Small Holdings in India and Their Remedies*, *The Problem of the Rupee*, *Annihilation of Caste* and *States and Minorities*. Secondary literature includes scholarly books and studies on Ambedkar, caste and economic discrimination. Statistical sources include the Household Consumption Expenditure Survey 2023-24, Periodic Labour Force Survey reports, AISHE 2021-22, the World Inequality Lab working paper on income and wealth inequality, and the World Bank Poverty and Equity Brief.

#### 4.3 Analytical Method

The method has two parts. First, thematic textual analysis is used to identify recurring principles in Ambedkar's economic thought: economic democracy, social democracy, anti-caste transformation, state responsibility, labour dignity, education and redistribution. Second, descriptive data analysis is used to interpret contemporary indicators of consumption, income, wealth, labour and education. The purpose is not to conduct econometric modelling but to evaluate whether current inequality patterns correspond to the structural concerns identified by Ambedkar.

#### 4.4 Scope and Limitations

The study is limited to India and focuses on contemporary inequality in relation to Ambedkar's economic thought. It does not conduct a field survey and does not claim to measure caste discrimination directly through new primary data. It also recognises that different sources measure inequality differently. Consumption-based data may show lower inequality than income or wealth data because consumption is smoother and may underrepresent top-end concentration. The study therefore treats

data as indicators requiring interpretation rather than as complete representations of social reality.

#### 4.5 Methodological Framework

Element	Description	Data/Material Used	Purpose
Research type	Descriptive and analytical	Ambedkar texts and secondary data	To connect theory with contemporary evidence
Core method	Thematic textual analysis	Ambedkar writings and scholarly literature	To identify major concepts in his economic vision
Data method	Descriptive secondary data analysis	HCES, PLFS, AISHE, World Bank, WIL	To interpret inequality indicators
Unit of analysis	India as a social economy	National indicators and social-group patterns	To study structural inequality
Limitation	No primary survey or econometric modelling	Published sources only	To define the scope of claims

**Table 2. Methodological framework of the study.**

### 5. Data Collection and Analysis Strategy

#### 5.1 Data Collection Approach

The data for this paper was collected from publicly available documents and published academic sources. Official government datasets were preferred for consumption, labour and education indicators because they are nationally recognised and methodologically documented. International datasets were used to understand wealth and income concentration because official Indian sources do not provide a complete comparable series for top income and wealth shares. The data was selected according to

relevance to Ambedkar's central concerns: ownership, labour, education, social exclusion and democratic redistribution.

### 5.2 Key Indicators Used

Indicator area	Specific indicator	Source	Reason for inclusion
Consumption	Average monthly per capita consumption expenditure	HCES 2023-24	Shows basic living standards and rural-urban gap
Income and wealth	Top 1 per cent income and wealth shares	World Inequality Lab 2024	Captures concentration at the top
Labour	LFPR, WPR and unemployment rate	PLFS 2023-24 and 2025	Shows access to work and labour market participation
Education	Gross Enrolment Ratio for SC and ST students	AISHE 2021-22	Shows capability and mobility gaps
Poverty and inequality	Poverty reduction and consumption Gini	World Bank 2025	Shows welfare gains and limits of consumption measures

**Table 3. Indicators selected for descriptive data analysis.**

### 5.3 Data Analysis Strategy

The analysis compares indicators across five dimensions: top-end concentration, consumption standards, labour participation, educational access and caste-linked exclusion. Each indicator is interpreted in relation to Ambedkar's argument that inequality is sustained by unequal assets, unequal

status and unequal institutional power. The study gives priority to conceptual interpretation rather than statistical prediction. Therefore, the data analysis asks what the indicators reveal about the continuing need for economic democracy.

## 6. Data Analysis

### 6.1 Income and Wealth Concentration

Recent evidence from the World Inequality Lab suggests a high level of top-end concentration in India. Bharti, Chancel, Piketty and Somanchi estimate that by 2022-23 the top one per cent received 22.6 per cent of national income and held 40.1 per cent of national wealth. These figures are important because they capture a dimension of inequality not visible in average consumption figures. Ambedkar's concern with concentrated economic power is directly relevant here. If the ownership of wealth is heavily concentrated, political democracy may coexist with economic dependency and unequal influence.

An Ambedkarian interpretation does not treat wealth concentration only as a fiscal issue. It asks who has access to assets, credit, enterprise ownership, education and social networks. Wealth generates further wealth through property, inheritance, financial assets and influence over institutions. Communities historically excluded from land and education begin from a structurally weaker position. Therefore, reducing inequality requires more than income transfers; it requires widening ownership, capabilities and institutional representation.

### 6.2 Consumption, Poverty and Rural-Urban Difference

Official consumption data presents a different but complementary picture. HCES 2023-24 estimates average monthly per capita consumption expenditure at Rs. 4,122 in rural India and Rs. 6,996 in urban India when the imputed value of free welfare items is excluded. When imputed welfare items are included, the estimates rise to Rs. 4,247 and Rs. 7,078 respectively. These figures indicate improved consumption levels but also show a substantial rural-urban gap. Ambedkar's writings on agrarian

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structure remain relevant because rural disadvantage is often connected to land fragmentation, low productivity, informal work and dependence on local hierarchy.

The World Bank's consumption-based Gini estimate of 25.5 for India in 2022-23 suggests a relatively low level of consumption inequality. However, consumption inequality can be lower than income or wealth inequality because households may smooth consumption through borrowing, public transfers or reduced savings. This difference between consumption and wealth indicators supports a cautious interpretation. It is possible for poverty to decline and average consumption to rise while asset inequality remains high. Ambedkar's framework is useful precisely because it asks whether citizens possess the material power to live with dignity, not merely whether average consumption has increased.

### 6.3 Labour Market Inequality

Labour market indicators show both improvement and continuing challenges. PLFS 2023-24 reported a decline in unemployment rates compared with 2017-18, with rural unemployment among persons aged 15 and above at 2.5 per cent and urban unemployment at 5.1 per cent. The PLFS Annual Report 2025 reported LFPR of 59.3 per cent and WPR of 57.4 per cent for persons aged 15 and above, with unemployment at 3.1 per cent. These indicators suggest broad participation in work, but they do not automatically prove equality in job quality. Many workers remain self-employed, informally employed, underemployed or engaged in low-productivity work.

Ambedkar's labour perspective directs attention to dignity, security and bargaining power. A low unemployment rate can coexist with poor work conditions if people cannot afford to be unemployed and therefore accept insecure work. In caste-stratified societies, labour markets may also carry the effects of social status. Occupational segregation, network-based hiring and discrimination can influence who enters secure jobs and who remains in precarious work. Ambedkar's idea that caste divides labourers remains relevant for analysing why employment numbers must be read alongside social-group and job-quality indicators.

## 6.4 Education and Social Mobility

Education is a major pathway for social mobility, but access remains unequal. AISHE 2021-22 reported an overall higher education Gross Enrolment Ratio of 28.4, while the GER for Scheduled Caste students was 25.9 and for Scheduled Tribe students was 21.2. The increase in SC and ST enrolment since 2014-15 is significant, yet the gap from the national average shows that historical disadvantage continues to shape access. Ambedkar's emphasis on education remains central because higher education influences entry into professional employment, public service, entrepreneurship and political voice.

The Ambedkarian question is not only whether students enter education but whether education leads to dignity and opportunity. Unequal school quality, language barriers, digital divides, social discrimination and financial pressure may affect completion and outcomes. Therefore, expansion of enrolment must be matched with scholarships, hostels, mentoring, anti-discrimination enforcement and pathways into decent work. Education becomes a real instrument of equality only when it converts formal access into capability.

## 6.5 Caste as a Mechanism of Economic Exclusion

The most important analytical contribution of Ambedkar is that caste should be understood as an economic mechanism. It shapes who performs which work, who owns assets, who receives trust in markets, who enters elite education and who has social capital. Even when laws prohibit discrimination, social practices can influence opportunity. Contemporary studies of discrimination in employment and markets support this concern. The persistence of caste-based inequality means that class inequality in India cannot be fully separated from social hierarchy.

This does not mean that all economic inequality is reducible to caste. Region, gender, religion, class, migration and education also matter. However, caste has a distinct historical role because it attaches social value to birth and converts that value into economic access. Ambedkar's vision remains relevant because it demands the annihilation of caste as a condition for genuine economic equality. Without social equality, economic policies may improve living standards but leave the structure of humiliation

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and exclusion intact.

### 6.6 Summary of Contemporary Inequality Indicators

Dimension	Recent indicator	Interpretation	Ambedkarian relevance
Income/wealth concentration	Top 1% income share 22.6%; top 1% wealth share 40.1% in 2022-23	High concentration at the top	Supports concern with economic power and need for democracy beyond voting
Consumption	Rural MPCE Rs. 4,122; urban MPCE Rs. 6,996 in 2023-24 excluding imputed welfare	Improvement with rural-urban gap	Links to agrarian structure and social welfare
Labour	PLFS 2025: LFPR 59.3%, WPR 57.4%, UR 3.1% for age 15+	Work participation exists but job quality remains critical	Labour dignity and social security are central
Education	AISHE 2021-22: overall GER 28.4; SC 25.9; ST 21.2	Enrolment gains but social-group gaps persist	Education as capability and emancipation
Poverty/consumption inequality	World Bank consumption Gini 25.5 in 2022-23	Consumption inequality appears lower than wealth inequality	Shows why multiple indicators are needed

**Table 4. Contemporary inequality indicators interpreted through Ambedkarian economic thought.**

## 7. Analytical Discussion

### 7.1 Why Ambedkar Remains Relevant

The data analysis confirms the continuing relevance of Ambedkar's economic vision. Contemporary India has made measurable gains in consumption and poverty reduction, but structural inequality persists through wealth concentration, rural-urban divides, unequal education and labour market segmentation. Ambedkar's framework helps explain why these patterns coexist. Growth can raise average incomes while leaving ownership and opportunity concentrated. Welfare programmes can reduce deprivation while not fully changing power relations. Legal equality can exist while social discrimination limits access to markets and institutions.

Ambedkar's relevance also lies in his insistence on fraternity. Modern inequality debates often focus on redistribution, but Ambedkar added the social condition of equal respect. Economic inequality becomes more damaging when it is joined to social stigma. A person excluded from dignified work because of caste experiences not only low income but also a denial of personhood. This is why Ambedkar's critique remains sharper than a purely income-based approach.

### 7.2 Economic Democracy versus Mere Growth

Economic democracy requires that citizens have real access to resources, capabilities and institutional voice. In Ambedkar's view, political democracy could be unstable if social and economic life remained unequal. Contemporary inequality shows the importance of this warning. A democracy in which wealth is concentrated and labour is insecure may produce formal participation without equal influence. A society in which higher education remains unevenly accessible may reproduce inherited advantage. Ambedkar's economic democracy therefore demands a development model that measures success by freedom, dignity and equal opportunity, not only by GDP.

### 7.3 The Role of the State

Ambedkar did not see the state as neutral in a deeply unequal society. He saw it as necessary for correcting inherited disadvantage and protecting minorities from domination. This does not imply that every Ambedkarian policy must copy the economic proposals of the 1940s. Rather, the principle is that the state must prevent economic power from becoming social domination. In current conditions, this means strong public education, anti-discrimination enforcement, social security, progressive taxation, regulation of labour markets, access to credit and public investment in marginalised regions.

### 7.4 Limits of Formal Equality

Formal equality means that all citizens are equal before law. Ambedkar supported legal equality but understood its limits. If one group has land, education, networks and social prestige while another has inherited exclusion, equal legal rules may reproduce unequal outcomes. This is the logic behind reservations, safeguards and special measures. They are not exceptions to equality; they are instruments for making equality real. Contemporary data on education and labour shows that formal access must be combined with substantive support.

## 8. Policy Implications

An Ambedkarian policy approach to inequality would combine redistribution with capability expansion and anti-discrimination. First, public education must remain central. Expansion of enrolment should be accompanied by quality improvement, scholarships, hostels, digital access and mentoring for marginalised students. Second, labour policy should focus on secure work, social security, workplace dignity and protections for informal workers. Third, land and asset access should receive renewed attention through credit, housing, cooperative enterprise and support for first-generation entrepreneurs from historically excluded communities.

Fourth, anti-discrimination law and enforcement must be strengthened in employment, housing, education and digital markets. Fifth, fiscal policy should address wealth concentration through

progressive taxation, better public services and transparent social spending. Sixth, data systems should improve measurement of inequality by caste, gender, region, wealth, income and employment quality. Ambedkar's approach requires evidence, but evidence must be connected to a moral commitment to liberty, equality and fraternity.

<b>Ambedkarian principle</b>	<b>Contemporary policy area</b>	<b>Suggested policy direction</b>	<b>Expected equality effect</b>
Educate	School and higher education	Scholarships, hostels, mentoring, digital access, anti-discrimination cells	Improved capability and mobility
Economic democracy	Assets and enterprise	Credit access, public procurement support, cooperatives, land and housing security	Wider ownership and reduced dependency
Labour dignity	Work and social security	Formalisation, minimum wages, worker protection and portable benefits	Better bargaining power and security
Social democracy	Law and public institutions	Stronger enforcement against caste discrimination	Equality of status and access
State responsibility	Fiscal policy and welfare	Progressive spending on health, education and basic services	Reduced inherited disadvantage

**Table 5. Policy implications of Ambedkarian economic thought.**

## 9. Limitations and Future Scope

This paper has three main limitations. First, it relies on secondary data and does not conduct a primary survey or interviews. Second, the available quantitative indicators do not capture all dimensions of caste-based economic exclusion, especially informal discrimination, dignity and social stigma. Third, different datasets use different concepts of inequality, so their findings must be interpreted carefully. Consumption-based inequality is not the same as income or wealth inequality.

Future research can extend this study through district-level data, caste-disaggregated labour market analysis, interviews with first-generation learners and workers, and comparative studies of Ambedkarian policy approaches across Indian states. Another important area is digital inequality: access to online education, platform work, digital credit and algorithmic decision-making may reproduce old hierarchies in new forms. Ambedkar's method encourages researchers to ask whether new institutions expand or restrict freedom for the most marginalised.

## Summary

This paper has examined Dr. B.R. Ambedkar's economic vision and its relevance to contemporary economic inequality in India. The analysis shows that Ambedkar's thought cannot be reduced to constitutional law or social reform alone. He developed a deep political economy of inequality in which caste, property, labour, education and state power were connected. His central insight was that political democracy must be supported by social and economic democracy. Without material equality and social respect, democratic rights remain incomplete.

The contemporary evidence supports the relevance of this insight. India has experienced poverty reduction, rising consumption and expanding education, but income and wealth concentration, rural-urban gaps, labour insecurity and social-group disparities remain. These patterns show that inequality is multidimensional. Ambedkar's framework helps interpret this complexity because it looks beyond income to power, dignity and institutional access. The persistence of caste-linked disadvantage

confirms his argument that social hierarchy is also an economic system.

The paper concludes that Ambedkar's economic vision is highly relevant for present-day India. It demands a development model that combines growth with redistribution, education, labour dignity, anti-discrimination and democratic control over economic power. Contemporary inequality cannot be solved by welfare delivery alone, nor by market growth alone. It requires the creation of economic democracy, where every citizen has real access to resources, capabilities and dignity. Ambedkar's message remains urgent: political democracy will be secure only when liberty, equality and fraternity become lived social and economic realities.

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