



Subject _ Economic Environment
Topic _ Unemployment in India
Class _ B.com (3rd year)
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Unemployment in India

Introduction-

Unemployment is not a new problem in India it is endemic in Indian economy. In past unemployment is a very often a characteristic of under developed economies. And a fast increase in population further aggravates the situation by adding a large number of entrants to the Labor force every year. Thus on account of a nominal increase in population every year the country got plunged in mass unemployment. In short in the absence of appreciable rising industrial investment and with the population growing at unchecked rate, Unemployment has increased by leaps and bounds.

Meaning and definition of unemployment

Lacking unemployment means a situation characterized by the existence of able or efficient person who are willing to work but are not able to get meaningful or gainful job which ultimately results into huge wastage of manpower resources. In other words unemployment deals with a situation where people are unable to get gainful employment opportunities in their survival .

According to **pigou**, “A man is unemployed only when he is both without a job or not employed and also desire to be unemployed”.

Types of unemployment

Main types of unemployment are as follows :

1. **Structural unemployment** : It is also called as open unemployment. Under this situation a large labor force does not get employment opportunities because they do not have writing skills or leave in places where top opportunity do not exist. It is notable that under this situation workers are willing to work and elementary resources especially capital. There are some other causes especially in regard of technological change mentioned as below :
 - (a) An acceleration of the overall rate of productivity change
 - (b) An increased concentration of selected groups of industries.
 - (c) Qualitative demand of labour force
2. **Fictional unemployment** : Under frictional unemployment there are changes of unfilled vacancies in the same occupation and the same places because it takes time to match job requirements and the skills of jobs seekers appropriately. It exists because people move and should

be encouraged to move from low productivity places to high productivity places.

3. **Disguised unemployment** : Disguised unemployment refers to the situation where opportunities are not open for everyone and remain concealed. Disguised employment is a common feature in agriculture based economies. Under this it seems that everyone is employed but in reality sufficient full-time work is not available for all. In Indian Agriculture Structure there are number of workers engaged in Agri activities but it much more than actually required to accomplish.
4. **Seasonal unemployment** : Under this situation workers does not get job for whole year. They get job for some months in a calendar year when seasonal activities are done. He's not unemployment occurs in such activities as construction agriculture wollen, garments, Canning and tourist trade.
5. **Unemployment YouTube demand deficiency**: under this situation that is not enough to begin demand to provide work for the whole labourers if they are trained or not . It known as cyclic unemployment. It indicates that as a whole there are less job vacancies in economy due to lack of demand force.
6. **Industrial unemployment** : Industrial unemployment is the situation under which our industrial sector fails to adjust labour force because of huge migration of Labour from rural areas to urban areas in search of employment.

The two main causes of industrial unemployment are uneconomical agriculture and slow growth of the small and cottage industries in rural areas.

Adverse effect of unemployment

Unemployment is harmful to the society in many ways. Some of the adverse effects of unemployment are given below :

1. **Lots of human resources** : The problem of unemployment causes loss of human resources. labourers waste their maximum time in search of employment.
2. **increase in poverty** : Unemployment and poverty go together. When some people are unemployed and hence unable to contribute to production and income they become dependent upon others. Sharing the peoples income in low income groups depressed overall consumption level and pushes people below the poverty line.
3. **Threats to security and stability** : The educated unemployed is a dangerous person. His vocal his influence he nurses the sense of personal injury and if the grievance is long continued and the numbers

involved are large as it is in India the situation become and decidedly explosive and will constitute a constant threat to the security and stability of the state

4. **Explosion of the labour** : labourers are Exploited to the maximum in our state of unemployment. Those labourers were lucky to get employed half to work under adverse conditions at low wages. All this has a bad effect on the efficiency of labourers.
5. **Social unrest** : Terrorism may be motivated by several other factors but the role of unemployment as a distressing force cannot be undermined.
6. **Class struggle** : Unemployment divides the society into haves and have not's accordingly there is class conflict that compound the problem of social unrest.

Causes of unemployment in India

1. General causes
2. Specific causes

General causes

1. Rapid increase in population
2. Defective planning

3. Slow rate of economic growth
4. Mechanisation
5. Women unemployment
6. Inadequate availability of productive resources
7. Decreasing dependency ratio

Specific causes

1. Causes of rural or disguised unemployment
2. Causes for urban or educated unemployment

(A) Causes of rural or disguised unemployment

1. Seasonal nature of agriculture
2. Increase in pressure of population
3. Mass illiteracy in rural areas
4. Shortage of capital
5. Social status
6. Shortage of secondary industry
7. Immobility of labour

(B) Causes for urban and educated unemployment

1. Defective education system
2. Low level of investment
3. Selection of unfavourable techniques of production
4. Low rate of development
5. Uncertainties before private sector
6. Attitudes of educated people

7. Slow progress of vocational education
8. Lack of employment guidance

Measures to remove unemployment

1. General measures
2. Specific measures

General measures

1. Control of population
2. Increase in investment rate
3. Man power planning
4. Employment oriented planning
5. Survey of natural resources
6. Social reformes
7. Development of entrepreneurs qualities

Specific measures

(A) Measures to remove rural unemployment

1. Encouragement to rural industrialisation
2. Institutional changes in agriculture
3. Employment oriented planning in villages
4. Responsibility of village panchayats
5. Implementation of land reforms programmes

6. Encouragement in multiple cropping in agriculture

(B) measures to remove urban unemployment

1. Full utilisation of product capacity

2. Encouragement to small industries

3. Practical form of education

4. Control on limited automation

5. Liberalisation policy

Questions

Short :

1. what do you mean by unemployment?
2. What is disguised unemployment?

Long :

1. What is unemployment? Explain the adverse effects of unemployment.
2. Explain the causes of unemployment in India. Suggest measures eradicate the problem.

Keywords

1. Automation
2. Reforms
3. Mechanisation
4. Social unrest

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Thanks

