

UNEMPLOYMENT STATUS IN VAISHALI DISTRICT OF BIHAR-A SOCIO-ECONOMIC PERSPECTIVE

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ABSTRACT

The problem of unemployment has created various severe problems, like poverty, hunger, malnutrition & undernutrition, houselessness, slums and squatter settlements, inequality, crime, child labour, begging, etc. Unemployment can be considered as a difference between the demand for jobs and the supply of jobs. The high rate of unemployment in India is a direct consequence of the rapid rise of population growth. Most poor in the country are living in rural areas and belongs to the categories of landless agricultural and casual labourers, marginal and small farmers, and rural artisans, etc. The agriculture and industrial sectors are unable to sustain the excessive population pressure.

Bihar state is one of the country's poorest states, posted a steep rise in unemployment in the year ended June 2019 to record nearly double the national jobless rate. Unemployment in Vaishali rose by 3 percentage points to 10.2 percent during the year ended June 2019. The present paper discusses the issues afflicting the unemployment status in Vaishali, Bihar and talks about the possible strategic interventions to make the best use of available resources adopting a multi-pronged strategy on improving the unemployment status. The labour absorptive capacity of agriculture in Vaishali has reached its plateau and is not able to provide employment to the rural workforce around the year. Several policies have been initiated by the state & central government to control the unemployment problem in the economy and specific for the rural agrarian society like MNREGA, PMKVY, Start-Up India Scheme, National Skill Development Mission etc. All the programs have had a positive impact to improve the unemployment status of the Vaishali but still, the unemployment status of the educated young is grim. Thus, it is suggested priority should be accorded for creating rural employment opportunities to create a sustainable rural economy in Vaishali.

Keyword: Unemployment, Population Growth, Rural Employment, Sustainability & Development.

1.0 INTRODUCTION

The states in India are facing different kinds of socio-economic, political, and environmental problems but among them, the problem of unemployment is the most serious one, because it is the unemployment that has created various severe problems, like poverty, hunger, malnutrition & undernutrition, houselessness, slums and squatter settlements, inequality, crime, child labour, begging, etc.

The unemployed people are those who are looking to work or are willing to work but they cannot find it at the going wage, in other words, an unemployed person is one who is an active member of the labour force but is unable to find work during a specified reference period. According to NSS 50th Round (1993-94), the unemployment rate is defined as the number of people unemployed per 1000 persons in the labour force. Thus, unemployment can be considered as a difference between the demand for jobs and the supply of jobs. The demand for jobs is largely influenced by the labour force participation rate and the rate of growth of the population. The supply of jobs is mainly a function of the rate of investment and the rate and pattern of technological change etc.

The regional variations in the employment opportunities in India have been determined by agricultural and industrial infrastructural facilities, educational facilities, health, and medical facilities, and means of transportation and banking, etc.

The high rate of unemployment in India is a direct consequence of the rapid rise of population growth. Since India's labour force is growing at a higher rate (2.0 per cent) than total employment (1.6 percent), the long-run solution to the unemployment problem must be sought on the supply side of the labour force. Most poor in the country are living in rural areas and belongs to the categories of landless agricultural and casual labourers, marginal and small farmers, and rural artisans, etc. An immense proportion of them belong to scheduled castes (SCs), scheduled tribes (STs), backward castes, minorities, and economically backward families [4], and they are not getting regular work for their survival and livelihood.

The migration of people from rural to urban areas is another major problem of India which reflects the lack of opportunities in rural areas. The agriculture and industrial sectors are unable to sustain the excessive population pressure. The decline in employment opportunities, even in the prime-age labour force, indicates the inability of the country to utilise its labour resources to support growth. The relationship between population and economic development is very complex, but it is wrong to believe that population control is merely a remedy of all the problems.

2.0 STATUS OF VAISHALI IN BIHAR

Bihar state is one of the country's poorest states, posted a steep rise in unemployment in the year ended June 2019 to record nearly double the national jobless rate. Unemployment in Vaishali rose by 3 percentage points to 10.2 percent during the year ended June 2019, government data showed, even as the country's overall unemployment slowed to 5.8 percent, compared with 6.1 percent a year earlier. At 10.2%, Bihar/Vaishali unemployment rate is almost double the national average, which indicates CMIE 2019 data months. Agriculture is at the core of Vaishali as well as the Bihar economy, employing 77 % of the workforce and generating 35 % of the state domestic product. With 88 % of the Vaishali district's poor living in rural areas, improving agricultural performance and related rural non-farm activity is critical for improving livelihoods and reducing poverty. Major crops grown in Vaishali are rice, wheat, maize, gram, red gram, sugarcane, potato & other vegetables. However, the agricultural sector in Bihar is plagued with numerous, and well known, constraints and problems. According to 2011 census, the Vaishali district encompasses a geographical area of 2036 sq. km and has a population of 34,95,021 (persons) including 18,44,535 (males) and

16,50,486 (females). The district has a sex ratio of 895 (females for every 1000 males). Labour Force Participation Rate is 33.80% for the year 2017-2018. The main source of income in the district is from the agriculture sector and per capita income is Rs. 18,623.

The present paper discusses the issues afflicting the unemployment status in Vaishali, Bihar and talks about the possible strategic interventions to make the best use of available resources adopting a multi-pronged strategy on improving the unemployment status. It also talks about the area-specific problems and suggests ways and means tackle them.

Agriculture has been the backbone of the Vaishali district. Around 65 per cent of the rural and 8 percent of the urban households still depend on it for employment and livelihood. The average annual rainfall in this area ranges from 100 cm to 150 cm. The land being fertile, no area has been left for wild growth and the entire district is devoid of any forest. The district is famous for banana cultivation. The development of agriculture in Vaishali has lagged behind due to constraints like practising of traditional methods of cultivation, lack of access to modern technology, low productivity, inadequate capital formation and low investment, inadequate irrigation facilities, uneconomic size of holdings, widespread illiteracy among farmers, helpless victims of natural calamities, inefficient management of resources, the poor performance of extension education and inadequate agricultural marketing facilities. The sector is dominated by small landholders and there have been large fluctuations in agricultural production over years. But this sector has not been able to provide employment and income to the labour force belonging to farm and non-farm households throughout the year and several non-agricultural activities provide employment opportunities to these people. The labour absorptive capacity of agriculture has reached its plateau and is not able to provide employment to the rural workforce round the year. The rural workers are forced to seek employment opportunities outside agriculture to tide over the inter-year and intra-year variations in agricultural income.

In recent years, the functioning of rural labour markets of Vaishali has appeared in several studies. An important observation is the prevalence of rural unemployment and under-employment, mainly due to increasing population pressures, an ever-declining land-man ratio, small and fragmented holdings, highly inequitable land distribution structures and lack of non-farm employment in a rural area.

3.0 CHALLENGES

The rural youth with low levels of education cannot afford to idle and are more likely to be employed under poor conditions. To better assess the work prospect of rural youth, we also need to look at various aspects of underemployment, quality of employment and barriers to decent work faced by young people in rural areas.

In Vaishali District, the scope of engagement for economic activities of the unemployed youth force is either in agriculture and allied sectors or non-farm activities. The agriculture & allied sectors engagement may be as cultivators, particularly small and marginal farmers; landless labourers as agriculture labourers or as livestock farmers and fishermen. Similarly, in the non-farm sector, the engagement may be as artisans, e.g., Potter, Carpenter, Blacksmith, Barber; micro-enterprises, e.g., Wood Workshop, Metal Workshop; Brick kilns,

Construction; material; Cycle/ Motorcycle Repair, Spare parts; Small Tea Stall, grocers or as a general merchant.

It is important to realise that rural youth and agricultural youth are not the same. Firstly, young people in rural areas are not necessarily involved in agriculture. In rural districts like Vaishali, the rural non-farm income-generating activities are also not popular like other comparative developed states in India. Secondly, youth living in urban localities can also be involved in agricultural activities.

4.0 EXISTING POLICY/PROGRAMS

Several policies have been initiated by the state & central government to control the unemployment problem in the economy and specific for the rural agrarian society. The policy/programs available for the Vaishali districts to reduce unemployment are as follows:

MNREGA – Mahatma Gandhi National Rural Employment Guarantee Act launched in 2005 providing the right to work to people. An employment scheme of MGNREGA aimed to provide social security by guaranteeing a minimum of 100 days of paid work per year to all the families whose adult members opt for unskilled labour-intensive work.

PMKVY – Pradhan Mantri Kaushal Vikas Yojana was launched in 2015. The objective of PMKVY was to enable the youth of the country to take up industry-relevant skill training to acquire a secured better livelihood.

The government launched the Start-Up India Scheme in 2016. The aim of Start-up India programmes was to develop an ecosystem that nurtures and promotes entrepreneurship across the nation.

Stand up India Scheme also launched in 2016 aimed to facilitate bank loans to women and SC/ST borrowers between Rs 10 lakh and Rs. 1 crore for setting up a greenfield enterprise.

National Skill Development Mission was set up in November 2014 to drive the 'Skill India' agenda in a 'Mission Mode' to converge the existing skill training initiatives and combine scale and quality of skilling efforts, with speed.

Like the above-mentioned schemes, there are various other schemes launched by the Bihar state to address the social and economic welfare of the citizens and the state. All the programs have had a positive impact to improve the unemployment status of the Vaishali but still, the unemployment status of the educated young is grim.

5.0 RECENT ISSUES

The recent lockdown imposed after the outbreak of the COVID-19 pandemic affected the informal workforce in the Vaishali district and was specific to all Bihar massively. Also, a huge influx of migrants during the initial phase of lockdown added to the woes. This has led to another major wave of unemployment in the district. To manage the aftershock of COVID-19, the local economy demands more government-sponsored programs to engage the existing workforce for their meaningful engagement and livelihood.

But in recent times, the significant reduction in the revenue collection of Bihar as well as Vaishali will affect the availability of development finances badly. Hence, Bihar needs to explore the possibility to generate more revenue from its own sources. The district does not have major fund access due to a lack of industries and is primarily dependent on government funds. In such circumstances, responsibility for reviving sectors rests majorly on the shoulder of state government (Asian Development Research Institute (ADRI), Patna report states that Bihar has been heavily dependent on central transfers and grants for resources, which was 77.6 per cent in the year 2018-19). It was noted that the growth of the state depends heavily on increasing the fiscal capacity of the state government. This indicates that the state government and sectors have a bigger role in reviving the economy. On the other hand, the crisis gives an opportunity to revisit the functioning of lower-level bureaucracy for efficient implementation of the government policies.

6.0 CONCLUSION

The current issues suggested that priority should be accorded for creating rural employment opportunities, providing infrastructure for increasing production and creating awareness of education for long term sustainability of rural economy as well as food security in the district. It will directly influence the community population by an increase in purchasing power and employment. The age-old hypothesis is tested that as more general economic take-off is preceded by a boost in agricultural productivity. The fewer people involved in the traditional agriculture sector and more people can dedicate their labour to non-agricultural activities that usually generate higher levels of employment & income.

The current unemployment status of the Vaishali district demands more and more government departments' interventions with different community-based programs especially agricultural extension activities for the rural youth. The current rural youth are on average higher educated and more open to accept the change. Prospects of earning a decent living and seeing progress in life are a necessary condition for rural youth to contribute to their own development, and to that of their families and their societies at large.

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