

## **AN IMPLICATION OF CHANGING RURAL STRUCTURE ON EMPLOYMENT AND GROWTH IN INDIA**

Ajay Kumar

Assistant Professor, Department of Economics, Govt. Degree College Dhaneta, Distt Hamirpur (H.P.)

DOI: 10.46609/IJSSER.2024.v09i01.018 URL: <https://doi.org/10.46609/IJSSER.2024.v09i01.018>

Received: 18 Jan. 2024 / Accepted: 27 Jan. 2024 / Published: 31 Jan. 2024

### **ABSTRACT**

Villages are the lifeline of India as 65% of country's population lives in the rural areas. Rural economy contributes 25-30 per cent to the GDP. Rural development focuses on creating economic opportunities in rural areas through initiatives such as skill development, agricultural innovation, and the promotion of rural industries. By generating income and employment opportunities, rural development plays a crucial role in reducing poverty and promoting sustainable livelihoods. The use of digital tools and communication technologies can enhance productivity, promote financial inclusion and bridge the information gap between rural and urban areas. Sustainable and inclusive rural development not only benefits the rural population but also contributes to the overall socio-economic development of a nation.

### **1. Introduction**

Employment generation is the cornerstone of the economic development of any nation. India is a country of villages and majority of the population of rural India still depends mainly on agricultural work for their livelihood. Presently, emphasis is being laid on setting up of public utility facilities in rural areas along with the development of transport facilities, electrification, housing roads and connectivity routes, have made it easier for rural people to get suitable employment at the local level. At the village level, Increase in economic activities is in turn increasing the rate of economic growth and thereby reducing the poverty level in the rural sector.

One of the objective or priorities of the Modi Government are to remove the imbalance between urban and rural India and the dream of five trillion economies cannot be achieved without including villages. As per the Census 2011, India's total population is 121.02 crore, of which 68.84 per cent (83.31 crores) live in the rural areas and only 31.16 per cent (37.71 crores) in the urban area (Registrar General & Census Commissioner, 2012).

Between 2001 and 2011, India's urban population increased by 31.8 per cent as compared to 12.18 per cent increase in the rural population. Over 50 per cent of increase in urban population during this period was attributed to the rural–urban migration and re-classification of rural settlements into urban (Pradhan, 2013). Population projections indicate that India will continue to be predominantly rural till the year 2050 after which urban population is estimated to overtake rural population (United Nations 2012).

The development of rural areas has been receiving more attention by way of the various schemes designed for the development of Indian economy. Several key initiatives like Jan Dhan Yojana, Ujjwala, GST and Land Bill. These schemes have potential to improve social mobility and equitable market access in India. However, the challenges remain where the participation of youth and their productivity at present is not very encouraging. One of the most cited reasons includes low level of education and low employability among the rural youth.

## **2. Schemes for Rural Development and Employment**

- **Deen Dayal Upadhyaya Grameen Kaushalya Yojana:** The prime focus is on the rural youth of poor families aged between 15 and 35. An amount of Rs. 1500 crores has been provided for the scheme which will help in enhancing employability.
- **Pradhan Mantri Gram Sadak Yojana:** The Scheme aims at enhancing rural road connectivity and helps in poverty reduction by promoting access to economic and social services. Nearly 82 per cent of roads have been built till December 2017 which have successfully connected several rural areas to cities.
- **Swaranjayanti Gram Swarozgar Yojana (SGSY)/ National Rural Livelihood Mission:** The scheme was launched in 2011, also known as Ajeevika, aims at empowering self- help model across the country , provide a loan of three lakh rupees at an interest rate of seven per cent which can be reduced to four per cent at the time of repayment. NRLM also helps in harnessing the capabilities of the poor so that they can participate in the growth of the economy of the country.
- **Sampoorna Grameen Rozgar Yojana (SGRY):** It was launched with the aim to provide employment to the poor and also aimed at providing food to people in areas who live below the poverty line and improving their nutritional levels.

- **Sansad Adarsh Gram Yojana (SAGY):** Under this development project, each Member of Parliament will take the responsibility of three villages and look after the personal, human, social, environmental and economic development of the villages. This would substantially improve the standard of living as well as the quality of life in the villages.
- **Provision of Urban Amenities in Rural Areas (PURA):** PURA concept was proposed by former President APJ Abdul Kalam in his book *Target 3 billion*. PURA proposes that urban infrastructure and services should be provided in rural areas to create opportunities outside the cities. This will also prevent the migration of youth from the rural areas to urban areas.
- **Prime Minister Employment Generation programme:** The objective of this programme is to generate employment opportunities in rural as well as urban areas through setting up of new self employment ventures/projects/microenterprises. The scheme is formulated by merging Prime Minister's Rozgar Yojana (PMRY) and Rural Employment Generation Programme (REGP).
- **Employment Assurance Scheme (EAS):** The Scheme was launched to provide employment during lean agricultural season. The primary objective of EAS is to create additional wage employment opportunities during the period of acute shortage of wage employment through manual work for the rural poor living below the poverty line.
- **Jawahar Gram Samridhi Yojana (JGSY):** It was launched to create demand-driven community village infrastructure including durable assets at the village level and skills to enable the rural poor to increase the opportunities for sustained employment.
- **Swarna Jyanti Gram Swarozgar Yojana:** It is a holistic package covering all aspects of self employment such as organization of poor into self-help groups, training, credit, infrastructure and marketing. A credit-cum-subsidy programme, the beneficiaries under this scheme are called *swarogaris*.

- **National Food for Work Programme (NFWP):** It was launched with the focus on the 150 identified backward districts. The aim was to generate additional supplementary wage employment.

### **3. Problem faced by youth in rural areas**

- Being a culturally and linguistically diverse country, rural youth migrating to deferent cites in India for employment face various cultural and language issues.
- As per the Annual Status of Education Report, 2017, the report stated that most of the school drop-out youth desire to enter formal job market and don't want to join their parents' profession/job.
- Although, Government of India introduced various schemes for skill development but, the skill gap is still increasing as around 33 per cent of the formally trained youth remained unemployed because the skills that the employers are looking for are lacking in the youth.

### **4. Recommendation**

- To strengthen rural communities by improving the basic skills of the rural labour force to understand and adapt to the rapidly changing markets.
- Incorporating 21st Century Skills in schools as well as in technical and vocational educational and training institutions.
- To make focus on Interview skills along with skill training to make the youth job ready.

### **5. Conclusion**

With competencies like critical thinking, problem solving, creativity, communication and collaboration, the youth will develop qualities such as curiosity, imitative, persistent, leadership and most importantly, adaptability so that the youth can find alternative jobs matching/similar to their skill-set in the other sectors like hospitality, health care, etc.

### **References**

- I. Papola, T S (2012): "Structural Changes in the Indian Economy: Emerging Patterns and Implications," ISID Working Paper No 12, Institute for Studies in Industrial Development, New Delhi.

- II. Abraham, V (2013): "Missing Labour or Consistent „De-feminisation“?" *Economic & Political Weekly*, Vol 48, No 31, pp 99 -108.
- III. Rangarajan, C, Seema and E M Vibeesh (2013): "Developments in the Workforce between 2009-10 and 2011-12," *Economic & Political Weekly*, Vol 49, No 23, pp 117-121.