

# Challenges to Eradicate Unemployment and Poverty in India

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## Abstract

Unemployment is a term refers to folks who are enthusiastically in the hunt for a job but fails to get job due to some internal and external forces. Unemployment provide as one of the display of an economic status of the nation. The proportion of persons without a job is known as the unemployment rate; it fluctuates according to the state of economy once a nation's economy is strong, budding and contributes a wide variety of job opportunity to general layperson in the country. The National Statistical Office (NSO) report stated that unemployment rate in urban drop off from 10.3% to 8.7% in May 2022 compare to December 2021. Government of India provides various schemes to eradicate the unemployment problem in India.

Poverty refers as the communities who are in lack of financial support or resources for their minimum standard of living to satisfy their basic needs like clean water, healthy food, shelter etc. Poverty is a complex cycle to rupture and frequently passes from generation to generation; it is specific by socioeconomic status, civilization, gender and topography. AS per NITI Aayog's Multidimensional Poverty Index (MPI) 2021 stated that 25.01% of the population are laid in poverty which takes health, education and standard of living as three dimension factors to estimate poverty.

In India the biggest obstacle is eradication of poverty and unemployment where government measure are taken to solve it and motivate youth to become an entrepreneur "not a job seeker, become a job provider".

**Keywords:** Socioeconomic • Poverty • Unemployment • Job opportunity • Migration

## Introduction

Every country carry out with the issue of unemployment, India is also one of the countries which India's huge population and changing labour market encompass unemployment. The National Statistical Office (NSO) report stated that unemployment rate in urban drop off from 10.3% to 8.7% in May 2022 compare to December 2021. There

are four different forms of unemployment causes in India which are categories as structural, frictional, seasonal and cyclical [1]. The Centre for Monitoring Indian Economy (CMIE) statistics as on 1<sup>st</sup> January 2023 ballpark figures that India's unemployment rate in India is approximately 8.3% at present, in urban India it is 10.09% and in rural India it is 7.44% (Tables 1 and 2).

Month	Unemployment rate (in %)		
	India	Urban	Rural
Dec 2022	8.3	10.09	7.44
Nov 2022	8	8.96	7.61
Oct 2022	7.92	7.34	8.19
Sep 2022	6.43	7.71	5.83
Aug 2022	8.28	9.57	7.68

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Jul 2022	6.83	8.22	6.17
Jun 2022	7.83	7.32	8.07
May 2022	7.14	8.24	6.63
Apr 2022	7.83	9.22	7.18
Mar 2022	7.57	8.28	7.24
Feb 2022	8.11	7.57	8.37
Jan 2022	6.56	8.14	5.8

**Table 1.** CMIE statistics data reveals the unemployment rate in India state wise in December 2022.

State	Dec 2022	State	Dec 2022
Andhra Pradesh	7.7	Maharashtra	3.1
Assam	4.7	Meghalaya	2.7
Bihar	19.1	Odisha	0.9
Chhatisgarh	3.4	Pondicherry	4.7
Delhi	20.8	Punjab	6.8
Goa	9.9	Rajasthan	28.5
Gujarat	2.3	Sikkim	13.6
Haryana	37.4	Tamil Nadu	4.1
Himachal Pradesh	7.6	Telangana	4.1
Jammu Kashmir	14.8	Tripura	14.3
Karnataka	2.5	Uttar Pradesh	4.3
Kerala	7.4	Uttarakhand	4.2
Madhya Pradesh	3.2	West Bengal	5.5

**Table 2.** State with unemployment rate.

Unemployment rate=Unemployed/civilian labour force.

## Literature Review

### Causes and impact of unemployment

A small amount of main causes of unemployment are as follows:

- Huge population.
- Lack of proper education and technical skills.
- Due to poor income in agriculture migration of sectors also a great challenges.
- Low investment in manufacturing and production sector which create huge employment.
- There is a limited job in services sector which need some technical skills to perform quality.
- The education provided in school and colleges are not able to get job as per the requirement of the organizations [2].

### Impact of unemployment in India

- The rise in problem of poverty is major issue in India.

- Unemployment creates loss of faith in democratic values of the nation.
- Unemployment makes a fuss in illegal and wrong activities for creation of money for survival in the mindset of youngsters.
- Unemployment affects the growth of nation in economic contribution.
- Unemployed youth can easily be attracted by antisocial elements.

### Schemes for youth in employment

**Integrated Rural Development Programme (IRDP):** It was implemented in 1976-77 with selected 20 districts in country and government broadens to all the districts in India. The central and state government shared equal fund for the scheme. The primary objectives is to create productive assets to take up self-employment activities which includes agriculture, horticulture, animal husbandry, poultry and weaving etc., it was implemented in every district through District Rural Development Agencies (DRDA) [3].

**National Rural Employment Programme (NREP):** The objective is to create employment opportunities for the welfare of community assets like village roads, ponds and wells etc.

- Rural Landless Employment Guarantee Programme (RLEGP)

- Training of Rural Youth for Self-Employment (TRYSEM)
- Jawahar Rozhgar Yojana Scheme (JRYS)
- Employment Assurance Scheme (EAS)
- Prime Minister's Rozgar Yojana (PMRY)
- National Rural Employment Guarantee Scheme (NREGS)

## Poverty

Poverty refers to the status in which community is be short of monetary resources for essential standard of living such as basic needs for survival by the human's good drinking water, cloth, shelter, safety and medical facilities. Poverty is a socioeconomic condition which does not consider only income it includes the result of multiple factors like race, sexual identify and education [4].

British had left our nation with the very hungry population with inadequate resources at the time of independence in India 80% of population was in below poverty line. Government of India had implemented various schemes to eradicate poverty from the nation.

NITI Aayog's Multidimensional Poverty Index (MPI) on 2021 reports that 25.01% of India's population is in poverty based on the three dimensional factors like health, education and standard of living which taken for evaluation of poverty in India.

## Discussion

### Poverty effects in India

Poverty in India is like an infection that has shocking effects on an individual and their family. The major effects are as follows:

**Effects on health:** The major effect of poverty is on health due to lack of hygienic food and proper medical facilities to poorer below the poverty line and people are suffer due to lack of malnutrition in health diet [5].

- Every year approximately 1.4 million of children die in India within the age of 5 years.
- India is one of the top most countries where more than 200 million people have malnutrition.

#### Effects on society

- Increase in violence and crime rate due to unemployment.
- Stress due to lack of money.
- Poverty force family to make their child as child labor.
- Below poverty people are target for terrorism recruitment.
- Below poverty line people sleep on the roadside at night.

**Effects on economy:** Poverty is directly comparative to the achievement of economy. The standard of living of people in the country, productivity shows the economic symbol of the nation [6].

### Ways to wipe out poverty

- Provide equivalent right to use basic amenities like clean drinking water, shelter, food and health care to all the citizens.
- 50% of Indian are depend up on the agriculture and agriculture allied sector for their income generation, government make proper irrigation and marketing facilities for their livelihoods.

- Create employment opportunity in transport, construction, sales and marketing, food processing, services sectors to eradicate poverty in the nation.
- Women empowerment through providing proper education and employment opportunities for self-dependent.
- The government can allocate fund from tax revenue for poverty alleviation program and built infrastructure for revenue generation.

### Schemes to eradicate poverty

Government of India had implemented various schemes for eradication of poverty in India, which are as follows:

- **MGNREGA (Mahatma Gandhi National Rural Employment Guarantee Act):** The objective is every rural household should get minimum of 100 days of guaranteed employment each year. One-third of the proposed job should be allotted for women if an applicant is not hired within 15 days he or she will be eligible for a daily unemployment allowance under this scheme.
- **IRD (Integrated Rural Development Program):** It was established in 1978-79 with the aim of support rural poor in the form of subsidies and bank loans for productive employment opportunities over the course of several five year plan periods.
- **JRY (Jawahar Gram Samiddhi Yojana):** It aim is to provide significant employment opportunities for the unemployed and underemployed in rural areas by developing infrastructure and community and social assets.
- **NULM (National Urban Livelihood Mission):** It spotlight on forming self-help groups among urban poor to provide opportunities for skill development to sustain employment market and motivate them to turn as entrepreneurs by assisting easy access to credit.
- **Pradhan Kaushal, Mantri Vikas Yojana (Vikas Yojana):** It is particularly for dropouts from classes X to XII who are newcomers to the labour markets.
- **National rural livelihood mission Ajeevika:** The aims are to assist poor and self-help groups are formed at rural level to provide jobs.
- **Pradhan Mantri Kisan Samman Nidhi:** The primary objective is to provide financial support to all landholding farmers by providing working capital support.
- **Annapurna:** This scheme is introduced for the benefit of senior citizens who are unable to care for themselves and not covered by the National Old Age Pension Scheme (NOAPS). It provides 10 kg of free food grains each month to the eligible senior citizens.
- **Jan Dhan Yojana:** The primary objective is to provide pension, subsidy and insurance benefits directly to beneficiaries.
- **HRIDAY (National Heritage Development and Augmentation Yojana):** This scheme was introduced on 21<sup>st</sup> January 2015 with the objectives of preserving and revitalizing the country's rich cultural heritage. The critical role in the development of society, ensuring that the concept of holistic development.
- **Pradhan Mantri Awaas Yojana:** It is a merge program of Ujjwala Yojana (which provides LPG to BPL households) access to toilets, water and drinking water and the Saubhagya Yojana (electricity). It was implemented in the year 2015.

## Conclusion

Indian economy is fast developing economy in the world but there is a problem of unemployment due to over population and growth of education is rapidly increases in the last few years. To eradicate the unemployment problem government also implemented so many schemes and project to support education and un-education for their sustainability growth. On the other hand the poverty is also a huge headache for the nation due to over population and no sources of generation of income due to unemployment and lack of financial support to startup business or to do agricultural activities which leads them to poverty. It is every citizen's duty to pay tax which is a source of income to government and the fund may utilize for the purpose of new scheme and infrastructural development of the nation.

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