

UNEMPLOYMENT IN INDIA: Issues and Challenges of Youth Unemployment in India

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Abstract: Youth unemployment is a big challenge in developing economies, but there is a limited understanding of the dynamics that cause increases in unemployment among young workers. This article examines unemployment and inactivity among the youth workforce in India, where the economic contraction from the pandemic was solely responsible for reversing the trend of decades of declining global inequality. Young workers face higher unemployment, have fewer transitions to work and are more likely to get stuck in unemployment. They have a strong desire for public employment programmes, with over 80 per cent preferring job guarantees as a policy option to tackle unemployment, despite the implementation and design problems than have sometimes afflicted such programmes.

Keywords: Youth unemployment

I. INTRODUCTION



- COVID-19 pandemic pushed the world into an unprecedented crisis and uncertainty.
 - During the early six months, economies struggled to stay strong while battling the health care crisis and other elephantine issues like unemployment, which was a major concern for about 27 countries.
 - India witnessed a similar, albeit more concerning, situation. People were confined to their homes in a matter of days as a result of the sudden containment imposed across the country.
 - The pandemic forced many people to be thrown out of the job market overnight. If we trace back three years, the labour market was already depressed before the outbreak, with significant unemployment due to the economic slump.
 - The pandemic exacerbated the issue to a greater extent.
- the objective of study to identify the unemployment in India and impact of post covid 19 on youth employment





https://www.google.co.in/url?sa=i&url=https%3A%2F%2Fasia.nikkei.com%2FEconomy%2FIndia-s-unemployment-at-record-high-amid-tough-COVID-19-lockdown&psig=AOvVaw0qYib_AeTULg1VHU19w3nT&ust=1677332736405000&source=images&cd=vfe&ved=0CA4QjhxqFwoTCNjc-cqlrv0CFQAAAAAdAAAAABAQ



Literature Review

- Using data from both before and after the Covid-19 crisis, Dev & Rajeshwari (2020) examine the effect of the Covid-19 crisis on the informal sector. By putting an abrupt stop to all economic operations, a Covid-19 shutdown reduces the overall growth of the economy, which will impact income, employment, investment, and consumption. The central and state governments and the Reserve Bank of India have all improved India's economic status, which was also addressed in the paper.
- This virus has a wide range of effects on the global economy, including travel, hospitality, healthcare, education, the labor market, and media and entertainment (Ozili & Thankom, 2020). The study shows how Covid-19 pandemic brings uncertainty among consumers, and investors by behaving optimistically. The study also explored the numerous policy steps countries took to lessen the virus's devastating effects.
- Kumar et al. (2021) predicted that the consequences of Covid-19 on Indian economic development would be worse than the Great Depression of 1930. The article explores how Covid-19 may impact GDP growth and industrial output and simultaneously, dreams like \$5 trillion economy no longer even a distant chance. The researchers conduct an online survey on 400 professional experts to check out the possible effects of covid-19 on Indian economic development.
- By adopting the Social Accounting Matrix (SAM), Bhupesh (2020) assesses the impact of Covid-19 on India's output and employment. According to the research, India's GDP will increase by 2.26% to 6.29% due to significant supply and a possible significant demand-side slowdown. The paper also addressed how critical linking industries and overseas demand have been hurt by the lockdown (Mehrotra et al., 2020).
- From the available literature, it is found that most of the studies are associated with the economic impact of the Covid-19 pandemic on different sectors of the economy and the GDP of a country. Also, most of the studies are conducted to show the effect of the Covid-19 pandemic on the global supply chain. However, there are few studies available which unveil the impact of the Covid-19 pandemic on unemployment in India. This study intends to examine the overall impact of the Covid-19 pandemic on unemployment in India.





RESEARCH METHODOLOGY

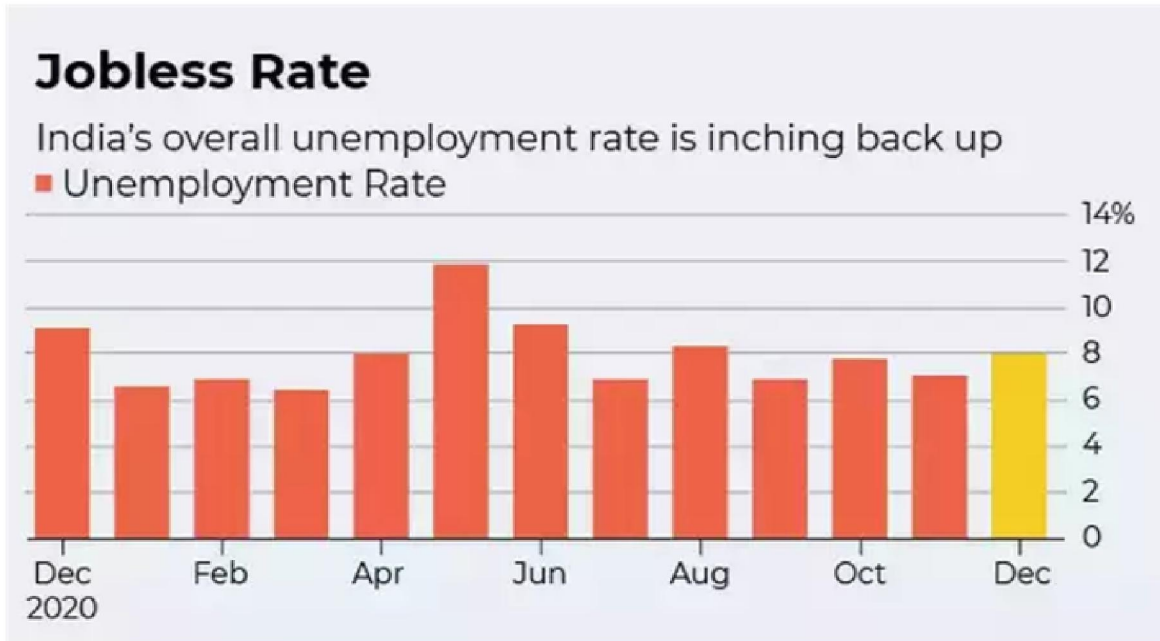
The research is a literature-based study investigating the current issue. Parallely I also relied on secondary data from various books, journals, and authentic websites.



Main findings

1. According to Business Today report India's unemployment rate rose to its highest level since 1991 during 2020 as COVID-19 caused a halt to economy.
2. According to centre for economic data and analysis report India's unemployment rate sharply rose to 7.11% in 2020 from 5.27% in 2019.
3. In the months of July- August 2020 it starts reducing but with the second wave of COVID-19 the problem again started to grave.
4. The most serious problem the country is facing today is the problem of unemployment, as the planners have been much concerned about this and in each plan the emphasis has been put forward to remove unemployment by increasing the growth rate.
5. Most of the planners argue that a higher growth rate can clear the backlog of unemployment and provide employment to the people, but unfortunately till now this argument had not proved so far (Dobriyal, K. 1970, January 01).
6. Although India is ranked among, the first eight industrially advanced countries of the world, it remains by and large,
7. underdeveloped (Giri, V. (1973, January 01).





https://www.google.co.in/url?sa=i&url=https%3A%2F%2Ftimesofindia.indiatimes.com%2Fbusiness%2Findia-business%2Findia-jobless-rate-rises-to-four-month-high-amid-covid-uptick%2Farticleshow%2F88662284.cms&psig=AOvVaw0qYib_AeTULg1VHU19w3nT&ust=1677332736405000&source=images&cd=vfe&ved=0CA4QjhxqFwoTCNjc-cqlrv0CFQAAAAAAdAAAAABAD

- Government should Increase investment in healthcare
- Make it mandatory for businesses to provide social security benefits to their employees.
- A large investment in technology infrastructure.
- Decentralize the industrial sector to reduce unemployment.
- If the industrial sector is centralized in one place, in the underdeveloped areas there will be fewer job opportunities.
- To boost employment, we must boost agricultural and industrial production. The best way to reduce unemployment is to foster small, local businesses in rural areas.
- Self-employment should be supported. To help these people, the government should provide them with financial aid, raw materials, and training in their chosen fields.
- rural areas of India, it should enhance funding for the Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGA).
- Approach to strengthen the Self Help Groups (SHGs)



CONCLUSION

- India is on the path of progression.
- The economy needs to use its available resources to the full extent. For any economy, unemployment is a grave problem. The pandemic has wrought havoc on the public health system and various other sectors of the economy.
- Due to the Covid-19 pandemic, many people's lives and livelihoods in India and around the world were affected.
- All sectors of the economy and the working population have been adversely affected, those already at a disadvantage in the labor market are at greater risk due to their status as migrant workers, lower wages, lower education achievement etc.
- Nevertheless, governments and citizens alike must boost productivity and raise living standards to achieve long-term, sustainable economic growth. If India aspires to a 5 trillion-dollar economy, structural and institutional changes must be made to the current growth path.



youth is a gift of nature , but age is a work of art

Thank you!

