

# Youth unemployment in india



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Sir William Beveridge says about unemployment “ Jobs, rather than men, should wait.” “ Lord Keynes diagnosed unemployment in advanced economies to be the result of a deficiency of effective demand. M. S. Swaminathan said “ Jobless growth is joyless growth for those impacted by globalization. We have to provide meaningful employment in the agriculture sector to address these concerns.

“ The fact of a number of people not having job.

Unemployed means those people who are not employed during a specified reference period but are available for work and have taken concrete steps to seek paid employment or self-employment. Youth unemployment as major stumbling block to growing social disequilibria leading to Economic disorder and poverty of the society. India is a case of huge youth unemployment on one hand, transitional struggle of the nation to tame its energy towards gainful alternate employment on the other High unemployment amongst youth is directly related to the lack of education, training, and skills because today's jobs require a higher level of education and skill and this ability is not remaining in youth. The unemployment rate for high school drop out's is more than double the rate for university graduates. However when youth is concerned the resent figures prove that 96 million youth is unemployed while ten million new job seekers enter the market every year. As a result the rate of unemployment increases day by day.

## **Youth Unemployment in India**

Youth unemployment rate, aged 15-24 was 8. 3% in 1994 and 10. 1% in 2000 and 10. 5% in 2004. Youth unemployment rate, aged 15-24 of men was

8. 4% in 1994 and 10. 1% in 2000 and 10. 4% in 2004. Youth unemployment rate, aged 15-24 of women was 8% in 1994 and 10. 2% in 2000 and 10. 8% in 2004.

In 1985, the international year of the youth, the Department of Youth Affairs and Sports, Ministry of Human Resource Development, Government of India, initiated a proposal to formulate a National Youth Policy. The National Youth Policy was tabled in the two houses of Parliament in late 1988. It has recognized that “ the most important component of the youth programmed” has to be the “ removal of unemployment, rural and urban, educated and non-educated”. However, not much specific action has been initiated to implement the objective of removing or even alleviating unemployment among the youth, incorporated in the National Youth Policy of 1988. The reference to the idealism of the youth in the National Agenda, noted above, probably needs scrutiny. However, the proposed national reconstruction corps could be one means of tackling the problem of unemployment among the youth. However, to help formulate a comprehensive approach to the problems of youth and to evolve the necessary measures to mitigate youth unemployment, a careful review of the available data base and the policy initiatives taken so far is essential. The present study attempts the requisite review, particularly of the statistical data base available through the various surveys conducted by the National Sample Survey[4].

## **Facts of the Situation**

A big portion of the world’s total youth population lives in India, which has 540 million people under the age of 25 and nearly 200 million between 15-25 years of age.[5]The facts made by different agencies such as the Office of

the Registrar General on behalf of the Planning Commission and the United Nations also differ with respect to the number and relative share of the youth in the population. According to the best national estimates, the youth formed about 18.5 to 19 percent of the national population in the early 1990s, and numbered about 159 million at the time of the 1991 Census. Over 53 percent of 85 million were in the labour. By 2001, the number of youth is projected to rise to 212 million and the number of youth in the labour to 107 million, 23.6 percent of the projected total labour. The data provided by the National Sample Survey Organization confirm that the rate of unemployment among the youth, measured according to alternative concepts, exceeds the average for the general population by between 100 to 200 percent. The unemployed youth formed 40 to 50 percent of all the rural unemployed and 58 to 60 percent of the urban unemployed in terms of the weekly status. The range of estimates based on three alternative concepts indicated that the absolute number of unemployed youth was between 5.5 and 8.6 million in 1987-88 and between 5.2 and 8.9 million in 1993-94. If the unemployment rate in terms of usual status were to remain unchanged through 2001, the number of unemployed youth would rise to about 6.2 million. Prima facie, this number does not appear alarmingly large for a country with nearly 1.0 billion persons, but the resulting frustration can indeed pose a serious threat to the stability of the Indian social and political structure[6]. In India 84.5 million young people lives under poverty line in India, highest in the world. It is 44.2 % of total youth population.[7]44 million peoples of Indian youth are undernourished it is 23% of the total youth population.[8]Gross enrollment percentage of youth in higher education is 7%, as compared to 92% in US, 52% in UK, 45% in Japan, 11.1% in all Asia, even 10.3% in all developing

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countries.[9]Largest percentage of unemployed population in India is educated youth.[10]

## **State Action**

While considering problem of unemployment among the youth the limitation of state action in India. It is not adequately realized that in a country with almost 587, 000 villages, population is widely dispersed and implementation of rules and laws is very difficult. Reason is after 40 years in 1991 high rate of population growth, 67 percent of India's villages had a population of less than 1000 persons and over 3/5 of these villages had less than 500 persons each. These villages accounted for only 26 and 9. 5 percent of the rural population, but they included higher proportions of scheduled tribes. In these villages with less than 500 populations, the number of youth would be less than 100 each and the number in the labour force would be less than 60 or so and the number of unemployed would be no more than 3% to 4%.

More importantly thing is that 98 percent of Indian villages and 85 percent hamlets have a school within 1. 5 km and many of them are one teacher schools and it is not also possible that the teacher really performs his duty. The problems are also same in 4500 towns.[11]

## **The Diamond Unit in Gujarat and the textile and garment workers in Tamil Nadu and Haryana which have been hit lakhs of youth workers**

The global economic meltdown has reached Tamil Nada's stores. It is seeping into the state's 128 year old textile industry and its relatively recent offspring, the garment sector. Of the 3070 large textile mills in the country, Tamil Nadu accounts for 1912 with 813 of them in Coimbatore district.

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Beside the state has 30, 000 small and medium enterprises and 12, 000 small and medium enterprises are located in Coimbatore. These 12, 000 small and medium enterprises employ about 500, 000 people and 6, 000 crore turnover and most of employ were youth.

Industry leaders fear that nearly 700, 000 people may lose their jobs if the present situation continues. “ The majority of jobless belong to urban youth from Bihar, Jharkhand, and Tamil Nadu. The next 15 year 17 more mills turned sick’s and was closed.[12]In the case of garment industry in Tripura, the situation is also same. There was the problem of rupee appreciation by the dollar. Tripura’s exports are facing a lot of problem because of global crisis and millions of youth losses jobs. In 2007 exported goods worth was 11, 000 crore but in 2008 exported goods worth was 10, 000 crore. Garment industries in Tripura 2. 5 lakh worker have been affected directly and 1. 5 lakhs indirectly by the crisis mostly were youth.[13]

In Gurgaon nearly Delhi, there are around 1000 manufacturing units and 700 have shut down. Most have employed between 300 to 500 and big units even 5000, in December 2008, 84% of manufacturing units registered a decline in export orders and employment had gone 20 to 80 per cent (This sector in India employs around 3. 9 million).[14]Majority of those seeking psychiatric help are in 25-30 in age group.[15]

## **Educational reform**

For proposing a pathway of meaningful educational reform, identification of the nature of the existing policies, their implications, and the inter-relation with employment market is of paramount importance. According to a 2004-

2005 statistics[16], India has overall lower unemployment rate (9. 2%) than European Union (9. 5%), China (9. 8%) or Brazil (11. 5%).

That is a creditable achievement considering the burgeoning population and limited Industrialization in the country. The rate of unemployment among youth is quite larger than the overall national unemployment rate, which is actually a common trend for most of the nations in the world, developed and developing countries alike. The alarming trend for India, however, is the higher unemployment rate among high-educated youth and young people in urban areas. The lower youth unemployment in rural areas can be explained in terms of the largest labor share in agriculture (59. 2%) as compared to industry (17. 2%) or services (23. 8%). Probably, the same reason can be cited for explaining the incidence of the lowest unemployment rate among young people without any formal education or with bare minimum elementary education. For example, a potato farmer, in a remote village of India, is not unemployed, nonetheless happy with his ability to read notices and bills (written in regional language) and do basic arithmetic necessary for rudimentary book-keeping. Probably, for last five generations, farming is his family occupation which is likely to remain so (at least in his opinion) for the next few generations to come. Most likely, his children will go to elementary or primary school at the best, then drop out, and join him in the agricultural occupation. There is apparently nothing wrong with this model. In his Vision 2020 plan, Dr. A. P. J. Kalam has rightly emphasized the need to increasing the share of manufacturing and services and further lowering the share of agricultural sector towards the national GDP and labor force participation rate. Clearly, the aspirations of half a billion youth for a better living standard

and higher income jobs cannot be engineered by agricultural sector which accounts for 54% labor market but only 22% of GDP contribution. Keeping pace with the demand of globalized economy with shifting focus on knowledge-workers and skilled manpower driven employment structure, India's youth needs to be empowered with such a value-based education, which inculcates those necessary 'employment skills.