CHAPTER - II

REVIEW OF LITERATURE
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There are significant number of empirical studies and critical essays in leading journals analysing the problems and prospects of educated unemployed while going through them it has been found that they suggest certain policy measures and schemes by the central and state governments for the removal of unemployment in India. Since the researchers’ topic in the same line some of them have been brought in to this study.

Ali M. Reza (1976)\textsuperscript{1} in his study titled, “Geographical differences in earnings and unemployment rates” explains the relationship between wage and unemployment rates in twelve cities. He observed a positive relationship between the two: high hourly wages were paid in high unemployment rate cities, low hourly wages were paid in low unemployment rate cities. Moreover, this relationship, he argues, was a characteristic of equilibrium of the aggregate economy.

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Alan Budd, Paul Levine and Peter Smith et al., (1980)\(^2\) presented a paper with the title, “Unemployment, Vacancies and the Long-term unemployed”. This paper seeks to explain two features of the labour market and the ratio of long-term unemployment to the total unemployment. They conclude that the relationship between unemployment and vacancies are not equal.

Hargreves Heap, S.P. (1980)\(^3\) carried out a study on “Choosing the wrong ‘Natural’ Rate: Accelerating Inflation or Decelerating Employment and Growth”. He stated that only one rate of unemployment below this level will result in accelerating inflation. One obvious policy corollary of this hypothesis is that governments should ensure that the ‘natural’ rate of unemployment prevails. However, governments do not know certainly what level of unemployment corresponds to the ‘natural’ rate, and so in this context the hypothesis has another policy implication. It encourages caution with respect to unemployment policy: in general, by highlighting the dangers of pushing unemployment below the ‘natural’ rate it encourages governments to be wary of lowering the rate of unemployment lest it drops inadvertently below the ‘natural’ level.


Bruce Chelimsky Fallick (1991)\textsuperscript{4} in his study "Unemployment insurance and the rate of re-employment of displaced workers" stated that the rate of transition from unemployment to re-employment for a sample of displaced workers is estimated using a semiparametric specification which allows the effects of unemployment insurance benefits to vary over time. Three results which would be missed by more restrictive specifications demonstrate the value of this approach: 1) The effects of unemployment insurance benefits decline and eventually disappear as the date of expiration approaches, 2) Expiration of UI benefits is an inadequate explanation of the spikes commonly observed in nonparametric sample hazard rates of re-employment, 3) UI benefits do not significantly affect the rate at which a displaced worker becomes re-employed in his or her previous industry, but reduce the rate of transitions to other industries.

Harry J. Holzer (1991)\textsuperscript{5} in his study on "Employment, Unemployment and Demand Shifts in Local Labor Markets", analyzed the effect of demand shifts within and between local labor markets on unemployment and employment outcomes observed in those markets. The demand shifts are


calculated from sales growth data at the firm and industry levels. The results show that, in general, employment and wage adjustments by firms are primarily driven by shifts in labor demand. Demand shifts between local areas account for large fractions of the observed variation in unemployment and employment rate levels and changes across areas. Within-area shifts cause much smaller and insignificant amounts of unemployment, and only, if they are between-industries.

Winegarden C.R. and Lay Boon Khor (1991) in their study “Undocumented immigration and unemployment of U.S. Youth and Minority workers: Econometric Evidence”, used Census-based data on the state distribution of the undocumented-alien population in analyzing the relationship between that population and unemployment among youth and minority workers. Regression results from two-equation models that do not support commonly-expressed fears show that undocumented immigration has caused substantial increase in joblessness among these presumably vulnerable groups. Although small amounts of displacement indicated sizeable reverse effect is evident: undocumented immigrants tend to...

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concentrate in states where labor markets for these marginal groups are most favourable.

Kapur J.N. (1996)\textsuperscript{7} in his study on the topic “What is wrong with Indian Higher Education?” says that there is enough motivation for getting degrees and passing examinations for the purpose of employment, by any means, fair or unfair. There is not much motivation for real learning and acquiring knowledge or to attain international standards in intensity of learning or acquiring the capacity for self-learning throughout life. There is enough motivation for becoming lecturers or readers or professors, but there is not much motivation for excellence in teaching, since excellence in teaching is not rewarded by society and bad teaching is not punished by it. There is enough motivation in the system to do minimum teaching necessary for survival and unfortunately in some institutions, this minimum essential has almost reached zero level.

Rohini Nayyar (1996)\textsuperscript{8} in her article titled, “Unemployment compensation and employment services in India”, explains the magnitude of the problem of unemployment and its nature in terms of its concentration in


the unorganized sector primarily in rural areas. She says that, problem of unemployment cannot be tackled via the provision of unemployment compensation nor through the mechanism of employment services. The former would have substantial financial implications and the latter would be incapable of placing the large reservoir of literate but unqualified rural youth. Therefore, this paper highlights the central point that the whole question of unemployment compensation and employment services in India has to be viewed in the limited context of the organised sector. Further, an attempt is made here to estimate the cost on account of labour displacement / relocation consequence on industrial restructuring and / or the expenditure incurred on employment generation programmes.

Kulkarni, P.R., (1998) in his study entitled, “Employment Generation - SSI Sector”, notes that the development of the human resources constitutes the central objective of development efforts. The proper utilization of human resources is the key to economic and social development. In a labour surplus economy like ours, the role of human resources development in terms of creation of job avenues and increasing earnings and productivity of unemployed or partially employed persons is a challenge to the planner.

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Baldeo Sahal (1999) in his article titled “ILO world employment report 1998-99 : Link training with enterprises”, foresees the future of a country where hundreds of thousands, even millions of youths roam about the roads unemployed or underemployed. He says that, obviously, they shall live upon the earnings of others. What is just enough for four shall be shared by six or more. That will distribute poverty, promote mal-nutrition, pull down productivity, reduce national drag on further investments to ameliorate unemployment. It is a vicious circle. Meanwhile, many more mouths are brought in the world and the fruits of progress are so thinly spread over a large population that the ultimate outcome is negative. That is why in India with each Five Year Plan we have generally greater number of unemployed on hand. The ILO estimates that there are about 60 million young people between the ages of 15 and 24 who cannot find any work. Of these, 11 million are in DECD (Department of Economic and Community Development) countries.

Jauhari, B.M., and Om Prakash Mehta (1999) in their study titled, “Economic Reforms and Employment : A Study”, conclude that unemployment according to the conventional and most commonly used

concept, measures involuntary idleness, that is, the time for which individuals are available for and willing to, but are not able to find work. Employment generation and economic growth are mutually complementary rather than conflicting process for the acceleration of economic growth. Employment, to be gainful and sustainable, has to be productive in character; it should be able to yield a reasonable level of income to the workers and also generate surplus for further growth and employment generation.

Rathakrishnan, L., and Srinivasan, R., (1999)\textsuperscript{12} in their study entitled, “Providing market orientation to graduate courses in economics”, assert that the growing educated unemployment is a major challenge to both academics and policy makers. When the state expends every year thousands of crores of rupees on higher education which actually facilitate substantial addition to the number of educated unemployed, it ought to be a cause for serious concern. The high cost of producing educated labour only aggravates the problem of educated unemployment. However, the crux of the problem lies elsewhere. It is a problem of mismatch between skills imparted in educational institutions and the skills demanded in the labour market. There

are three basic issues related to this problem: one, the cost of producing skills or the cost of education; two, identifying the skills demanded in the job market; and three, imparting the right type of skills in the educational institutions.

Anil Gumber (2000)\textsuperscript{13} in his article "Correlates of unemployment among rural youth in India: An Inter-state analysis", presents the level, nature and correlates of unemployment among the youth in rural India while using the large-scale household survey data. Besides large inter-state differentials in the unemployment rates among the youth, the analysis explores key micro level (individual and household) and macro level (village / community) determinants of unemployment. Personal attributes together with demographic and resource base of the household were found to be critical predictors. Significant effects of income, wage rate, infrastructure and deployment oriented programmes on unemployment were also discernible, thus suggesting a critical review and new policy initiatives in this direction.

\textsuperscript{13} Anil Gumber, "Correlates of unemployment among rural youth in India: an inter-state analysis", The Indian Journal of Labour Economics. Vol.43, No.4, 2000, P.657.
Chada, G.K., (2000) did a study on the title, "Youth unemployment in India: Past policy gaps and future strategic options". It is largely based on National Sample Survey data, which points out that unemployment and associated aspects are broken down by gender, age and rural urban residence: crucial differences within the youth camp, between the young adolescents (aged 15-19) and the adult youth (aged 20-24) are also brought out. Then follows a critical assessment of the policies and programmes undertaken for resolving the problem of unemployment in general, and of the youth in particular. Under the former, three Macro Economic Policies namely strategies to stimulate the pace of economic growth and human resource development: policies for the promotion and protection of employment intensive small enterprises; and general employment promotion policies (e.g. Integral Rural Development Programme (IRDP), Jawahar Rojgar Yojna (JRY), Swarna Jayanti Shahri Rozgar Yojana (SJSRY), etc.) are discussed in detail. Under the youth specific employment promotion programmes, the main focus is on Training Youth for Self Employment (TRYSEM) and Prime Minister Rojgar Yojana (PMRY). The conclusion suggests suitable reorientations in the existing policies and some new initiatives.

Chaubey, P.K., (2000) in his article "Youth and Unemployment in Perspective: The Indian Context", attempts to discuss the issue of youth unemployment in the overall context of labour force participation and unemployment. Keeping in view the dimension of poverty, the paper tries to conjecture a relationship between participation rate of a section and unemployment rate thereof. It also attempts to examine certain explanations offered about the phenomenon of the decline in participation rates in youth categories and offers a few new ones. There is a basic division between developed and developing countries. While developed countries have a low poverty level but high unemployment level, the developing countries basically have a high poverty level and low unemployment level. India is one of those countries where the rate of unemployed persons these who are not engaged in economic activities outside home and hearth, is not high. It does not pay any political party to say that unemployment is pretty low. They continue repeating that unemployment is very high without ever telling how much it really is. It has never been more than 4 percent of the labour force. While this acceptance will expose the hollowness of their understanding of the basic malaise of the economy, the tasks of ameliorating

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it will appear daunting. In a poor society, there is little scope for anybody to
remain unemployed for any substantial part of the year.

Jatindra Nah Saikia (2000)\textsuperscript{16} in his article titled, “Educational
institution as promotional agencies for industrialisation of Assam” explains
that educational institutions are supposed to act as the centres of creating
human resources capable of doing diversified activities including the setting
up of industries. There is no doubt, there are some educational institutions in
our country which are creating some real human resources capable of
serving in different sectors of the economy as managers, bureaucrats,
engineers, chartered accountants, teachers, etc. and their services have
contributed a lot in the growth of our country. But there is hardly any
educational institution in India and particularly in the North East India that
imparts education with the objective to create some industrial entrepreneurs.

Jayashela (2000)\textsuperscript{17} in his article titled, “Employment generation
through sericulture in Karnataka: some empirical evidence”, concludes that
employment opportunities in crop husbandry are seasonal in nature whereas
sericulture provides uninterrupted employment throughout the year.

\textsuperscript{16} Jatindra Nah Saikia, “Educational Institution as Promotional Agencies for Industrialisation of

\textsuperscript{17} Jayashela, “Employment Generation through Sericulture in Karnataka: Some Empirical
Karpagam (2000) in her study “Gender Dimensions of Youth unemployment in India” explores aspects of youth unemployment, focusing especially on the gender issues of the problem, relating to measurement as well as policies. She argues that statistics of unemployment for women in the younger age group are likely to be understated as women do not reveal they are unemployed on account of their predominant engagement with domestic duties. Both the patriarchal ideologies that govern women’s participation in domestic duties and the labour market, as well as the frames used for the statistical measurement of unemployment, play a role in understating unemployment among younger women. Analysing the data from the National Sample Survey Organisation (NSSO) survey of employment and unemployment for 1993-94, this paper brings into sharp focus the incidence of youth unemployment among the different social groups in rural and urban India. It also highlights the significant shifts in the activity distribution from the 15-19 age group to the 20-24 age group; these two age groups representing the category of youth. Innovative gender sensitive policies to tackle unemployment have also been suggested.

Misra, V.N., (2000)\textsuperscript{19} in his article titled, “Role of female labour force participation in rural poverty and non-farm employment : Indian experience”, analyses the role of female labour force participation in combination with the other important factors such as relative prices, productivity per hectare and per worker, unemployment, distribution of operational holdings, etc., in explaining the inter-state variations in rural poverty. The paper locates various inter-linkages while examining the relationships of the important factors with the rural poverty, real agricultural wages separately for male and female and non-farm employment. The regression coefficients along with the decomposition analysis of the changes in female labour force participation over the period provide several policy implications for further reduction of the rural poverty in the country.

Suresh Chand Aggarwal and Goyal, J.K., (2000)\textsuperscript{20} in their article “Trends in Youth unemployment in India : An Empirical Analysis”, analyse the youth unemployment data for India and tries to find out the underlying reasons for inter-state variations in the youth unemployment between 1983-84 and 1993-94.


The article with the title “Employment and Unemployment of Youth” by Parthasarathy and K.A. Nirmala (2000) present the structure and pattern of youth employment, the extent of unemployment and regional dimension of youth unemployment. The study focuses on the time period 1983, 1993-94 and 1997. During that period the growth of youth employment was found to be lower than that of overall employment. The work participation rates of youth as well as of total population declined. They are bound to decline further among youth as the enrolment in the higher education levels is increasing. Unemployment rates have declined both for youth and for total population. Regression analyses with state wise cross sectional data indicate that illiteracy explains the variations in unemployment of states much better than any other variable. However, the reduction in youth unemployment as a consequence of high illiteracy and poverty should not be a matter of comfort.

Wahab (2000) in his study titled “Anatomy of India’s Poverty : alleviation Programmes”, says that alleviation of poverty and generation of employment have been primary objective of Indian Planning since its

inception in 1951. Both are integral elements of any strategy to improve the quality of life. Dr. Manmohan Singh, in one of his budget speech highlighted that economic reforms increased the pace of employment generation. According to the Economic Survey 1997-98, the ongoing economic reforms process should be reappraised and revitalized to give the entire national development effort a more human face. The eradication of poverty and unemployment must be the abiding goal of our development policies and programmes. The achievement of this goal will require sustained and rapid economic growth combined with well functioning public programmes for social services, rural development and employment generation to provide an effective safety for all those millions at the margins of the growth process.

"Employment and Poverty in 1990s" an article on by Sundaram, K., (2001)\textsuperscript{23} releases the Provisional Population Totals based on Population Census 2001. It necessitates revisions in the estimates of population and of workforce for 1993-94 and 1999-2000 and it also estimated labour productivity. Besides carrying out the necessary revisions in the size of the workforce (and in labour productivity), this paper offers a detailed industrial distribution of the workforce as well as an occupation distribution of the workforce based on the additional tables now available from the National

\textsuperscript{23} Sundaram, K., Special Articles, Issue : Vol.36, No.32. August 11 - August 17. 2001.
According to Narendra Prasad (2001)24 “Youth unemployment in India: An Analysis”, unemployment refers to a state of someone (person) who has been taken as such (unemployed) after having applied unsuccessfully for a job and who having registered with Government agency responsible either for finding jobs or for obtaining financial aid, still finds no work. Unemployment affects all groups of people young, adult and aged in different ways, but more severely the youth than the other groups. The youth being the latest entrant to the job market bear the brunt of the unemployment problem. The youth unemployment is much higher than general unemployment almost everywhere. Education among the young people is increasing; they are more informed and have higher aspirations than ever before. Hence they are likely to develop reservations about certain kinds of jobs which they perceive as menial or just manual. Conventions and value system of the society also play a role in developing this job perception among the young.

According to the magazine "Chanakya Civil Services Today" (2001), Indian youth, especially young men, are lacking in work culture. Manual work is looked down upon in Indian society. Intellectual accomplishment in schools in terms of high marks is much over rated. Inefficiency and delaying habits are the bane of Indian officers.

Laxmaiah G. (2002) carried out a study on "Reforms and Employment Problem in India". He feels that there are four maladies affecting India. These are, mass poverty, mass unemployment, mass illiteracy and mass mal-nutrition of these four maladies, the key to the other three is that of mass unemployment and under employment (Brahmanada-1999). The basic feature of Indian development planning was that shortage of Capital goods in relation to employment which constitute the fundamental constraint for growth. The stress was on growth which was considered as an essential condition for improving employment opportunities. Planning has been constrained by assumption of a conflict between employment on the one hand, growth and self-reliance on the other.

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Prakash (2002)\textsuperscript{27} in his study titled, “Urban Unemployment in Kerala: The Case of Kochi City”, examined the incidence, type and characteristics of urban employment in Kerala’s second largest city, and offered some clues to bring down the high rate of joblessness. According to the results of a sample survey, the urbanization of Kochi has been associated with a process of casualisation of labour, and failure to generate rapid growth of regular employment in the modern organized sector. Besides, joblessness is found to be basically a problem of educated youth, leading to their migration to other parts of India and abroad in search of employment.

Ranjith Kumar (2002)\textsuperscript{28} in his study entitled “Economic reforms, poverty and employment pattern in India”, opines that the problem of poverty and unemployment is considered as the biggest challenge to development planning in India. The country long suffered from such policies that were advertised in the public policy domain as solutions to poverty and destitution but that tragically accentuated these tragic phenomena over decades. The economic reforms initiated in mid-1991 in response to macro-economic crisis were meant to reverse the situation. This also necessitated to take micro-economic or sometimes called structural reforms that had been


long overdue. These structural reforms were necessary, as India had evidently failed to generate adequate rates of growth of income and per capital income. There has been a debate whether the reform measures have adverse effects on poverty and employment. There are two school of thoughts: one admits that the economic reforms would benefit the poor in the medium and long run, though they may have adverse effect in the short run; however others opine that the reform package has internal contradictions and it might have adverse effect on the poor in both short and long run.

Sudhir J. Mulji’s, (2002)29 paper with the title "Agriculture and Unemployment" concludes that, agriculture has a pool of potential surplus manpower that can be redirected elsewhere and incentives have been proposed to guide agricultural labour into industry. But few have argued that the thrust should be to reorganise agriculture and then economic forces will divert surplus labour in the most profitable direction, whether industries or services. What is proposed here is a large, even if possibly wasteful, investment in agriculture for the purpose of particularly bringing arid land under cultivation.

Sureshramana Mayya (2002) proposes a theory in his article “Mysore Kirloskar: Workers’ Alternative to Unemployment”. He says that workers to takeover and revive companies in crisis have been a recurring response to the threat of closure. Such takeovers are a pragmatic response rather than an ideological reaction for establishing self-management. In most cases they have been able to revive sick units provided there is support from the government and its agencies. This paper charts out the plight of workers of Mysore Kirloskar who have been anxiously waiting to arrive at a decision on the unit and continue to seek the support of the state government.

Singh, C.S.K., (2003) in his paper, “Skill, Education and Employment”, argues that unemployment is attributed to labour market deficiency in terms of shortage of skilled and educated labour force rather than to the deficiency of aggregate demand. This paper argues that an attempt to correct macro-policy distortion through micro interventions, would, in the skill hierarchy and job competition models, have the consequences of overcrowding, bumping down of low skilled workers and create rather a larger pool of surplus skilled as well as unskilled labour force.

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The demand constrained economy of India needs a better policy perspective for manpower planning.

Ajit K. Ghose (2004) tried to find out an answers for the question, What is the nature of the employment problem that India currently confronts? And what are the economic and social policies that could effectively address the problem? in his article “The Employment Challenge in India”. He says that the core of the employment problem in India is that of the working poor and addressing this is also the most effective way of eliminating child labour and reducing gender inequality in the world of work. In principle, this can be addressed either by reducing the level of underemployment, increasing the real wage rate for casual labour or facilitating the transfer of poor self-employed persons and casual labourers to regular wage paid jobs. The priority must be to generate a steady process of labour transfer; ensuring that a substantial proportion of the newly created regular wage paid jobs are for low-skilled workers, which points to the need for a growth strategy oriented towards exports of manufactures.

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Indira Hirway (2004) in her article “Providing Employment Guarantee in India” says that the employment guarantee plan announced in the common minimum programme has been designed to protect the interests of the poor by detailing the rules of the guarantee and imposing penalties for non-compliance. It has also drawn heavily on the Maharashtra Employment Guarantee Act, which has been in operation for 30 years. However, two major drawbacks of the proposed programme are its unrealistic underlying assumptions and short-term vision. The provisions of the employment guarantee programme should be strengthened to achieve the objectives of poverty reduction, construction of productive assets and promoting mainstream employment.

Aruna Bagchee’s (2005) article “Political and Administrative Realities of Employment Guarantee Scheme” says that there are essentially two lessons to be learnt from Maharashtra’s Employment Guarantee Scheme. One, the programme was initially very successful because it enjoyed a commitment widely shared across the political spectrum. Second, it needs strong departmental inputs in terms of planning, budgeting and technical supervision. It should involve local governments and be responsive to the
needs of the poorest. It may be difficult to replicate the same political commitment in the India of 2005. Yet, the case for an employment guarantee remains strong because it is unacceptable because despite the country approaching middle-income status there are 250-300 million people desperate for work and better livelihood.

Kannan, K.P., (2005)\textsuperscript{35} in his commentary with the title “Linking Guarantee to Human Development”, argues that, if properly planned and implemented, the rural employment guarantee programme will create favourable conditions for much-needed rural regeneration. But it is also important that the scheme be considered as part of a larger package linked to the objective of improving human development.

Rinku Murgai and Martin Ravallion (2005)\textsuperscript{36} assesses the impact on poverty and the likely cost of an employment guarantee scheme providing 100 days of work to the rural people during the lean season, in their article “Employment Guarantee in Rural India”. At the current statutory wage rate, the scheme may help reduce rural poverty to 23 per cent (30 per cent year round), at a cost of 1.7 per cent of GDP. But, given the extra cost of the

\textsuperscript{35} Kannan, K.P., Commentary, Issue: Vol.40, No.42, October 15 - October 21, 2005
\textsuperscript{36} Rinku Murgai and Martin Ravallion, Special Articles, Issue: Vol.40, No.31, July 30 - August 05, 2005.
scheme, a greater impact on poverty would be achieved by taking the same fiscal outlay and allocating it equally to everyone, whether poor or not.

Ajith K. Ghose (2006)\textsuperscript{37} in his paper, "The Growth Miracle, Institutional Reforms and Employment in China", tried to find reasons for the rapid growth of China's economy that has recorded extraordinarily for more than two decades. The paper focused on the period 1990-2005. He found that Rapid economic growth was indeed associated with a high-speed increase in productive employment. Surplus labour declined substantially; many workers moved from lower-productivity to higher-productivity jobs and labour-incomes increased in all types of employment. However, there have been some negative developments too. In particular, given the reason that the formal sector had inherited substantial stocks of surplus labour from the past, economic restructuring and labour market reforms resulted in declining formal employment and growing urban unemployment for a period.

Mahendra Dev, S., (2006)\textsuperscript{38} in his article "Policies and Programmes for Employment" asserts that the experience of the last 15 years has been that GDP growth has not been accompanied by a commensurate increase in

\textsuperscript{38} Mahendra Dev, S., Perspectives. Issue: Vol.41, No.16. April 22 - April 28, 2006.
employment. This article examines current policies and programmes for employment generation, along with an analysis of the trends and challenges. It also discusses direct employment programmes, including social security for unorganised workers.

Rajavel N. (2006)\(^{39}\) in his paper entitled “Management of Unemployment Problems”, ascertains that unemployment is the real problem of any country. It is a social problem. It is very dangerous than the poison. It is just like an acid thrown on skin to the development of the Nation. It is a great threat to the country and its development. It creates inequalities of income, economic imbalance and frustration in the minds of the educated youth who are going to be tomorrow’s administrators. Unemployment Problem is like a rat which gnaws away and sift away the concentration of the administrators on the development of the country. The unemployment problem kills the family as a whole. It tempts the unemployed youths to commit suicides for the want of every day’s bread and social prestige. Due to this unemployment problem, the youngsters are attracted towards the unwanted anti-national elements. The unemployment problem is a great obstacle to the economic growth. If it is not properly managed or even if it

is lightly taken the country will face terrible problems. The unemployed population will become untolerable problem and chronic disease to the country. This is to be managed very carefully, which is the need of this hour.

Sanjay K. Hansda and Partha Ray (2006) did a study with the title “Employment and Poverty in India during the 1990s”. They say in an otherwise win-win situation of increasing growth and declining poverty in the 1990s, the phenomenon of jobless growth has been disquieting as well as puzzling. This study focuses on the observed inverse relation between poverty and unemployment, which holds both at the aggregate level as also at various cross-sections. The jobless growth of the 1990s, in general, and more so for agriculture, arguably contained the extent of underemployment and contributed to declining poverty. Continuing employment generation in the unorganised sector, albeit at a decelerated pace, coupled with increasing productivity also played a role. While there has been increasing casualisation of employment, the real wage rate increased sharply amongst casual labourers in rural India, possibly as an offshoot of public employment programmes and declining general prices for agricultural/rural labourers.

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Interstate remittances, as also those from abroad, could have also made possible the emergent configuration of declining poverty, increasing unemployment and decelerated growth at the state level.

Sathish, P., (2006)\textsuperscript{41} in a review with the title “Agricultural Institutional Credit, Indebtedness and Suicides in Punjab”, says that since the nationalisation of banks and the green revolution, institutional credit for agriculture has grown in Punjab. But the growth had not been uniform and in line with the demand for such credit. Indebtedness has also increased in the state, but a large part of the debt has been for non-productive purposes. The incidence of suicides in Punjab has not been higher than the all India average and studies reveal that while indebtedness is indeed one of the major causes of suicides, it is neither the only cause nor the main one. There is thus no direct causal relationship between institutional credit, indebtedness and suicides in rural Punjab. The problems of indebtedness as well as suicides do not merit narrow interpretation or solution, as these are only symptoms of a larger malaise. They have to be contextualised in the light of stagnation of agriculture, rising levels of rural unemployment and dissipation of economic and social infrastructure.

Sona Mitra (2006)⁴² in “Patterns of Female Employment in Urban India” analyses the all-India trends in the rate of growth of employment of urban women, especially in manufacturing, services and trade, based on four employment-unemployment National Sample surveys (1983 to 1999-2000) and the census estimates. She says that the increased rate of growth of output in this period has not been translated into increased employment opportunities for urban women workers. The paper also analyses the sectoral shares of employed females, the annual average rate of growth of employment for urban women and the employment patterns. It shows an increase in the regular but subsidiary activities of urban women workers along with rising open unemployment rates and deteriorating work conditions in terms of lower wages and lack of non-wage remuneration.

A paper by Amitabh Kundu and Niranjan Sarangi, (2007)⁴³ with a title “Migration, Employment Status and Poverty” analyses the pattern of migration in urban areas and its socio-economic correlates. The analysis is based on the National Sample Survey’s reports of employment and unemployment pertaining to the latest rounds, which provide information on migration. They say that, economic deprivation is not the most critical factor

for migration decisions, even for seasonal migrants. People migrate out of both poor and rich households, although the reasons for migration and the nature of jobs sought by them are different. Rural-urban migrants have a greater risk of being below the poverty line than the urban-urban migrants, but both report a lower risk than non-migrants. The probability of a person being poor is low in a large city compared to any other urban centre, irrespective of the migration status, age, number of subsidiary activities undertaken, etc. The results indicate that migration has been a definite instrument of improving economic well-being and escaping from poverty. The probability of being poor is much less among the migrants compared to the local population, in all size classes of urban centres.

Abhiroop Mukhopadhyay and Indira Rajaraman (2007)\textsuperscript{44} in their article, "Rural Unemployment 1999-2005: Who Gained, Who Lost?" confirms that there is an overall rise in rural unemployment, in terms of both total and partial failure to find work during the reference week, between the 55th (1999-2000) and 61st (2004-05) round employment surveys of the National Sample Survey. This is something of a puzzle given the reported rise in monthly per capita rural expenditure between the two rounds. The

\textsuperscript{44} Abhiroop Mukhopadhyay and Indira Rajaraman, Aspects of Poverty and Employment, Issue : Vol.42, No.30 July 28 - August 03, 2007.
decline in unemployment among males with secondary school or higher education, relative to illiterate males, suggests that the rise in rural prosperity closely matches the pattern of access to rural school facilities. Of the four disadvantaged groups tested for, scheduled tribes face the highest incremental unemployment, which remains unchanged into the 61st round. This is an important pointer to the required regional configuration of workfare programmes like the National Rural Employment Guarantee Scheme, and for the spread of rural schools.

Sundaram, K., (2008) in his article, “Employment, Wages and Poverty in the Non-Agricultural Sector: All-India”, analysed the unit record data from the National Sample Survey (55th and 61st rounds) on employment and unemployment. The organised sector workforce in non-agriculture is shown to be larger than the corresponding Directorate General of Employment and Training estimates. He concluded that while examining some features of employment contracts of the regular wage/salary workers who account for 88 per cent of the organised sector workforce, it is shown that between 14 and 27 million of the 41.5 million workers in organised non-agriculture who are perhaps better labelled as informal workers who are without access to a set of social security benefits, though

Sundaram, K., Special Articles, Issue: Vol.43, No.22, May 31 - June 06, 2008.
they are located in the formal sector. An analysis of labour productivity in the organised-unorganised segments of broad industry groups for 1999-2000 and 2004-05 is followed by an examination of differences across the organised-unorganised divide in average daily earnings and in the poverty status of adult workers in non-agricultural activities for 2004-05.

Nirmal Kumar Chandra (2009)\textsuperscript{46} in his article titled, "China and India: Convergence in Economic Growth and Social Tensions" examines the rising concentration of income and wealth, the trends in poverty, employment and unemployment, the nature and extent of social unrest, and how the rich are getting richer aided by fiscal sops. He outlines a feasible alternative centered on development with equity in India and China the two countries of different government and policies.

CONCLUSION

The above reviews helped the researcher to understand the trends, problems, estimation of unemployment rate, the feature of labour market. On these basis the present study is carried out.

\textsuperscript{46} Nirmal Kumar Chandra. Special Articles. Issue : Vol.44. No.04. January 24-January 30. 2009.