GS-III: The link between jobs, farming and climate.

News

At a panel discussion hosted recently by the students of Delhi Ambedkar’s University, the topic was, ‘Are we heading for an economic crisis?’.

Presumably they had been prompted by the all absorbing news of a slowing economy. It is indeed correct that such a slowing is taking place.

Globally industrial growth driven by mindless consumption is the cause of climate change. But India does need some growth as income levels here are still very low. The problem of low incomes can however be tackled even with less growth so long as it is of the appropriate type. So, the slowing of growth in India cannot reasonably be termed a crisis.

Rural employment:

Rural unemployment along with urban unemployment is termed as one among the serious problems in India, since it creates a ripple effect across the economy. Apart from the personal loss to individual and their family, it results in lower purchasing power (economically), consumption of goods and services will go down.

What are reasons of rural unemployment in India?

Unemployment wasn’t widespread in rural areas, since most people were engaged in agriculture which helped them earn a living. Despite droughts, people continue to pursue agriculture. But with the advancement of technology through industrial civilization, textile mills and others sort of factories began to grow in India during British era. Though it led to mass migration of people to rural areas, drought like conditions and lack of income from agriculture created huge unemployment among rural youth.

Production Decline:

We must now answer the question of why rural incomes are growing so slowly. The recent history of crop agriculture points towards one reason. In the 9 years since 2008-2009 this activity has recorded zero or negative growth in five.

When growth fluctuations include production decline a particular feature emerges. Households incurring consumption debt in bad crops years would be repaying it in the good ones.

When non-agricultural firms observe slow agricultural growth they are likely to shrink their investment rate is to only deal with a symptom. It is rural income generation that is the problem.

Conclusion

Offering solutions to rural unemployment in India must have three dimensional approach. Firstly, adequate changes must be brought in the form of quality of Indian education. Indian government should select a committee which includes value and skill based syllabus in schools and universities. Because almost all the syllabus taught is of no use to the industrial needs.
Indian government should encourage and develop the agriculture based industries in rural areas by offering incentives, interest free loan for seasonal unemployment people. Besides, more assistance must be offered to self-employed people in the area of cottage and small scale industries etc. These persons should be helped financially, providing raw materials and technical training.