

Passivity of Indian Economy– A Labour Rich Nation in Problem of Labour

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Abstract: Since the independence, India is facing the problem of low rate of capital formation, low rate per capita income and slow growth of Indian economy etc. The government of India has made all the best efforts to uproot the unemployment and to generate various sectors to provide employment. New Industrial policy announced in 1991 by the Finance Minister Dr. Manmohan Singh with the motive of abolishing licensing for maximum industries and opened the doors for foreign investment in India, India joined WTO on January 1st 1995 to provide free flow of trade and services among the countries with the ultimate motive ie: provide employment for all, these efforts reflect the rise in demand for consumer goods to luxury goods. To fulfill these demand industry need skilled and unskilled labour in huge quantity. Though India is advance position in case of skilled labour as skilled labour appropriately available in the country at lower cost but the problem is with the unskilled labour. In the most of the small scale industries operations remains shut due to unavailability of labour, on the other hand some people are there who can work but don't want to work. In This article efforts are made to make attention of the government of India, law maker, corporate, scholars and educators toward a very sensitive but untouched issue which can be consider for slow growth of economy and low rate of per capita income.

Keywords: Unemployment, Beggars, Unproductive, Labour Capital, Population, Indian Economy

Introduction

When India got its freedom, the population of the country was near about 350 million. Majority of the population were illiterate, poor, and unemployed as at that time there were lack of primary and higher education system. Industry and commerce was not in good position, people demands commodity only those were essential for subsistence. Due to the rigid licensing policy private sector restricted to enter into various business activities like education, technical knowhow, heave metals industries, communication and entertainment etc. Result of these restrictions government was failed to promote development of the country. Keeping in the view government of India constitute The Planning Commission of India in March 1950 and started Five Year plan in 1951 to achieve systematic growth in the entire sector of economy. Government lenient its licensing policy, invites private entrepreneurs to invest in the projects which in the past held by the government. But after all the efforts the government fails to achieve what it should be achieved. Growth rate is not significant, rate of unemployment is on rising and all are when India is considered having rich resources for production natural as well as human labour. To sustained growth it is essential to have sufficient labour as the labour conditions definitely affect the entrepreneurship of the country. This failure is not only on the part of the government but because of a little part of the population those do not want to work.

Those who do not want to work create the panic for the country and its economy. They have established the source of their income named “Bagging” they grab the hard earned money of the people in the name of God, religion or religious custom. Baggers can be seen in all the cities, town, and public areas, they are good earners but unproductive.

Purpose of the Study

The purpose of study is to identify the people who are workable but not engage in the production. These people should be trained and they must be engage in the production so that India can rely on its own domestic production, and success to fill the gap in balance of payment and achieve its goal toward leadership in global economy.

Methodology

The study is based on secondary sources and necessary information is based on secondary sources such as journals (Print & online), books and websites.

The Problem to Discuss

Since the independence India is facing the problem of low rate of capital formation, low rate per capita income and slow growth of Indian economy, as industrial production shows a slow growth. For all these problems we generally blame the population explosion, but it cannot be the only cause. In Asia there is another country China, having more population than us after that China is much more fat growing economy of the world. It is the second largest economy of the world after US. On the basis of per capita income, China ranked 73rd by GDP (PPP) per capita. China's GDP was \$14.3 trillion (99 trillion Yuan) according to IMF in 2019 and while India holding 145th rank in the same year by IMF. So it is clear that the population is not the only reason although it may be one of many other causes. The entire factor responsible for low rate of capital formation or low rate per capita income can not be located but finger should be raised towards one of the very serious factor which is always neglected by us.

That is the problem of beggars. Yes absolutely beggars create a huge gap in the growth of economy of India. Beggars in our country can be sighted at almost all public places in our town and cities. Wherever you go whether it is a public park market, temple, mosque, traffic crossing many baggers can be seen belonging to different age groups, children to young and old. They are those who don't want to work but consume GNP. They are just like the mouse in the field, a laborious farmer yield the crop employing labour capital but a mouse eats the entire crop. They are like that. Beggars those who don't want to work but are the consumers of national product, they indeed paralyses the Indian economy. As no discussion is required on the fact that the mean of production labour, land, and machine are scarce in the nature. Apart from this in India scarcity of labour can be visualized in any sectors whether it is agriculture or industrial sector. In any industrial estate a hoarding can be seen on the front gate of the factory mentioned "Kushal wa akushal shramiko ki avshyakta hai" likewise scarcity of labour in agriculture sector persists, due this scarcity agricultural products price are steeping.

The adverse effect of beggar on the economy can be under stood by an imaginary example as:

Suppose in a country where there only 49 people reside their income is Rs.1000 each, the total income would be $49 \times 1000 = 49000$, with an average per capita income of Rs. 1000, further suppose now the population of that country is 50 instead of 49 and out of them one is beggar. Now total national income would be same ie: Rs. 49000 but the average income would be now $49000/50 = 980$ decreased by Rs. 20. Now sever effect of the menace can be understood and the issue itself justify.

A recent survey done by Delhi base NGO revealing the fact that in Delhi there are 60000 beggars. This bitter fact is not different in other parts of the country. Thousands of beggars usually found in the state capital, Metro cities, pilgrimages, and towns.

To understand the overall effect of the menace another imaginary example can be quoted:

On an average basis there are 300 big places in the country where 20000 beggars each places are engage in begging.

Again suppose these beggars if are doing productive work instead begging there monthly income would be Rs. 50000 or 60000 per year than look at the amazing picture of the fact-

Total earning would be Rs. $20000 \times 300 \times 60000 = 360000000000$

If this figure is divided by 45 USD assuming prevailing price it comes to $360000000000/45 = 8000000000$ (eight billion)

When we compare this figure with current account deficit of BOP which is 3.5% or 45-50 billion dollar then it is clear by engaging non productive labour to productive work we may reduce the gap of BOP. Definitely it would improve the position on Global stage, of the country. And then we will be in much strong position in the world economy.

Scope of the Study

Although much has been written on the issue by Journalist, Intellectuals but our government is silent on it. The only law has been enacted by British India in 1920 anti bagging act by which bagging declared as crime. But after that no step was taken by the law makers and the government. And unfortunately no research has been done on the issue. While this issue should be taken by researcher for further issue and attempt be made to enumerate the number of bagger in classify them into the age and healthier conditions.

Suggestions

1. The government should make tough anti bagging law, beggar should be stopped bagging.
2. The government should establish reform houses to train and make them workable for the industries.
3. Whenever any beggar found bagging should be arrested and to be sent to the reform house where they should be trained for job.
4. Government should also take the responsibility to recruit them in the job after training and education of their choice.

Conclusion

In the present scenario it is utmost essential for a country that it must depends on its own domestic production, and it is only possible when all the people work to earn their lively hood by engage themselves in productive function. Those are engage in bagging must be book by the law, government must enacted hard law and should declare bagging as crime. Reform house be established in big cities and the cities those are known as pilgrimage.

Baggers should be arrested and to be sent to reform house where they should be trained and convert them into the productive labour. These efforts should not be stopped here after their training government should make the efforts to place them in the industry, at first look it seems very typical, but nothing is impossible, for this instance can be taken

of inmates of Tihar Jail Delhi, they have launched products with the brand name of “TJ” if inmates can be engaged in productive activities than why baggers cannot.

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