

Causes and Effects of Unemployment in India: With Special Reference to Rural Areas of Yamuna Nagar District of Haryana

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Abstract

In underdeveloped countries unemployment is both open and disguised. Presently like all other underdeveloped countries, India suffers mainly from structural unemployment which exists in open and disguised forms. Unemployment which prevails in India is definitely structural in nature. During the 1951-2011 period, population in India increased at an alarming rate of around 2.1% per annum and with it the number of people coming to the labour market in search of jobs also rose rapidly. But due to slow economic growth rate, employment opportunities did not increase most of the time correspondingly, which results into an increase in the volume of unemployment. Apart from structural unemployment, there is Keynesian involuntary unemployment prevails in India. The present paper defines the situation of unemployment in India with special reference to rural areas of Haryana. Haryana is a state where agriculture and Industrial Sector and Service sector all have shown a good performance in the Gross Domestic Product. Since its creation, the economic growth of Haryana is very high. But it is also true that Haryana is also facing the problem of unemployment. The level of development of a country determines the extent of employment or unemployment. Therefore, when a country makes progress size and its production expands, the employment opportunities grow. During the past three decades, the production has expanded in all the sectors of the Indian economy. Absolute level of employment has grown in response to these developments, but was not found enough to remove the unemployment in the economy. However, during the planning period, unemployment in absolute terms has increased, not in a single state but in whole country. This present paper defines the unemployment situation that prevails in India with special reference to Haryana.

Keywords: Unemployment, Absolute, Opportunities, Development, Planning, Adequate, Growth.

Introduction:

Most important factor of production is Labour. An economy having a high rate of unemployment is suffering from the problem of poverty. Unemployment is responsible for the vicious circle of poverty. Most of the developing countries face an acute problem of unemployment and underemployment. Unemployment is found in all the developing and developed economies. The problem of unemployment in developing countries is different from that in developed countries. In developed countries unemployment is of two types, Keynesian involuntary unemployment and frictional unemployment which occur due to the less effective demand. And it is possible to reduce it by increasing rate of

investment in the economy. Investment rate can be increased by giving incentives to the investors. An increase in investment will increase the effective demand, which will solve the problem of involuntary unemployment. In developed countries, with change in technology the workers adjust themselves accordingly, so the rate of frictional unemployment is very less. But in underdeveloped and developing countries due to agricultural backwardness, underdevelopment of industries and due to small size of the service sector, the demand for labour is very less. So, unemployment in these economies is involuntary in nature, and is not like that which is defined by Keynes. Open and disguised unemployment is found in under develop countries.

India which is a developing country, presently suffers mainly from structural unemployment which exists in open and disguised forms. The nature of unemployment in India is found as structural. During the 1951-2011 period, population in India increased at an alarming rate of around 2.1% per annum and with it the number of people coming to the labour market in search of jobs also rose rapidly. On the other hand employment opportunities did not increase most of the time correspondingly due to slow economic growth. So, unemployment level has increased from one plan period to another. Apart from structural unemployment, there is Keynesian involuntary unemployment prevails in India. The present paper shows the trends of unemployment in different plan periods. It also explains the different kinds of unemployment situations of India. It also highlights the causes of unemployment in India.

Disguised unemployment is a major problem in India. Different government schemes that target eradication of both poverty and unemployment attempt to solve the problem, by providing financial assistance for setting up businesses, skill honing, setting up public sector enterprises, reservations in governments, etc. After liberalisation, due to the decreased role of the public sector, employment opportunities has declined which further underlined the need for focusing on better education and has also put political pressure on further reforms

Different efforts were made to solve the problem of unemployment during different five year plans. It was assumed in the plans that the growth would automatically solve the unemployment problem. During the 1990s and early years of the current decade, unemployment has increased. In spite of the accelerated economic growth in the recent past there has been deceleration in the growth of employment in India. This can be explained in terms of steady decline in employment elasticity in all the major sectors of economic activity except in construction. C.P. Chandrasekhar has argued that economic growth in India in recent years has not led to much employment generation. He states, "India's course of growth is not matched by employment generation and it will lead to social unrest unless the government rethinks its economic priorities. The rate of growth of the Indian economy has been extraordinary, for three years running, the growth rate of the gross domestic product (GDP) is estimated at between 7.5 and 8.5% in the years 2003-04, 2004-05 and 2005-06. While these figures conceal sectoral differences, such as extremely poor performance of agriculture and the disproportionately high rate of growth of services, they are indeed remarkable.

Nature and Estimates of Unemployment-Unemployment in underdeveloped countries is both open and disguised. Like all other underdeveloped countries, India presently suffers mainly from structural unemployment which exists in open and disguised forms. India is facing the situation of structural unemployment. During the 1961-2001 period, population in this country had grown at an alarming rate of around 2.15 per cent per annum and with it the number of people coming to the labour market in search of jobs had also increased rapidly, whereas employment opportunities did not increase most of

the time correspondingly due to slow economic growth. In different plans, the volume of unemployment has increased. And in order to remove this unemployment, certain radical reforms in the structure of the economy are required. Apart from structural unemployment there is Keynesian involuntary unemployment which can be eliminated by increasing effective demand, as is done in developed countries. Although Keynesian involuntary unemployment cannot be ignored, yet the structural unemployment remains a greater cause of anxiety

Concepts of unemployment - Concepts of Unemployment Keeping in view the recommendations of the Committee of Experts on Unemployment, the National Sample Survey Organisation (NSSO) has developed and standardised definitions and concepts of labour force, employment and unemployment according to the Indian conditions. All these concepts are not just adopted by the NSSO for conducting surveys on employment since 1972-73, but are also accepted by the Planning Commission for analysing the dimension of the unemployment problem. These three concepts of unemployment developed by the NSSO are defined below:

1. Usual Status Unemployment
2. Current Weekly Status Unemployment and
3. Current Daily Status Unemployment.

Unemployment Rates –It varied sharply across States. Because of strong bargains or social security provisions, wages are higher in some states such as high minimum wage, had high incidence of unemployment, in general. In India, the Labour Bureau of the Government of India has conducted a survey on employment – unemployment, and has come up with an unemployment rate based on that. Even National Sample Survey Organization (NSSO) also calculates unemployment rates, but these surveys are done with a gap of 5 years, so there is a dire need to have unemployment numbers in between. The Labour Bureau has started these employment–unemployment surveys which will now facilitate in availability of more frequent numbers on a measure as important as employment. The report itself is quite detailed, and this is a great first step. In this report, it was found that, 40 Million people were Unemployed with an Unemployment Rate of 9.4%.

A survey was conducted in 28 States/UTs spread across the country in which about 99 per cent of the country's population resides. The total population of the country is 1182 million with 63.5% in the working age of 15 – 59 years, however, not everyone in the working age group is interested in joining the work force. So that is why the worker population ratio is much lower. 238 million households are estimated, of which 172 million are rural and 66 million are urban. In this study, total population of the States/UTs covered, in which 872 million persons (73.8 per cent) live in rural areas and 310 million persons (26.2 per cent) live in urban areas. Population Split: Rural and Urban. Total unemployment rate is 9.4%, and it is split out as 10.1% in rural areas, and 7.3% in urban areas. In this research it is also found that the unemployment rate is calculated as a percentage of labour force, and not the total population. It is clear from the study 9.4% of that part of population which is interested in working is unemployed, and not 9.4% of the entire population is unemployed. In the Indian context, 359 persons per 1,000 are either working or interested to work, and this is called the Labour Force Participation Rate. In this estimated population of 1,182 million, 424 million persons are either employed or are interested in working. 9.4% unemployment rate reveals that out of those 359 persons per thousand, or 424 million people – there are 9.4% or about 40 million who were unemployed. Here are the numbers in millions.

India Unemployment Numbers Source: Survey Report of Labour Bureau of Government of India, Ministry of Labour and Employment, 2010. It is also found that for males, the unemployment rate is 8%, whereas for females the unemployment rate is 14.6%. The rural unemployment rate is 10.1% and the urban unemployment rate stands at 7.3%.

One thing to be noted about this unemployment rate is that the report states that compared to the NSSO survey - 81 - the unemployment rate is quite high probably due to under-estimation in the agriculture sector employment. While comparing the Labour Bureau's present survey results for the year 2009-10 with NSSO's Employment-Unemployment survey results for 2007- 08, reveals that the unemployment rate derived on the basis of the Bureau's survey is quite high. According to this survey – Goa is the state with the highest unemployment rate. Unemployment in Urban Areas Most of the unemployment in urban areas is open and undisguised. Unemployment of this kind is not only painful at a personal level, but is also a source of social tensions, which often threatens the whole fabric of society. Despite this problem of unemployment and its attendant dangers, the government has not given adequate attention to it. Urban unemployment's estimates have not been prepared on a regular basis. However, the National Sample Survey Organisation (NSSO) has made estimates of un-employment in different years. These estimates are surely not comparable. However, they suggest that unemployment in the urban sector has fluctuated around 10 per cent of the labour force in recent decades. It shows that there were no dramatic increases in perceived employment opportunities. In urban areas, the rate of employment growth declined very sharply during the 1990s. Two relatively important forms of urban unemployment are:

1. Industrial unemployment
2. Educated unemployment .

Industrial Unemployment - The exact size of the industrial unemployment in India is not known because the necessary data for its estimation are not available. During the planning period industrial sector has expanded and employment in it has steadily increased. In 1983, 34.03 million workers employed in manufacturing sector, 42.5 million workers were employed in 1993-94 and 48.0 million workers in 1999-2000. This is surely a healthy development and reflects the progressive growth of capitalism in India. Moreover, since early 1990s industrial growth has been jobless and has failed to absorb all those who migrated to cities with the hope of getting some job or the other. There is widespread disguised unemployment in agriculture. The decay of cottage and small-scale rural industries in the countryside has further contributed to the already bad employment situation in the countryside. These factors are pushing lots of people out of villages; cities have their own attractions as well. Thus migration from the countryside to urban centres is a regular process. In normal times some of the migrants get jobs in industries, some fortunate ones get absorbed in the unorganised sector and the rest wait for their chance to get employment and thus swell the number of unemployed. Because of the slow industrialisation process and inappropriate technology, industrial unemployment has increased in the country. Near stagnation in the industrial sector from the mid-1960s to the early-1980s rendered various remedial measures ineffective. Concentration of industries in big cities is another major source of the malady. Industrial concentration attracts labour force to cities in a big way - much more - 85 - than what the industries can absorb at any point of time. If the policy of dispersal of industries is adopted and industries are set up in rural and semi urban areas, this problem can be tackled satisfactorily. Educated Unemployment Educated unemployment is, by and large, a part of urban unemployment is the rural male workers .

Educated Unemployment: Educated unemployment is, by and large, a part of urban unemployment . It is a very serious and menacing problem , yet the size of educated unemployment remains largely unmeasured . Not only are there conceptual difficulties in estimating it, but the kind of statistical information that is required for its estimation is also not available. Hence the quantitative base for analysing the problem of educated unemployment is weak. Nonetheless, on the basis of fragmentary information that is available , it is not difficult to understand the basic issues involved in the problem. According to the planning commission in the beginning of 1980, approximately.

HARYANA- Haryana lies in the north-west part of the country. On 1st of November 1966, Haryana becomes a 20th state of India. It was separated from the state of Punjab on the grounds of different languages. The state is a major contributor to the green revolution and is a good blend of tradition and modern cultures. Haryana is completely landlocked state, bounded by Punjab in the northwest, Uttar Pradesh in the east, Delhi in the south and Rajasthan in the south-east. It is located between latitude 27°31' to 30°35' North and between longitude 74°28' and 77°36' East. The state of Haryana is spread over an area of 44,212 sq .kms, which is approximately 1.4 per cent of the total geographical area of the country. The forest cover in the state is 1586 which is 3.59 per cent of State's geographical area and the tree cover in the state is 1282 which is 2.90 per cent of the geographical area. The climate of Haryana is very hot in the summer and considerably cold in the winter season. The temperatures range from 44-45 degree C in May-June and 2-3 degree C in the month of January. In the month of July, most of the rainfall occurs. The average rainfall in the state is 650 mm.

Agricultural Area: Agricultural area in Haryana has been classified into two agro climatic zones in the state. The north western part is suitable for rice, wheat, vegetable and temperate fruits and the south eastern part is suitable for high quality agricultural produce, tropical fruits, exotic vegetables, herbal and medicinal plants. The cultivable area in the state is 3.7 million hectare, which is 84 per cent of the geographical area of the state; out that 98 per cent of the area is under cultivation.

As per census 2011, the total population of Haryana is 2,53,51,462 comprising of 1,34,94,734 males and 1,18,56,728 females. In 2001, total population was 2,11,44,564 in which males were 1,13,63,953 while females were 97,80,611. The total population growth during the decade (2001-11) is 19.90 per cent while in decade (1991-2001) it was 28.06 per cent. The rural population percentage of total population is 65.12 per cent. The population of Haryana accounts for 2.09 per cent of population of India in 2011. In 2001, the figure was 2.06 percent. The density of population is 573 per sq.km. in 2011 as compared to 478 per sq.km. in 2001. The number of females per 1000 males is 879 as per Census 2011 while this ratio was 861 in Census 2001. In rural areas of the state, female sex ratio per 1000 males is 882 as per Census. The Literacy rate of Haryana is 75.55 per cent in 2011 census as compared to 67.91 per cent in 2001 census. Literacy rate for males and females is 81.55 per cent and 51.96 per cent respectively. Average literacy rate in Haryana for rural areas is 71.42 per cent and is significantly less than the average literacy rate for urban areas which is 83.14 per cent.

Haryana is one of the most prosperous states of India and the economy of Haryana is primarily agriculture based. Seventy per cent of the residents are engaged in agriculture and allied activities. Haryana ranks at seventh position at all India level in terms of food grain production. Wheat and rice are the main crops while the other major crops of the state are cotton, sugarcane and vegetables. The share of Haryana in India's total rice production is around 4 per cent and share of wheat production is around

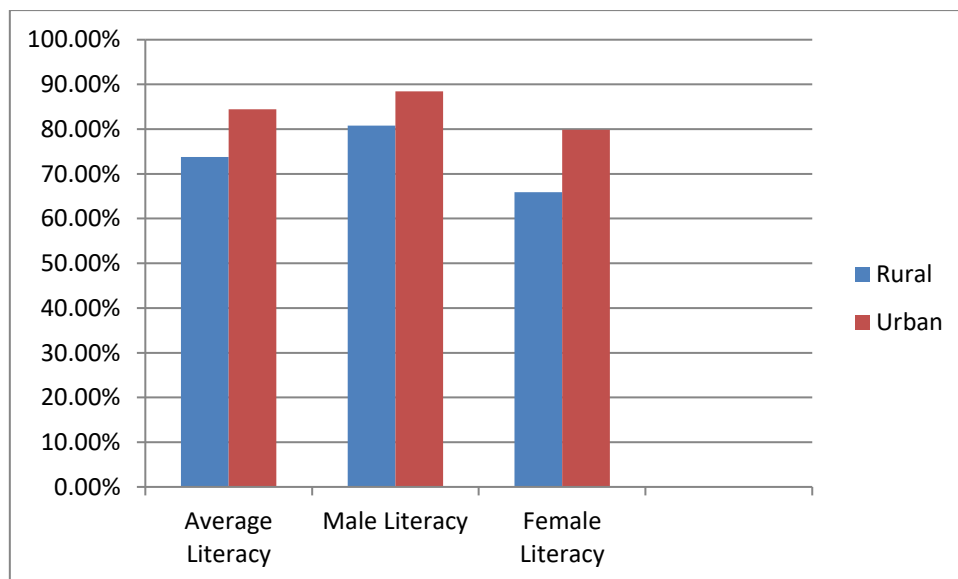
12 percent. The state’s food grain production has grown from about 13 million tonnes in 2001 to more than 17 million tonnes in 2014; marking a growth of around 28 per cent. Share of Haryana in India’s food grain production has remained steady over the years. It was around 6.8 per cent in 2001 which has observed a slight decline to 6.4 per cent in 2014 . Further, the state has a very strong industrial base in automobile industry producing car, motorcycle and cycles. Per capita income of the State at the constant prices was Rs 877 in 1971 and was 165204 in 2016. The growth rate remained higher in 2011

Labour force in Haryana- The economically active population in the age group 15 to 59 years is about 66% of males and 71% of female in Rural Haryana and 67% of the males and 73 % of females in urban.

Unemployment In Haryana: During the past three decades , production has expanded in Haryana economy. In response to these developments the absolute level of unemployment has also grown. In Haryana the unemployment rates are higher in urban areas as compare to rural areas. The unemployment rates are higher in Haryana than the national average except in urban areas

Yamuna Nagar District: Yamuna Nagar becomes the 22nd district of the Haryana on 1st November 1989 and occupies an area of 1756 square kilometres. Yamuna Nagar town is the district headquarters. Its average rainfall in monsoons 892mm, whereas it is 462mm for Haryana. The district is bounded by Himachal Pardesh state in the north, by Uttar Pradesh state in the east, by Karnal district in the south, by Kurukshetra district in the southwest and Ambala district in the west. The total population of Yamuna Nagar district is 1214205 with male population of 646718 female of 567487. Population growth rate is 16.57% and density is 687/km. The literacy rate of this district is defined below :

Description	Rural	Urban
Average Literacy	73.80%	84.45%
Male Literacy	80.81%	88.47%
Female Literacy	65.92%	79.86%



Industries in Yamuna Nagar: Yamuna Nagar is well known for its industries. In present times, Yamuna Nagar has become an important industrial hub in the state. The city is extending geographically due to expanding industries. This all becomes possible due to an increasing number of immigrants. With increasing population, the trading aspects become brighter and the city went on becoming the second highest revenue generator of Haryana, immediately after Faridabad. The city has Sugar Mill, Paper Mill along with highly efficient equipments for petro chemical plants, which are shipped to various refineries across the country. It is also known for its Plywood production. It has also one of India's largest railway carriage and wagon repair workshop.

Unemployment in the rural areas of Yamuna Nagar: The rural population of Yamuna Nagar is engaged in agriculture, which is their main profession of livelihood. In agriculture sector disguised unemployment has become the normal feature. The agriculture is a seasonal profession where people are getting work in some months and remain unemployed for the rest of the year. In rural areas, where some people are engaged in agriculture, some are engaged in the private services like in private schools and private companies. But the number of people are very less who are working in private services. The youth who have attained the education upto matric and 12th standard have adopted the farming practices if the landholding is inherited. Some of them try to get recruited in Army but the percentage of success is very low. High percentage of youths remain unemployed.

Even the youths who manage to complete graduation or post graduation are not eligible for any government or corporate jobs because their scores are so low that they cannot even apply for all the jobs. Here the culprit is our governments apathy towards primary school education. These youths are provided the rotten education curriculum by our successive governments. Some of these youths manage to get a teachers job at low level private schools in the village vicinity where they get hardly 2000 per month. The youth who are engaged in private sector are also getting job for 91 days to 180 days only. It means rest of the year they remain unemployed. One category of youth is willingly unemployed are found in the rural area who are depending on the pension of their father or grandfather.

Types of Unemployment in Rural Areas: The different types of rural unemployment that are found in India are discussed below:

Agricultural Unemployment : According to the NSS, the Current Daily Status rural unemployment rate for male workers was 5.6% in 1993-94. It rose to 8.0 % in 2004-05 but declined to 5.5% in 2011-12. Agricultural unemployment can be classified into the following categories:

Seasonal unemployment: Seasonal unemployment in agriculture is a normal condition in India. In 2011-12, gross irrigated area as a percentage of gross cropped area was only 46.9%. However two or more crops are prepared on not more than 28% cultivable land. This implies that the farmers cultivating approximately 72% of the land remain involuntarily unemployed for 3 to 4 months, unless they find some temporary employment in this period. Since the percentage of the lucky ones who manage to get work is very low, the incidence of seasonal unemployment in the agriculture sector is obviously very high.

Disguised Unemployment: Surplus labour is the main problem of Indian agriculture. From the fragmentary information that is presently available it appears that in the green revolution belt there is no disguised unemployment. For the past four decades, the demand for wage labour has increased in these areas and surplus agricultural labour have been brought from other parts of the country to meet it. In all other regions, pressure of growing population has been increased on land and one notices too many people operating tiny agricultural holdings, are known as disguised unemployed.

Other types of Unemployment: Some other types of unemployment in India are discussed below:

Technological unemployment: It is the result of certain changes in techniques of production which may not warrant much labour. Modern technology being capital intensive requires less labours and contributes to this kind of unemployment.

Structural unemployment: This type of unemployment arises due to drastic changes in economic structure of a country. And these changes may affect either the supply of a factor or demand for a factor of production. Structural unemployment is the result of economic development and technological advancement and innovation that are taking place rapidly all over the world in every sphere.

Underemployment: When employed people contribute less than their capacity to production, then this situation is known as underemployment. In such a situation people may be employed either on part time basis, or undertake a job for which lesser qualification is required. For example a postgraduate may work as a clerk for which only S.S.L.C is enough.

Casual unemployment: Casual employment is that when a person is employed on day-to-day basis. But due to some reasons like short – term contracts, shortage of raw materials, fall in demand, change of ownership, casual unemployment may occur.

Chronic unemployment: When unemployment continues for a long term in an economy then this situation is known as chronic unemployment. The reasons of chronic unemployment are rapid growth of population and inadequate level of economic development and vicious circle of poverty.

Frictional unemployment: The main cause of frictional unemployment is the improper adjustment between supply of labour and demand for labour. Other reasons of this type unemployment are immobility of labour, lack of correct and timely information, seasonal nature of work, etc.

Cyclical unemployment: It is caused by trade cycles at regular intervals. In capitalist economies, cyclical unemployment occurs due to trade cycles. The main reason of this kind of unemployment is the down swing in business activities. Cyclical unemployment is normally a short run phenomenon.

Voluntary Unemployment: This type of unemployment is increasing day by day in the rural areas of Haryana. Most of the people are engaged in agriculture with small areas of land. But none of their children are found interested in less paid jobs especially in factories or other labour class jobs, as they

found it against their self respect or ego. Even these people are not eligible for good jobs. So they remained unemployed throughout the year.

Causes of Unemployment

Basically in India the main form of unemployment is structural, seasonal and voluntary. But some other kinds of unemployment also exists. So the main reasons of unemployment are:

Jobless Growth : During the first three decades of economic planning , the GDP growth rate was as low as 3.55 PER ANNUM. In this period employment increased at a reasonable rate of 2% per annum. However thereafter, while the GDP growth rate picked up considerably, employment growth rate registered a sharp fall. Infact, employment growth was as high as 2.82% per annum over the five year period 1993-94 to 1999-2000. As argued by Papola , this is due this reason that because of the large weightage of agriculture in total employment , a low rate of growth in agricultural employment was as high as 2.32 % per annum during the five year period 1972-78, it was only 0.06% per annum during the period 1993-94 to 1999-2000. Slowdown in the employment is also due to the fact that employment elasticity declined sharply. Thus, the country witnessed a phenomenon of jobless growth in the period of 1990s. The rate of growth of employment picked up considerably to 2.90% per annum during the five year period 1999-2000 to 2004-05 but again declined to just 0.21% per annum over the next five years .

Inappropriate Technology: In India, while capital is a scarce factor, labour is available in abundant quantity. Under these circumstances, if market forces operate freely and efficiently, the would have labour intensive techniques of production. Not in industries but in agriculture sector, labour is replaced by technology. In developed nations use of automatic machines and other sophisticated equipment is both rational and justified as capital is found in abundance. But in India, on account of abundance of labour, this policy results in large unemployment. According to Lewis, in all those countries where unskilled labour is available in excess supply, great care is needed in exercising choice in respect of techniques because monetary wage fails to reflect the real cost of labour.

Increase in Labour Force: Since Independence, death rate has rapidly declined and the country has entered the second stage of demographic transition. Over the years mortality rate has declined rapidly without a corresponding fall in birth rate and the country has thus registered an unprecedented population growth, which is responsible for large expansion in labour force. In India as compare to demographic factors, social factors are playing more important role in employment. For example education among women has changed their attitude towards employment. Now women are also trying to find jobs in the labour market. Due to heavy pressure of labour force in the labour market, the economy has, however, failed to respond to these challenges and the net result is continuous increase in unemployment backlog.

Not appropriate educational System : Indian education system is defective. It is, in fact, the same educational system which Macaulay had introduced in this country during the colonial period. According to Gunnar Myrdal, India's educational policy does not aim at development of human resource. Indian education merely produces clerks and lower cadre executives for the govt ant private concerns. By increasing the number of institutions which impart this kind of education, increase in unemployment is inevitable. Myrdal considers all those who receive merely this kind of education not as inadequately educated but also wrongly educated. Myrdal's criticism of India 's educational system is valid.

Caste System: In India caste system prevails where the work is prohibited for specific castes in some areas. In many cases, the work is given to the deserving candidates but given to the person belonging to a particular community. It gives rise to unemployment.

Slow Economic Growth: Indian economy is a developing economy where economic growth is very slow. Due to the slow growth rate employment opportunities to the increasing population has decreased. So the unemployment is very high in India

Agriculture is a Seasonal Occupation: Agriculture in India provides employment to the large part of population. But it is also a hard fact that agriculture being seasonal provides work for a few months. So this gives rise to unemployment.

Joint family System: In big families having big business, many such persons will be available who do not do any work and depend on joint income of the family. Many members of the family are seen to be working but they do not add anything to production which means their marginal productivity is zero. So they encourage disguised unemployment.

Fall of cottage and small industries: The industrial development had adverse effect on cottage and small scale industries. Many artisans became unemployed as the production of cottage industries began to fall.

Slow growth of industries: The rate of industrial growth is very slow. Much importance is given to industries but the avenues of employment created by industrialisation are very few.

Less saving and investment: There is always shortage of capital in India. Investment depends on savings. Savings are inadequate. In India due to shortage of savings and investment, opportunities of employment have not been created.

Expansion of Universities: In India, the number of universities has increased in the last few years. So these institutions have increased educated unemployment or white collar unemployment has increased.

Immobility of labour: Mobility of labour in India is very low. Due to the attachment to the family, people do not go to far off areas for job. Factors like language, religion and climate are responsible for low mobility. Immobility of labour adds to unemployment. Conclusion: The economy of Haryana is a pre dominant economy. Agriculture sector is the major contributor of employment opportunities in rural Haryana. Agriculture at present contributes 14.1% of the Gross State GDP where 45% work force is still engaged in agriculture. The agricultural labour is the poorest and economically most vulnerable section of the rural economy. Agriculture is a seasonal occupation and the growth of employment in agricultural sector has been negligible due to variety of factors including unimpressive growth of agriculture sector, declining rate of agriculture land area. As a result of it the unemployment rate is increasing in rural areas.

Effects of Unemployment

Unemployment results into depression. And the depressed youth put their creative energy into wrong channels like highway robberies and bank hold-ups. With the decrease in work opportunities, there was an increase in the number of daring criminal activities.

Unemployment unbalanced the functioning of the members creates disagreement within family, which was responsible for tensions among the family members. It was also responsible of conflicts between the unemployed husband and wife but also between parents and children too.

Social effects of unemployment were hard to measure. It was a breakdown of the social structure, or change because of which old forms of social control no longer functioned affectively. It was a process

by which social relationships between members of a group were broken or dissolved. The activities of the unemployed were so restricted and their attitudes so bitter that they lost their desire to work and their skills deteriorated with a resultant loss to the whole community.

In fact, it can be said that there was a strong relation between poverty and unemployment in rural India. For a poor person, it was very hard by working on other's land as agricultural labourer but had to manage bread and butter daily. In rural areas, people remain unemployed for more than six months due to seasonal unemployment. Due to rapid growth of population, the pressure on land increased which was responsible for the fragmentation of land, migration, imbalances between demand and supply of labour, and, hence more percentage of poverty and unemployment.

Even the employment programmes which were started by government of India faced setback in later years because of mismanagement, corruption, loopholes and lacuna from the side of bureaucracy, etc. In India, a poor person even cannot afford primary or quality education in schools and colleges which leads to further unemployment for them. Because of lack of skills and capital, even some of educated could not receive respectful jobs.

Conclusion: India is a developing economy. Where during different five year plans of industrial and agriculture has increased but the growth rate of population is more as compared to economy's growth rate. This has led to the increase in rate of unemployment. Present paper has highlighted the different types of unemployment, even the main causes of unemployment that prevails in every state of India. In short, unemployment is a major problem of the economy that must be eliminated because it is the main cause of some other problems like poverty, social evil terrorism etc.

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