

A Study on Poverty and Unemployment in India

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ABSTRACT

Poverty is pronounced deprivation in wellbeing. The conventional view links well-being. Primarily to command over commodities, so the poor are those who do not have enough income or consumption to put them above some adequate minimum threshold. This view sees poverty largely in monetary terms. Poverty may also be tried to a specific type of consumption, thus someone might be house poor or food poor or health poor. These dimensions of poverty can often be measured directly for instance by measuring malnutrition or literacy. Unemployment is a complex phenomenon. In ordinary sense it denotes a situation when a person is not gainfully employed in a productive activity and thereby does not work. Among the factors that often contribute to poverty is unemployment and underemployment put simply. Many people live in poverty because they are unable to find a job at all. Poverty and unemployment do not affect everyone equally. Unemployment is a phenomenon that occurs when a person who is actively searching for employment is unable to find work. Unemployment is often used as a measure of the health of the economy.

INTRODUCTION

Among the factors that often contribute to poverty are unemployment and underemployment put simply. Many people live in poverty because they are unable to find a job that pays a living wage or to find a job at all. Poverty and unemployment do not affect everyone equally. Unemployment is a complex phenomenon. In ordinary sense it denotes a situation when a person is not gainfully employed in a productive activity and thereby does not work. Unemployment is a phenomenon that occurs when a person who is actively searching for employment is unable to find work. Unemployment is often used as a measure of the health of the economy. Poverty is pronounced deprivation in wellbeing. The conventional view links wellbeing. Poverty may also be tied to a specific type of consumption, thus someone might be house poor or food poor or health poor. These dimensions of poverty can often be measured directly for instance by measuring malnutrition or literacy. The broadest approach to well being and poverty focuses on the capability of the individuals to function in society. The poor lack key capabilities and may have inadequate income or education or be in poor health or feel powerless or lack political freedoms.

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INTRODUCTORY EXPLANATION

During the early days there was not much of unemployment. Most people lived in villages and they were engaged in agriculture to earn their livelihood. But with the advancement of civilization

machines with modern technologies have been introduced and this industrial civilization has brought about a change in the sphere of employment.

India is burdened with so many problems and unemployment problem is one of the serious problems. The number of unemployed youths in our country has already reached an alarming stage and still the number is increasing every year. A large number of youths, through willing to work, find no scope for employment. The economic well being of our country depends on the solution of this problem.

DEFINITION OF POVERTY AND UNEMPLOYMENT

According to United Nations: “Fundamentally, poverty is a denial of choices and opportunities, a violation of human dignity. It means lack of basic capacity to participate effectively in society. It means not having enough to feed and clothe a family not having a school or clinic to go to not having the land on which to grow one’s food or job to earn one’s living, not having access to credit. It means insecurity, powerlessness and exclusion of individuals, households and communities. It means susceptibility to violence and it often implies living on marginal or fragile environments without access to clean water or sanitation”.

According to prof. Pigou, “A man is unemployed only when he is both without a job or not employed and also desires to be employed”.

NATURE OF POVERTY AND UNEMPLOYMENT IN INDIA

POVERTY

The nature of poverty has categorized into residential characteristics, assets, social characteristics, occupational characteristics, access to health care services and transport.

RESIDENTIAL CHARACTERISTICS; describes precariousness of the housing condition, tenure status, housing materials (roof, wall, floor) source of drinking water incidence of electrification, defecation practices and cooking spaces in households.

SOCIAL CHARACTERISTICS; describes the different social groups in the incidence of female headed households, households with disabled members and households with no working age members and also other social vulnerabilities.

ASSET HOLDINGS; an account of household asset holdings and primary fuel used by households for cooking.

OCCUPATIONAL CHARACTERISTICS; gives an overview of the primary activity status of towns populations, occupations, incomes and wages. The section also looks at child labour, elderly workers and issues related to employment and unemployment.

UNEMPLOYMENT

The nature of unemployment in an underdeveloped country differs from the nature of unemployment of developed countries.

- Frictional Unemployment
- Structural Unemployment
- Open Unemployment
- Disguised Unemployment
- Under Unemployment

- Seasonal Unemployment
- Technological and Educated Unemployment.

CLASSIFICATION OF POVERTY AND UNEMPLOYMENT

POVERTY

- Absolute Poverty
- Moderate Poverty
- Relative Poverty
- Ultra Poverty
- Voluntary Poverty

UNEMPLOYMENT

- Voluntary unemployment
- In voluntary Unemployment

CAUSES OF POVERTY IN INDIA

High population growth rate is one of major reasons of poverty in India. This further leads to high level of illiteracy, poor health care facilities and lack of access to financial resources. Also high population growth affects the per capita income and makes per capita income even lower. It is expected that population in India will reach 1.5 billion by 2026 and then India will be the largest nation in the world. But India's economy is not growing at the same pace. This means shortage of jobs. For this would be required. Number of poor will keep on increasing if such a big number of jobs won't be created.

Ever increasing prices of even basic commodities is another reason of poverty. A person below the poverty line finds it difficult to survive. Caste system and unequal distribution of income and resources is another reason of poverty in India.

Parts from all these unskilled workers are paid very low in spite of hard work they put daily. The Problem lies with the unorganized sector as owners do not bother the way their workers live and the amount they earn. Their area of concern is just cost-cutting and more profit. Because of the number of workers looking for a job is higher than the jobs available. Unskilled workers have no other option but to work for less money. The government should really find a way to impose minimum wage standards for these workers. At the same time the government should ensure that this is implemented well. Poverty must be eradicated from India as every person has the right to live a healthy life.

MAIN CAUSES OF UNEMPLOYMENT IN INDIA

The following are the main causes of unemployment

CASTE SYSTEM

In India caste system is prevalent. The work is prohibited for specific castes in some areas. In many cases, the work is not given to the deserving candidates but given to the person belonging to a particular community. So this gives rise to unemployment.

SLOW ECONOMIC GROWTH

Indian economy is underdeveloped and role of economic growth is very slow. This slow growth fails to provide enough unemployment opportunities to the increasing population.

INCREASE IN POPULATION

Constant increase in population has been a big problem in India. It is one of the main causes of unemployment. The rate of unemployment is 11.1% in 10th plan.

AGRICULTURE IS A SEASONAL OCCUPATION

Agriculture is underdeveloped in India. It provides seasonal employment. Large part of population is dependent on agriculture. But agriculture being seasonal provides work for a few months. So this gives rise to unemployment.

JOINT FAMILY SYSTEM

In big families having big business many such persons will be available who do not do any work and depend on the joint income of the family. Many of them seem to be working but they do not add anything to production. So they encourage disguised unemployment.

FALL OF COTTAGE AND SMALL INDUSTRIES

The Industrial development had adverse effect on cottage and small industries. The production of cottage industries began to fall and many artisans became unemployed.

SLOW GROWTH OF INDUSTRIALIZATION

The rate of Industrial growth is slow. Though emphasis is laid on industrialization yet the avenues of employment created by industrialization are very few.

LESS SAVINGS AND INVESTMENT

There is inadequate capital in India. Above all this capital has been judiciously invested. Investment depends on savings. Savings are inadequate. Due to shortage of savings and investment, opportunities of employment have not been created.

CAUSES OF UNDER EMPLOYMENT

Inadequate availability of means of production is the main cause of under employment. People do not get employment for the whole year due to shortage of electricity, coal and raw materials

DEFECTIVE PLANNING

Defective planning is the one of the cause of unemployment. There is wide gap between supply and demand for labor. No plan had formulated any long term scheme for removal of unemployment.

EXPANSION OF UNIVERSITIES

The number of universities has increased manifold. There are 385 universities. As a result of this educated unemployment or while collar unemployment has increased.

INADEQUATE IRRIGATION FACILITIES

Even after the completion of 9th five year plans. 39% of total cultivable area could get irrigation facilities. Due to lack of irrigation large area of land can grow only one crop in a year farmers remain unemployment for most time of the year.

IMMOBILITY OF LABOUR

Mobility of labour in India is low. Due to attachment to the family. People do not go to far off areas for jobs. Factors like language, religion and climate are also responsible for low mobility. Immobility of labour adds to unemployment.

THE RELATION BETWEEN POVERTY AND UNEMPLOYMENT

These two things are simultaneously related. If the poverty is supposed as human body, then unemployment will be taken as heart. The countries which suffer from poverty they also suffer from the unemployment.

EFFECT OF POVERTY

The resounding effect of poverty echoes through various layers of an India citizen's life. If we try to have a systematic look at them, we should proceed under the three following heads

- Effect of Health
- Effect of Society
 - *Violence and crime rate
 - *Home lessness
 - *Stress
 - *Child labour
 - *Terrorism
- Effect on economy

EFFECTS OF UNEMPLOYMENT

In India, this for minable problem will go to an alarming stage unless some positive measures are immediately adopted. The vast mass of unemployed is a source of great danger to society and the state.

- In despire, these young men may run wild and take the law into their own hand. They may engage in many undesirable activities. Criminal activities are on the rise.
- The standard of living of people remains low because of unemployment. The sharp increase in the poverty rate and low standard of public health are also the ill effects of the problem.
- Unemployment aggravates social unrest and economic imbalance of the country.
- Unemployment is the leading cause for depression among youth.
- Poor people who are unemployed finds it difficult to manage the rising cost of basic necessities.

HOW TO REDUCE POVERTY IN INDIA

- Accelerating economic growth
- Agriculture growth and poverty alleviation
- Speedy development of infra structure
- Accelerating human resource development
- Growth of non-farm employment
- Access to assets

- Access to credit
- Public distribution system
- Direct attack on poverty special employment schemes for the poor

HOW TO REDUCE UNEMPLOYMENT IN INDIA

- Reconstruction of agriculture
- Adoption of labour-intensive techniques
- Rapid industrialization
- Population control
- Reorientation of education system
- Encouragement of small enterprises
- Guiding centers and more employment exchanges

CONCLUSION

Now a day's obviously our rate of unemployment here in our country was very high. The main reason why continuously of increasing unemployment is because of poverty. And also one reason of increasing unemployment graduate students that the course they taken from college is not compatible for the job and it can cause of increasing unemployment. Unemployment is caused by many factors in a modern market economy. It can be caused by rapid technological change, business cycle of recessions, seasonal factors in some industries particularly such as changes in tastes and climatic condition which affects demand for certain products and services, individual perceptions and willingness to work and search for job their values and attitudes towards some jobs and about unemployed of the benefits of training and the possibility of them to get a job after the training even though they have a change to get a job, discrimination in the work place based on a race, color, religion, ethnicity age and class sensitive agricultural products.

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