

Contribution of Some Major Industries in Economic Development

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Description

The industry is considered the main branch of economic development. We can achieve economies of scale by applying advanced technology, division of labor, and scientific management. Thus, production and employment will increase rapidly. It will lead to economic growth and capital formation. We will now look at issues related to the growth of six foremost traditional industries, namely, Iron and Steel, Cotton Textile, Jute, Sugar, Cement and Paper and Four new industries such as Petrochemical, Automotive, Information Technology (IT), and Banking and Insurance industries. These industries occupy significant positions in the country. Their production ranges from elementary manufactured goods to the most important consumer goods. Thus, the growth of sectors provides a good considerable of industrial growth on the one hand and the relationship between government policies and their growth.

We will discuss about some industries which will plays a major role in the economic development.

Steel industry

From the point of view of total investment capital, the steel industry is the most important. Much of this investment is in public sector factories. The commerce provides direct jobs for 2,500,000 workers. Despite the considerable importance to the steel industry and the huge investments made, our country still has to import an increasing amount of steel. According to the World Steel Association, India ranked among the top 10 crude steel producers around the world.

Cotton and synthetic textile industry

The structure of the textile industry is tremendously complex, with modern, sophisticated, and highly mechanized factories, on the one hand, spinning and weaving on the other hand (hand-woven machines); in the middle is the decentralized field of small-scale electric looms. If these three sectors are included, then cotton and synthetic textile industry are in major and India becomes the largest industry in the country, accounting for about 20% of industrial output, providing jobs for more than 20 million people. And contribute about 33% of total export income. The textile industry is

one of India takes a chance to succeed worldwide, due to low labor costs.

Jute industry

The jute industry began in 1885. Its importance to the economy lies in its ability to earn foreign currency. The total number of looms installed in the 69 units is about 44,900 and this industry accounts for 30% of world jute production. In addition to providing direct employment for about 2.5 Lakhs, about 40 Lakh families earn their living by growing jute. The production of jute textiles has been stagnant for many years despite all measures and incentives by the government. The jute industry is modernizing post-threading equipment with new high-speed machines and the installation of looms for carpet production. The industry has also benefited from the incredible growth in demand for carpet fabrics in the US market in recent years. All production is exported and the main export market is the United States. Therefore, the discovery of new uses and new products should be the development strategy of the jute industry. Some other specialties now produced are cotton bags, jute cloth, burlap lining, jute carpet, and jute fabric.

Cement industry

The foundation for a stable Indian cement industry was laid in 1914 when Indian Cement Company Ltd. made of cement in Porbandar, Gujarat. There are 148 large cement plants and 365 small cement plants with a total installed capacity of 230 million tons and an actual output of nearly 4,444,200.7 million tons (in 2009-10). More than two thousand people are working in this industry. India is the seventh-largest cement producer in the world with the top six countries being Russia, Japan, the United States, Italy, West Germany, and France.

Automobile industry

With the liberalization of the economy, the automotive sector has experienced strong growth. The established manufacturers were phased out and the industry saw the entry of new manufacturers with 4,444 cutting-edge technologies. This has created confidence for manufacturers to face international

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competition. Competition in the market as well as emission safety regulations have resulted in improved standards. The automotive industry includes passenger cars, 4,444 utility vehicles, and 4,444 two and three-wheelers.

This paper presents the contribution of major industries to the national economy by

- Industries that ensure the production and supply of goods and services. It has resulted in a significant increase in the GDP of any country.
- Industries create jobs for the majority; contribute to improving living standards, and reducing poverty and give major increase in economic growth.

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