

**GOVERNANCE**
**Unemployment in India**

According to data from the Centre for Monitoring Indian Economy (CMIE), India's unemployment rate touched a four-month high of 7.9% in December 2021. With Covid-19 cases on the rise amid the threat posed by the Omicron variant and many states imposing fresh curbs, economic activity and consumption levels have been affected.

This could adversely affect economic recovery further going ahead.

**Key Points**
**About Unemployment:**

- Unemployment occurs when a person who is actively searching for employment is unable to find work. Unemployment is often used as a measure of the health of the economy.
- The most frequent measure of unemployment is the unemployment rate, which is the number of unemployed people divided by the number of people in the labour force.
- National Sample Survey Organisation (NSSO) defines employment and unemployment on the following activity statuses of an individual:
  1. Working (engaged in an economic activity) i.e. 'Employed'.
  2. Seeking or available for work i.e. 'Unemployed'.
  3. Neither seeking nor available for work.
  4. The first two constitute the labour force and unemployment rate is the percent of the labour force that is without work.
  5. Unemployment rate =  $(\text{Unemployed Workers} / \text{Total labour force}) \times 100$

**Types of Unemployment in India:**

- **Disguised Unemployment:** It is a phenomenon wherein more people are employed than actually needed. It is primarily traced in the agricultural and the unorganised sectors of India.
- **Seasonal Unemployment:** It is an unemployment that occurs during certain seasons of the year. Agricultural labourers in India rarely have work throughout the year.
- **Structural Unemployment:** It is a category of unemployment arising from the mismatch between the jobs available in the market and the skills of the available workers in the market. Many people in India do not get jobs due to lack of requisite skills and due to poor education level, it becomes difficult to train them.
- **Cyclical Unemployment:** It is a result of the business cycle, where unemployment rises during recessions and declines with economic growth. Cyclical unemployment figures in India are negligible. It is a phenomenon that is mostly found in capitalist economies.
- **Technological Unemployment:** It is the loss of jobs due to changes in technology. In 2016, World Bank data predicted that the proportion of jobs threatened by automation in India is 69% year-on-year.
- **Frictional Unemployment:** The Frictional Unemployment also called as Search Unemployment, refers to the time lag between the jobs when an individual is searching for a new job or is switching between the jobs.
  1. In other words, an employee requires time for searching a new job or shifting from the existing to a new job, this inevitable time delay causes frictional unemployment.
  2. It is often considered as voluntary unemployment because it is not caused due to the shortage of job, but in fact, the workers themselves quit their jobs in search of better opportunities.
- **Vulnerable Employment:** This means, people working informally, without proper job contracts and thus sans any legal protection.
  1. These persons are deemed 'unemployed' since records of their work are never maintained.
  2. It is one of the main types of unemployment in India.

**Causes of Unemployment in India:**

- **Social Factors:** In India the caste system is prevalent. The work is prohibited for specific castes in some areas. In big joint families having big business, many such persons will be available who do not do any work and depend on the joint income of the family.
- **Rapid Growth of Population:** Constant increase in population has been a big problem in India. It is one of the main causes of unemployment.

- **Dominance of Agriculture:** Still in India nearly half of the workforce is dependent on Agriculture. However, Agriculture is underdeveloped in India. Also, it provides seasonal employment.
- **Fall of Cottage and Small industries:** The industrial development had adverse effects on cottage and small industries. The production of cottage industries began to fall and many artisans became unemployed.
- **Immobility of Labour:** Mobility of labour in India is low. Due to attachment to the family, people do not go to far off areas for jobs. Factors like language, religion, and climate are also responsible for low mobility.
- **Defects in Education System:** Jobs in the capitalist world have become highly specialised but India's education system does not provide the right training and specialisation needed for these jobs. Thus many people who are willing to work become unemployed due to lack of skills.

#### Recent Initiatives by Government

1. Support for Marginalized Individuals for Livelihood and Enterprise (SMILE)
2. PM-DAKSH (Pradhan Mantri Dakshta Aur Kushalta Sampann Hitgrahi)
3. Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA)
4. Pradhan Mantri Kaushal Vikas Yojana (PMKVY)
5. Start Up India Scheme

#### Way Forward

- **Promoting Labour Intensive Industries:** There are a number of labour intensive manufacturing sectors in India such as food processing, leather and footwear, wood manufacturers and furniture, textiles and apparel and garments. Special packages, individually designed for each industry are needed to create jobs.
- **Decentralisation of Industries:** Decentralisation of Industrial activities is necessary so that people of every region get employment. Development of the rural areas will help mitigate the migration of the rural people to the urban areas thus decreasing the pressure on the urban area jobs.
- **Drafting National Employment Policy:** There is a need for a National Employment Policy (NEP) that would encompass a set of multidimensional interventions covering a whole range of social and economic issues affecting many policy spheres and not just the areas of labour and employment.

The underlying principles for the National Employment Policy may include:

1. Enhancing human capital through skill development.
2. Creating sufficient number of decent quality jobs for all citizens in the formal and informal sectors to absorb those who are available and willing to work.
3. Strengthening social cohesion and equity in the labour market.
4. Coherence and convergence in various initiatives taken by the government.
5. Supporting the private sector to become the major investor in productive enterprises.
6. Supporting self-employed persons by strengthening their capabilities to improve their earnings.

### INTERNATIONAL RELATION

#### China Builds Bridge across Pangong Lake

Recently, it was found that China is building a new bridge on Pangong Tso which will provide an additional axis to deploy troops faster between the north and south banks of the lake, and closer to the LAC (Line of Actual Control). Earlier, China's new law on land borders came into effect from 1st January, 2022, at a time when border standoff in eastern Ladakh remains unresolved and several places in Arunachal Pradesh have been renamed recently by China as part of its claim on the Indian state.

India too has been improving its infrastructure in the border areas. In 2021, the Border Roads Organisation completed more than 100 projects in border areas, the majority of which were close to the border with China.

#### Key Points

##### Background:

- Since the military standoff began in May 2020, India and China have not only worked to improve existing infrastructure, but have also built several new roads, bridges, landing strips along the entire frontier.

- Towards the end of August 2020, India outmanoeuvred China to capture the previously unoccupied heights of the Kailash Range on the south bank of Pangong Tso lake.
- Indian troops positioned themselves on the peaks there, including Magar Hill, Gurung Hill, Rezag La, Rechin La, and this allowed them to dominate the strategic Spanggur Gap — it can be used for launching an offensive, as China had done in 1962 — and also gave them a view of the PLA garrison at Moldo.
- Indian troops had also positioned themselves above the Chinese troops in the Fingers area on the north bank. During this scramble for the heights, shots had been fired by both sides, a first in over four decades.
- Troops from the two countries remained on these heights through the harsh winter months. The significance of these positions was one of the main factors that compelled China to negotiate a pullback.
- Both countries agreed to a pullback from the north bank of the lake, and positions on the Kailash Range in the Chushul sub-sector south of Pangong Tso.

**About:**

- The bridge is being constructed more than 20 km east of Finger 8 on the lake's north bank – India says Finger 8 denotes the LAC. The Lake is overlooked by the Finger Area - a set of eight cliffs extending out of the Sirijap range (on the northern bank of Lake).
- Pangong Tso, an endorheic lake, is 135 km long, of which more than two-thirds is under Chinese control. The north and south banks of the lake were among the several friction points that surfaced after the start of the standoff. Before India and China pulled back troops from the north and south banks in February 2021, the area had seen massive mobilisation and the two sides even deployed tanks, barely a few hundred metres apart in some locations.
- The bridge site is just east of Khurnak Fort in Rutog county where the PLA (People's Liberation Army) has frontier bases. Historically a part of India, Khurnak Fort has been under Chinese control since 1958.
- From Khurnak Fort, the LAC is considerably west, with India claiming it at Finger 8 and China claiming it at Finger 4.

**Significance for China:**

- The bridge will cut a 180-kilometer loop from Khurnak to the south banks through Rudok reducing the distance between Khurnak and Rudok to 40-50 kilometres, rather than approximately 200 kilometres as previously stated.
- The building of the bridge will allow it to mobilise its troops faster in this area, hoping to prevent a repeat of what happened in August 2020.

**Implication for India:**

The bridge is in their territory, and the Indian Army will have to factor this in its operational plans. The widening of roads, building of new roads and bridges, new bases, airstrips, advance landing bases, etc are not restricted to the eastern Ladakh region, but are happening across the three sectors of the India-China boundary (Eastern, Middle and Western).

**2. India & Free Trade Agreements**

Recently, the Commerce and Industry Ministry said that India is in dialogue with Israel for concluding a Free Trade Agreement (FTA). The announcement coincides with the 30th anniversary of the establishment of diplomatic ties between the two countries.

**Key Points****Free Trade Agreement (FTA):**

- It is a pact between two or more nations to reduce barriers to imports and exports among them.
- Under a free trade policy, goods and services can be bought and sold across international borders with little or no government tariffs, quotas, subsidies, or prohibitions to inhibit their exchange.
- The concept of free trade is the opposite of trade protectionism or economic isolationism.

**India and FTAs:**

- After India opted out of the Regional Comprehensive Economic Partnership (RCEP) in November 2019, the 15-member FTA grouping that includes Japan, China and Australia, FTAs went into cold storage for India.
- But in May 2021 came the announcement that India-European Union talks, which had stalled in 2013, would be resumed. Both sides are now engaged in internal preparations to take these various strands of work forward.

- Bilateral free trade agreements of India are being negotiated with the United Arab Emirates, the United Kingdom, Australia and Canada.
- The agreement with the UAE was 'close to finalisation' while the FTA with Australia was at a 'very advanced stage.'

**Other Important Trade Agreements of India:**

- **Comprehensive Economic Cooperation and Partnership Agreement (CECPA)** between India and Mauritius.
- **South Asia Preferential Trading Agreement (SAPTA):** It is for promoting trade amongst the member countries came into effect in 1995.
- **South Asian Free Trade Area (SAFTA):** A Free Trade Agreement confined to goods, but excluding all services like information technology. Agreement was signed to reduce customs duties of all traded goods to zero by the year 2016.
- **Asia Pacific Trade Agreement (APTA):** Previously the Bangkok Agreement, it's a preferential tariff arrangement that aimed at promoting intra-regional trade through the exchange of mutually agreed concessions by member countries.

**Issues in India's Foreign Trade Policy:**

- **Poor Manufacturing Sector:** In the recent period, manufacturing holds a share of 14% in India's Gross Domestic Product (GDP).
  1. For advanced and developed nations like Germany, the US, South Korea and Japan, the comparable figures are 19%, 11%, 25% and 21%, respectively.
  2. For emerging and developing countries like China, Turkey, Indonesia, Russia, Brazil, the corresponding figures are 27%, 19%, 20%, 13%, 9%, respectively, and for low income countries the share is 8%.
- **Unfavourable FTA's:** In the past decade, India signed FTAs with the Association of Southeast Asian Nations (ASEAN), the Republic of Korea, Japan, and Malaysia. However, it is largely believed that India's trade partners have gained more from these agreements than India.
- **Protectionism:** The Atmanirbhar Bharat campaign has exacerbated the view that India is increasingly becoming a protectionist closed market economy.

**PRELIMS FACT**

**Ayush Aahaar**

Recently, the Ministry of Ayush made a new beginning by making 'Ayush Aahaar' available at its canteen at Ayush Bhawan (Delhi). It aims to promote a nutritional diet and a healthy living.

**Key Points**

**Meaning of 'Ayush':**

- Traditional & Non-Conventional Systems of Health Care and Healing which Include Ayurveda, Yoga, Naturopathy, Unani, Siddha, Sowa-Rigpa and Homoeopathy etc.
- The positive features of the Indian systems of medicine namely their diversity and flexibility; accessibility; affordability, a broad acceptance by a large section of the general public; comparatively lesser cost and growing economic value, have great potential to make them providers of healthcare that the large sections of our people need.

**Some Initiatives of the Ayush Ministry:**

- **National Ayush Mission:**
  1. Government is implementing the Centrally Sponsored Scheme of Mission through States/UTs for development and promotion of Ayush system of medicine.
  2. The government has decided to continue till 2026.
- **Aahaar Kranti Mission:** The mission is dedicated to spreading awareness about nutrition.
- **New Portals on Ayush Sector:** Five new portals on Ayush Sector have been launched - CTRI (Clinical Trial Registry of India), RMIS (Research Management Information System), SAHI (Showcase of Ayurveda Historical Imprints), AMAR (Ayush Manuscripts Advanced Repository), and e-Medha (electronic Medical Heritage Accession).
- **ACCR Portal and Ayush Sanjivani App:**
  1. **Ayush Clinical Case Repository Portal:** To portray the strengths of Ayush systems for treatment of various disease conditions.
  2. **AYUSH Sanjivani App Third Version:** It will facilitate a significant study and documentation regarding the efficacy of selected Ayush interventions, including Ayush 64

and Kabasura Kudineer medicines in the management of asymptomatic and mild to moderate Covid-19 patients.

**DAILY ANSWER WRITING PRACTICE**

**Qns. Gender discrimination against women also exits at entrepreneurial level which defeats the purpose of empowerment. Examine. (150 words, 10 marks)**

**Ans:**

**Introduction**

India has made significant economic progress in recent decades. Such economic growth has not been matched by progress towards women's equal economic participation. India has a gender wage gap, despite the existence of India's Equal Remuneration Act 1976 which mandates equal pay for equal work. An increasing number of startups and new businesses have been founded in India over the last decade, the majority of them by men. While many Indian women have entrepreneurial ambitions, it is often more difficult for them to succeed.

**Body****Current scenario in India:**

- While success stories about women are on a rise, a recent report by the World Economic Forum stated that "eight out of every 10 media reports worldwide are about men: only two of them have women in focus".
- The World Economic Forum's Global Gender Gap Report 2021 shows that on one hand the proportion of women among skilled professionals is continuously increasing, along with the progress towards wage equality, albeit at a slower pace.
- However, on the other hand, overall income disparities are still only part-way towards being bridged and there is a persistent lack of women in leadership positions, with women representing just 27% of all manager positions.
- According to the WEF Global Gender Gap Report 2021, India has slipped 28 places to be ranked 140th out of 156 countries, amongst the lowest in South Asia.
- The gender gap in India has widened to 62.5%, largely due to women's inadequate representation in politics, technical and leadership roles, decrease in women's labour force participation rate, poor healthcare, lagging female-to-male literacy ratio and income inequality.
- Among India's senior officials and managers, women account for only 14% of leadership roles — putting India at 136th in WEF's Global Gender Gap Index — and just 30% of professional and technical workers.
- GoI has reported that only 10% of startup founders are women, and women fill just 22% of positions in the field of artificial intelligence (AI), despite India having the second-largest AI workforce in the world.

**Reasons for the Gender Disparity:**

- **Patriarchal Mindset:**
  1. Preference for male employees over female employees
  2. Preference for promoting male employees to higher positions
  3. Glass ceiling: Women in India face artificial barriers like stereotypes, media-related issues, informal boundaries, which prevent them from advancing upward in their organization into management-level positions
  4. In rural areas, women are given lighter work deliberately in agriculture or other sectors thus making them eligible for low payments.
- **Lack of Transparency:**
  1. Due to lack of transparency in salaries in private sector, many women are unaware of salaries which they should actually get.
  2. In Government sector jobs, this disparity is much less because people working on same posts are entitled for same compensation.
- **Socio-Cultural Reasons:**
  1. Career breaks taken by women due to socio-cultural issues, marriage or pregnancy and parenthood duties.
  2. Higher Education levels of women also allow them to pursue leisure and other non-work activities, all of which reduce female labour force participation.

3. Insufficient availability of the type of jobs that women say they would like to do, such as regular part-time jobs that provide steady income and allow women to reconcile household duties with work.
  4. Concerns about safety and Harassment at work site, both explicit and implicit.
  5. Sexual harassment at the workplace: #Metoo movement sheds light on numerous instances of sexual harassment at the workplace. However, due to the slow judicial system, justice hasn't been delivered to these women.
  6. The cultural baggage about women working outside the home is so strong that in most traditional Indian families, quitting work is a necessary precondition to the wedding itself.
  7. When increases in family incomes are there, due to the cultural factors, women leave the work to take care of the family and avoid the stigma of working outside.
- **Pink collarisation of jobs:** The women are mostly deemed fit for "pink-collar jobs" only, such as teachers, nurses, receptionists, babysitter, lecturer, etc. which have been stereotyped for women. This denies them opportunities in other fields.

### Measures needed

- As the experience with rural self-help groups shows, women are remarkably prompt at repaying loans and the government should step up the amounts and ease loan disbursement for women.
- Policy measures could include addressing or reducing the amount of unpaid work and rebalancing it between men and women, supporting employer or state-funded provision of childcare, and interventions to address digital and financial inclusion.
- The family needs to adjust to the changing role of women and volunteer to share household work.
- Introducing part-time and flexi-time work facilities to avoid their burnout.
- Online restaurant guide and food ordering platform Zomato said it is introducing up to ten days of 'period leaves' for all women employees to build a more inclusive work culture in the organisation.
- Results suggest that men's wages will also increase as a result of greater inclusion of women in the labour force since productivity will increase.
- Menstruation Benefits Bill was tabled as a private member bill in the Parliament in 2018. It is imperative to look at the significance of the provisions, for a gender sensitive labour policy.
- To improve working conditions of the 10% women who are in the formal workforce, we must not forget about the remaining 90% women workers who are in the informal sector.
- **Skilling the women:**
  1. Initiatives such as Skill India, Make in India, and new gender-based quotas from corporate boards to the police force can spur a positive change. But we need to invest in skill training and job support.
  2. The private sector could also take active part in training women entrepreneurs. For example: Unilever's Shakti program, which has trained more than 70,000 rural women in India as micro-entrepreneurs to sell personal-care products as a way of making its brands available in rural India
- **Equal pay:** The principle of equal remuneration for work of equal value that is protected by Indian law must be put to actual practice. Improved wage-transparency and gender neutral job evaluation is required to achieve this end.
- **Assuring safe access to work:** It is important to improve existing transport and communication networks and provide safe accommodation for women who travel to or has migrated for work.
- A useful and easily implementable idea would be to give income tax benefits to women. It would be a bold and effective step to increasing India's female workforce participation.
- For political empowerment of women, their representation in Parliament and in decision making roles in public sphere is one of the key indicators of empowerment.
- Gig Economy provides women flexible work options to pursue their career while not missing important milestones in their family lives.

### Conclusion

Unlocking the potential of women definitely requires an increase and shift in the composition of overall employment opportunities as well as questioning of societal strictures. As the country commends itself

on world-leading economic growth and aspires towards a \$20 trillion economy, it becomes necessary to take women along to make this goal a reality. Societal change will be the largest needle mover, but a constant push through the government, organizations and individuals is critical to bend societal norms for the better.

**DAILY QUIZ**

Q1. Recently 'Jaya Jaitley Committee' was in news, is related to which of the following?

- a. Diaspora engagement in India
- b. Covid-19 vaccination drive
- c. Food Grain Management in India
- d. None of the above**

Q2. Recently, Justice BN Srikrishna Committee was in news, was constituted by the union government, to deliberate on

- a. Indian agriculture acts
- b. biodiversity and environmental issues of the Western Ghats
- c. Collegium System for the Appointment of Judges
- d. data protection framework**

Q3. Consider the following statements with reference to "Prevention of Cruelty to Animals Act, 1960":

1. This Act restricts the exhibition and training of performing animals as per the list maintained by the state government.
2. The Animal Welfare Board of India was formed under this Act.

Which of the given above statements is/are correct?

- a. 1 only
- b. 2 only**
- c. Both 1 and 2
- d. Neither 1 nor 2

Q4. Consider the following statements about Singapore International Arbitration Centre (SIAC):

1. It is a not-for-profit international arbitration organisation based in Singapore.
2. It administers arbitrations only under its own rules of arbitration.

Which of the statements given above is/are correct?

- a. 1 only**
- b. 2 only
- c. Both 1 and 2
- d. Neither 1 nor 2

Q5. Consider the following statements:

1. Pegasus is a spyware tool developed by a Russian firm.
2. It can stealthily enter a smartphone and gain access to everything on it, including its camera and microphone.

Which of the statements given above is/are correct?

- a. 1 only
- b. 2 only
- c. Both 1 and 2
- d. Neither 1 nor 2**