

# Educational Attainment and Circumstance-Based Inequality in India

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**Abstract:** *This study examines the extent to which educational attainment in India is associated with predetermined circumstances such as caste, religion, rural residence, and household economic background. A sample of 1,32,740 individuals aged 18-25 years was taken from the Periodic Labour Force Survey (PLFS) 2023-24, conducted by the National Sample Survey Office (NSSO). This study estimates a series of weighted Ordinary Least Squares (OLS) regression models to examine the independent and cumulative influence of the circumstance variables on educational attainment. The findings reveal substantial circumstance-driven educational inequality in India. SC and ST individuals record significantly fewer years of schooling relative to the General category, while Muslim individuals and rural residents also experience persistent educational disadvantages. Overall, this study suggests that educational attainment in India remains deeply embedded within the broader structures of inherited inequality. The findings highlight the need for policies that simultaneously address social disadvantage, spatial deprivation, and economic vulnerability to promote equitable human capital formation and inclusive development.*

**Keywords:** Educational Attainment, Human Capital Formation, Caste Inequality, Inherited Inequality

## INTRODUCTION

The accumulation of human capital through education is widely regarded as one of the most important drivers of social mobility and economic development. Since the fundamental contributions of Becker (1964) and Schultz (1961), development economists have consistently emphasised that investing in education expands economic opportunities, enhances productivity, and contributes to long-term economic growth. In this sense, education constitutes not merely a private investment but a central component of broader developmental transformation. However, access to education is not distributed uniformly across populations in developing countries like India, which are characterised by deep social and economic inequalities, where the ability to accumulate human capital is often shaped by the circumstances in which individuals are born. Disparities in caste, religion, gender, household economic background, and spatial location substantially influence access to educational opportunities and long-term educational attainment. As Roemer (1998) argues, inequalities arising from predetermined circumstances represent inequalities of opportunity rather than merely differences in outcomes.

A substantial body of literature documents these inequalities in India (Tilak, 2007; Desai & Kulkarni, 2008; Thorat & Newman, 2010; Drèze & Sen, 2013). However, much of the existing literature examines educational disparities primarily as differences in outcomes across social groups without explicitly situating the analysis within an inequality of opportunity framework. This distinction is important because outcome inequality may arise from differences in effort, preferences, or choices, whereas the inequality of opportunity focuses specifically on disparities generated by circumstances beyond individual control (Ferreira & Gignoux, 2011). Against this background, the present study examines circumstance-driven educational inequality in India using nationally representative data from the Periodic Labour Force Survey (PLFS) 2023-24 conducted by the National Sample Survey Office (NSSO). This study analyses how inherited social, spatial, and economic circumstances shape educational attainment using a series of weighted Ordinary Least Squares (OLS) regression models.

The findings suggest that educational attainment in India continues to be strongly associated with inherited social and economic circumstances. Caste, rural residence, religion, and household economic background emerge as major determinants of educational attainment, indicating that inequalities in human capital formation remain deeply embedded within broader structures of social inequality. The remainder of this paper is organised as follows. Section 2 reviews the relevant theoretical and empirical literature on the topic. Section 3 discusses the data sources and

empirical methodology. Section 4 presents the empirical results of the study. Section 5 outlines the broader discussion and policy implications.

## REVIEW OF LITERATURE AND CONCEPTUAL FRAMEWORK

Understanding educational inequality requires the integration of multiple theoretical and empirical perspectives. The present study draws primarily from four strands of literature: the equality of opportunity framework, human capital theory, capability approach, and empirical literature on educational inequality in India. Together, these perspectives provide a theoretical foundation for developing the conceptual framework of this study.

### Equality of Opportunity: Theoretical Foundations

The concept of equality of opportunity received systematic formulation in the work of Roemer (1993, 1998), who distinguished between inequality arising from individual effort and that arising from predetermined circumstances beyond individual control. According to him, the inequalities generated by caste, religion, gender, place of residence, and family background constitute inequalities of opportunity because an individual does not choose these initial conditions. In contrast, inequalities arising purely from differences in effort or preference may not necessarily violate the principle of equal opportunity.

This equality of opportunity framework was later extended into empirical research through Ferreira and Gignoux (2011), who developed regression-based approaches to identify the extent to which observed inequalities are associated with circumstance variables. This framework treats the variation in outcomes explained by inherited circumstances as a lower-bound estimate of the inequality of opportunity. Similar empirical applications have been used in the developing countries contexts to examine educational and economic inequalities associated with family background and social identity (Bourguignon, Ferreira, & Menéndez, 2007).

Within this framework, educational inequality is particularly important because education represents one of the primary channels through which individuals acquire human capital and access economic mobility. If educational attainment is systematically associated with predetermined circumstances, educational outcomes reflect unequal opportunities rather than merely differences in individual effort. Therefore, the framework provides an important theoretical basis for examining circumstance-driven educational inequality in India.

### Human Capital Theory

Human capital theory, developed by Becker (1964) and Schultz (1961, 1963), views education as an investment that increases productivity, earnings, and long-term economic opportunities for individuals. Individuals invest in education because it improves their skills, increases their labour-market productivity, and generates returns over their life cycle. From a macroeconomic perspective, educational expansion contributes to technological progress, economic growth, and broader developmental transformation.

However, the capacity to invest in human capital is not equally distributed across societies. In developing economies characterised by structural inequalities, access

to education is shaped by inherited socioeconomic conditions. In stratified societies such as India, human capital accumulation is closely linked to social identity and household background. The differences in educational attainment across caste groups, religions, rural and urban populations, and income classes cannot be understood solely as outcomes of individual preferences or efforts but must also be situated within the broader structures of unequal opportunity.

### Capability Approach

Sen's (1992, 1999) capability approach provides a broader normative perspective on educational inequality. Rather than treating education only as an instrument for increasing productivity and earnings, the capability approach views education as a fundamental capability that expands individual freedom, agency, and participation in the social and economic life. According to Sen, development should be understood as the expansion of substantive freedom rather than merely the growth of income and output. It plays a central role in enhancing individuals' ability to access opportunities, participate in decision-making, and improve their overall well-being. Therefore, unequal access to education represents not only an economic disadvantage but also a restriction on human capability and social participation.

This perspective is particularly relevant in the Indian context, where social hierarchies and inherited disadvantages continue to shape access to education. Persistent educational inequalities across caste, religion, gender, and spatial locations reflect broader inequalities in capabilities and social freedoms. Therefore, this approach complements both the human capital and inequality of opportunity frameworks by linking educational inequality to questions of social justice and inclusive development.

### Educational Inequality in India: Empirical Evidence

A substantial body of empirical literature documents persistent educational inequalities across social groups in India. These studies demonstrate that caste remains an important determinant of educational attainment, with Scheduled Castes and Scheduled Tribes consistently recording lower educational outcomes relative to socially advantaged groups (Tilak, 2007; Desai & Kulkarni, 2008; Thorat & Newman, 2010). These inequalities are closely associated with unequal access to household resources, schooling quality, and broader socioeconomic opportunities. Researchers have also highlighted the importance of rural-urban disparities and household economic background in shaping educational attainment. Drèze and Sen (2013) argue that uneven educational development across regions and social groups reflects broader failures in public provisioning and social development. Similarly, studies examining intergenerational mobility have shown that parental education, income, and social identity strongly influence educational continuity and the formation of long-term human capital.

Despite this growing literature, much of the existing research examines educational disparities primarily as differences in outcomes across social groups, without explicitly situating the analysis within an inequality of opportunity framework. The present study contributes to this literature by examining how inherited social, spatial,

and economic circumstances jointly shape educational attainment using recent nationally representative PLFS data.

### Conceptual Framework

The conceptual framework of this study was developed by integrating the inequality-of-opportunity perspective with the broader literature on human capital formation and educational inequality in India. The central argument of this paper is that educational attainment in India is not determined solely by individual ability or effort but is systematically shaped by inherited social, spatial, and economic circumstances. Therefore, educational inequality reflects the broader structures of unequal opportunities embedded within Indian society.

This framework operates through interconnected layers of data. First, structural social stratification, represented by caste, religion, and rural–urban location, shapes access to educational opportunities through economic and institutional channels. Second, household economic background influences families' capacity to invest in education and sustain educational continuity. Households with greater economic resources are better able to bear the direct and indirect costs of education and provide supportive learning environments, whereas economically disadvantaged households frequently face constraints that limit human capital formation. Third, regional disparities represented by state-level differences reflect variations in educational development, public provisioning, and institutional capacity across India. These differences shape the broader opportunity environment in which educational attainment occurs.

Considering this framework, the study assumes that educational attainment among young adults will remain strongly associated with circumstantial variables such as caste, religion, rural residence, and household economic background. The framework further expects that overlapping forms of disadvantage, particularly the interaction between caste and rural deprivation, are likely to intensify educational inequality among historically marginalised groups. Thus, educational inequality is conceptualised not merely as a difference in individual achievement but as an outcome produced through the interaction of inherited social, spatial, and economic inequalities that shape human capital formation across generations.

### DATA AND METHODOLOGY

This study uses unit-level data from the Periodic Labour Force Survey (PLFS) 2023-24 conducted by the National Sample Survey Office (NSSO), Government of India. It is a nationally representative, large-scale household survey designed to collect information on employment, labour force participation, education, and socio-economic conditions across different states and union territories in India. Owing to its extensive demographic and socioeconomic coverage, the dataset is particularly well-suited for examining inequality in educational attainment across social groups.

The analysis was restricted to individuals aged 18–25 years, yielding a final analytical sample of 1,32,740 individuals. This age group was selected because the formal educational attainment of most individuals is either

completed or approaching completion by early adulthood. Restricting the sample to this group allows the study to examine relatively stable educational outcomes while minimising distortions arising from incomplete schooling among younger individuals. This also strengthens the *inequality-of-opportunity framework* adopted in this study. Since the educational attainment of this group is largely shaped by their family background, social identity, and inherited socioeconomic conditions, the selected cohort provides an appropriate basis for examining circumstance-driven inequality in human capital formation.

This section deals with the dependent and independent variables, that is, circumstance variables used in this study. Much emphasis is given to the circumstantial variables that may systematically influence educational attainment and shape inequality in human capital formation.

**Dependent Variable:** The dependent variable is the number of years of formal education completed, which is taken directly from the PLFS individual-level education variable. The variable records completed years of schooling and ranged from 0 to 21 years within the analytical sample. It is widely used in the human capital literature as a standard proxy for educational attainment and human capital accumulation (Becker, 1964; Schultz, 1961). Educational attainment constitutes a central dimension of human capital formation because education enhances productivity, labour market opportunities, and long-term socioeconomic mobility. Therefore, the difference in years of education provides an important indicator of unequal access to opportunities across social groups.

**Circumstance Variables:** The analysis focuses on circumstances that lie beyond the direct control of individuals and may systematically influence educational outcomes. Following the inequality of opportunity literature (Roemer, 1998; Ferreira & Gignoux, 2011), this study considers caste, gender, religion, rural-urban residence, household economic background, and regional location as key circumstance variables.

Caste is classified into four categories: Scheduled Tribe (ST), Scheduled Caste, Other Backward Classes (OBC) and General/Other. The General category was treated as the reference group in the regression analysis. Gender was measured using a binary indicator for female individuals. Religion was categorised into major religious groups reported in the PLFS. Spatial inequality is captured through a rural-urban indicator and state-fixed effects. Rural residence reflects disparities in educational infrastructure, institutional access, labour market conditions, and public service availability, while state fixed effects account for interstate differences in educational systems, governance capacity, and regional development trajectories.

The economic background of the household was measured using the logarithm of household consumption expenditure ( $\ln\_cons$ ). Household consumption expenditure serves as a proxy for long-term economic capacity and reflects the ability of households to invest in educational resources, private schooling, learning environments, and educational continuity. Household size is included to capture the demographic pressure that may dilute household investment in education. Together, these variables capture multiple dimensions of inherited social

and economic disadvantages that shape educational attainment and human capital formation.

### Empirical Strategy

The empirical analysis examines circumstance-driven inequalities in education. In this context, educational attainment is treated as an outcome shaped by inherited social and economic conditions. The study estimates a series of Weighted Ordinary Least Squares (OLS) regression models in which years of schooling are regressed on different sets of circumstance variables. All models were estimated using PLFS sampling weights with heteroskedasticity-robust standard errors.

#### Model 1: Baseline Social Inequality Model

The Baseline Social Inequality Model estimates the association between caste, gender, and educational attainment using the following regression equation:

$$Edn_i = \alpha + \beta_1 Caste_i + \beta_2 Female_i + \varepsilon_i$$

Where  $Edn_i$  denotes the years of schooling of individual  $i$ ,  $Caste_i$  is the vector of dummy variables for SC, ST, and OBC categories with the General category as the reference category, and  $Female_i$  is the binary indicator equal to one for female individuals.

#### Model 2: Social and Spatial Circumstance Model

The second specification introduces religion, rural residence, and state fixed effects to account for the social and spatial dimensions of inequality:

$$Edn_i = \alpha + \beta_1 Caste_i + \beta_2 Female_i + \beta_3 Religion_i + \beta_4 Rural_i + \gamma State_i + \varepsilon_i$$

#### Model 3: Full Inequality of Opportunity Model

The third model incorporates the household economic background and household size.

$$Edn_i = \alpha + \beta_1 Caste_i + \beta_2 Female_i + \beta_3 Religion_i + \beta_4 Rural_i + \beta_5 \ln(consum_i) + \beta_6 HHSize_i + \gamma State_i + \varepsilon_i$$

#### Model 4: Interactional Opportunity Deprivation Model

The final specification introduces interaction terms between caste and rural residence to examine whether caste-based educational disadvantage intensifies under conditions of rural deprivation.

$$Edn_i = \alpha + \beta_1 (Caste_i + Rural_i) + \beta_2 Female_i + \beta_3 Religion_i + \beta_4 \ln(consum_i) + \beta_5 HHSize_i + \gamma State_i + \varepsilon_i$$

This sequential modelling strategy allows us to examine how educational inequality changes after controlling for the direct layers of social, spatial, and economic circumstances. Rather than claiming to provide a complete measurement of inequality of opportunity, this analysis identifies the extent to which educational attainment remains systematically associated with inherited circumstances in contemporary India.

### RESULTS

Table 1 presents the descriptive statistics of the variables used in this study. The mean years of formal education among individuals aged 18-25 years is 11.58 years, although substantial variation exists across individuals and social groups. The average household size is 4.85 members, while the mean log household consumption expenditure is 9.49, indicating considerable variation in the household economic background within the sample. The sample is

nationally distributed across both rural and urban areas and captures multiple dimensions of social diversity.

**Table 1. Descriptive Statistics (Age 18–25)**

| Variable       | Mean   | Std. Dev. | Min  | Max   |
|----------------|--------|-----------|------|-------|
| Years of Edn   | 11.57  | 3.378     | 0    | 21    |
| Log_HH Cons    | 9.49   | 0.501     | 6.68 | 11.94 |
| Household Size | 4.852  | 2.145     | 1    | 28    |
| Age            | 21.424 | 2.341     | 18   | 25    |

Source: Author's Calculation from PLFS 2023-24 data.

Table 2 presents the distribution of the major variables. It is divided into three panels: Panel A, Panel B, and Panel C represent caste distribution, religion distribution, and rural-urban distribution, respectively. OBC individuals constituted the largest social group in the sample (42.47%), followed by General/Other (28.68%), Scheduled Castes (17.22%), and Scheduled Tribes (11.63%). In terms of religion, Hindus accounted for nearly 72% of the sample, followed by Muslims (18.48 %) and Christians (6.41 %). Approximately one-fourth of the sample (25.57%) belonged to rural areas, while the remaining respondents were urban residents.

**Table 2. Distribution of Circumstance Variables**

| Groups                                   | Frequency | Percent |
|------------------------------------------|-----------|---------|
| <i>Panel A: Caste Distribution</i>       |           |         |
| (ST)                                     | 15,443    | 11.63   |
| (SC)                                     | 22,855    | 17.22   |
| (OBC)                                    | 56,369    | 42.47   |
| General/ Others                          | 38,073    | 28.68   |
| Total                                    | 1,32,740  | 100     |
| <i>Panel B: Religion Distribution</i>    |           |         |
| Hindu                                    | 95,312    | 71.8    |
| Muslim                                   | 24,531    | 18.48   |
| Christian                                | 8,510     | 6.41    |
| Sikh                                     | 2,031     | 1.53    |
| Jain                                     | 312       | 0.24    |
| Other Religion                           | 1,161     | 0.87    |
| Others/Not Stated                        | 883       | 0.67    |
| Total                                    | 1,32,740  | 100     |
| <i>Panel C: Rural–Urban Distribution</i> |           |         |
| Urban                                    | 98,792    | 74.43   |
| Rural                                    | 33,948    | 25.57   |
| Total                                    | 1,32,740  | 100     |

Source: Author's Calculation from PLFS 2023-24 data.

Table 3 presents substantial variations in educational attainment across different social groups. This table is also divided into three panels: Panel A, Panel B, and Panel C represent educational attainment by caste, gender, and sector. The average year of schooling is highest among the general category (12.08 years) and lowest among the Scheduled Castes (10.96 years) and the Scheduled Tribes (11.13 years). This indicates a persistent educational disadvantage among historically marginalised communities. Rural households also show substantially lower educational attainment than urban households, with average schooling

levels of 10.66 and 11.89 years, respectively. The mean years of education for both males and females are recorded as 11.57 years, indicating weaker gender disparities in educational attainment than in other circumstances within the younger cohort examined in the paper (i.e. the age group of 18 to 25 years).

**Table 3. Mean Years of Education Across Social Groups**

| Social Group                              | Mean Years of Education |
|-------------------------------------------|-------------------------|
| Panel A: Educational Attainment by Caste  |                         |
| ST                                        | 11.136                  |
| SC                                        | 10.964                  |
| OBC                                       | 11.606                  |
| General/ Others                           | 12.076                  |
| Panel B: Educational Attainment by Gender |                         |
| Male                                      | 11.575                  |
| Female                                    | 11.576                  |
| Panel C: Educational Attainment by Sector |                         |
| Urban                                     | 11.89                   |
| Rural                                     | 10.661                  |

Source: Author's Calculation from PLFS 2023-24 data.

The intersectional patterns reported in Table 4 further illustrate the layered nature of this inequality. The mean years of schooling for the general category males and females are 11.95 years and 12.21 years, respectively, indicating the highest among the social groups. The average years of schooling for the Scheduled Caste males and females are the lowest among the different social groups, at 10.98 and 10.93 years, respectively, indicating that the socially disadvantaged groups remain consistently lower than general-category individuals. While gender differences in educational attainment appear relatively modest within the younger cohort, caste- and location-based disparities remain significant. These descriptive findings suggest that educational attainment in India continues to be systematically associated with inherited social and spatial circumstances of birth.

**Table 4. Intersectional Educational Inequality by Caste and Gender**

| Social Group    | Male   | Female | Total  |
|-----------------|--------|--------|--------|
| ST              | 11.309 | 10.961 | 11.136 |
| SC              | 10.988 | 10.939 | 10.964 |
| OBC             | 11.622 | 11.589 | 11.606 |
| General/ Others | 11.956 | 12.21  | 12.076 |
| Total           | 11.575 | 11.576 | 11.576 |

Source: Author's Calculation from PLFS 2023-24 data.

#### Baseline Social Inequality in Educational Attainment

Table 5 reports the weighted OLS estimates of educational attainment across the alternative model specifications. Model 1 estimates the baseline association between caste, gender, and years of schooling. The results indicate significant educational disparities across the caste groups. Compared to the General category, Scheduled Tribe individuals record approximately 2.20 fewer years of schooling, Scheduled Caste record 1.41 fewer years, and OBC individuals record 0.73 fewer years of schooling on average. This finding suggests that educational attainment remains strongly stratified along caste lines, even among younger cohorts in contemporary India.

The coefficient for female individuals was negative and statistically significant in the baseline model, indicating a modest gender disparity in educational attainment. However, the magnitude of caste-based disparities substantially exceeds the gender gap, suggesting that social group inequality remains a more powerful determinant of educational attainment than gender alone.

**Table 5: Weighted OLS Estimates of Educational Attainment and Circumstance Variables**

| Variables                 | Model 1   | Model 2   | Model 3   | Model 4   |
|---------------------------|-----------|-----------|-----------|-----------|
| ST                        | -2.199*** | -2.243*** | -1.569*** | -1.008*** |
| SC                        | -1.405*** | -1.706*** | -1.153*** | -0.973*** |
| OBC                       | -0.727*** | -0.751*** | -0.426*** | -0.298*** |
| Female                    | -0.128*** | -0.092*** | -0.05     | -0.05     |
| Muslim                    | —         | -2.241*** | -1.879*** | -1.879*** |
| Rural                     | —         | -0.842*** | -0.411*** | 0.041     |
| Log Household Consumption | —         | —         | 1.998***  | 2.004***  |
| Household Size            | —         | —         | -0.292*** | -0.292*** |
| ST × Rural                | —         | —         | —         | -1.125*** |
| SC × Rural                | —         | —         | —         | -0.605*** |
| OBC × Rural               | —         | —         | —         | -0.497*** |
| State Fixed Effects       | No        | Yes       | Yes       | Yes       |
| Observations              | 1,32,740  | 1,32,740  | 1,32,740  | 1,32,740  |
| R <sup>2</sup>            | 0.0288    | 0.1381    | 0.1893    | 0.1907    |

Note. Robust standard errors were used. Weighted estimates based on the PLFS 2023–24 sampling weights. Reference categories: General/ Others (caste), Hindu (religion), and Urban (sector). State fixed effects are included but not reported here. \*  $p < .10$ . \*\*  $p < .05$ . \*\*\*  $p < .01$ . Source: Author's Calculation from PLFS 2023-24 data.

#### Social and Spatial Dimensions of Inequality

Model 2 includes religion, rural residence, and state fixed effects to account for the broader social and spatial dimensions of inequality. The inclusion of these controls significantly improved the explanatory power of the model, indicating that educational attainment is shaped not only by caste identity but also by regional and locational inequalities. The results show that Muslim individuals experience substantially lower educational attainment relative to Hindus, with two fewer years of schooling on average. Rural residence also exerts a strong negative influence on educational attainment, even after controlling for caste, religion, and interstate differences.

The persistence of rural disadvantages suggests that unequal educational infrastructure, institutional access, and socioeconomic opportunities continue to shape educational outcomes across spatial locations. Importantly, the caste coefficients remain large and statistically significant even after introducing religion, rural residence, and state fixed effects. This indicates that caste-based educational inequality persists within states and is not merely a reflection of interstate developmental differences.

## Household Economic Background and Human Capital Formation

Model 3 introduces the household economic background and household size into the analysis. The inclusion of these variables substantially increased the explanatory power of the model, with the  $R^2$  rising to approximately 0.19. The findings suggest that household economic conditions play a major role in shaping educational attainment and in human capital formation. The coefficient for log household consumption expenditure is large and positive, indicating that individuals from economically advantaged households attain significantly higher levels of education. Household size exerted a negative and statistically significant effect, implying that larger households may face resource constraints that reduce educational investment per child.

The inclusion of household economic variables also reduced the magnitude of the caste coefficients, particularly for OBC and SC individuals. This attenuation suggests that a substantial component of educational inequality operates through unequal economic conditions and differential access to household resources. Nevertheless, caste-based disadvantages remain statistically significant even after controlling for the household's economic background, indicating that social inequality continues to shape educational outcomes independently.

## Interactional Opportunity Deprivation

Model 4 introduces interaction terms between caste and rural residence to examine whether caste-based disadvantages intensify under conditions of rural deprivation. The results reveal strong evidence of layered and interactive inequality. The interaction terms for ST and OBC individuals in rural areas are negative and statistically significant, indicating that rural residence strengthens the educational disadvantage for socially marginalised groups. In particular, rural Scheduled Tribe individuals experience substantially lower educational attainment than their urban counterparts and the General category. These findings suggest that educational inequality in India is shaped not only by isolated social categories but also by the interaction of caste and spatial disadvantage.

The persistence of strong caste, religion, and household economic effects across all specifications highlights the structural nature of educational inequality in India's society. Educational attainment remains deeply conditioned by inherited social and economic circumstances, suggesting that inequalities in human capital formation continue to reproduce broader patterns of social stratification over generations.

## DISCUSSION

The findings of this study indicate that educational attainment in India continues to be significantly shaped by inherited social, spatial and economic circumstances. Consistent with the inequality-of-opportunity framework developed by Roemer (1998) and Ferreira and Gignoux (2011), educational outcomes are systematically associated with circumstances beyond individual control. The results reveal persistent caste-based educational inequality, with Scheduled Tribe and Scheduled Caste individuals recording significantly lower years of schooling than the General

category across all model specifications. Although the magnitude of caste disadvantage declines after controlling for the household economic background, the coefficients remain statistically significant, suggesting that educational inequality operates through both economic deprivation and broader structures of historical disadvantage. These findings are consistent with those of earlier studies by Deshpande (2011), Thorat and Newman (2010), and Borooah (2005).

The analysis also highlights the important spatial and economic dimensions of educational inequality. Rural residence exerts a persistent negative effect on educational attainment, while the interaction estimates indicate that caste disadvantage intensifies further under conditions of rural deprivation. Household economic background is one of the strongest predictors of educational attainment, supporting the human capital framework developed by Becker (1964) and Schultz (1961). An important finding of this study is that gender disparities appear relatively weaker than caste-, religion-, and income-based inequalities within the younger cohort examined in this study. The gender coefficient lost statistical significance in the fully specified weighted models after controlling for social and economic circumstances.

Overall, the findings suggest that educational attainment in India remains embedded within the broader structures of inherited inequality, contributing to the long-term reproduction of social and economic disparities across generations.

## CONCLUSION

This study examined circumstance-driven educational inequality in India using nationally representative data from the PLFS 2023–24. Framed within the inequality-of-opportunity and human capital literature, this study analysed how inherited social, spatial, and economic circumstances shape educational attainment among individuals aged 18–25 years.

The findings reveal that educational attainment in India continues to be significantly influenced by caste, religion, rural residence, and household economic status. Scheduled Tribe and Scheduled Caste individuals record substantially fewer years of schooling than the General category, while rural residence and household economic disadvantage further intensify educational inequality. The interaction analysis additionally demonstrates that educational deprivation becomes more severe when social and spatial disadvantages overlap.

Overall, this study suggests that educational inequality in India remains deeply embedded within the broader structures of inherited inequality. Since education constitutes a major channel of human capital formation and social mobility, unequal educational attainment contributes to the long-term reproduction of socioeconomic disparities across generations. Therefore, the findings highlight the continuing importance of policies aimed at equalising educational opportunities and reducing structural social and economic disadvantages in contemporary India.

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