

**UPSC Syllabus Topic : GS Paper 3 Indian Economy – Issues related to Employment. GS Paper 2 Social Justice – Issues relating to Human Resources.**

### **On Upskilling Rural Youth**

Addressing the education and skilling of rural youth is crucial to curb migration and enhance their employability. Here's how we can tackle these challenges:

#### **Controlling Rural Youth Migration:**

**Promoting Agriculture as an Attractive Career:** Making farming an aspirational vocation is vital to retain youth in rural areas. The rural economy is shifting away from agriculture, causing more farmers to seek non-farming jobs.

**Creating Diverse Job Opportunities:** Developing alternative employment prospects beyond agriculture is essential to retain youth in their communities.

**Enhancing Vocational Training:** Improving access to vocational training is critical. Currently, a significant portion of rural youth hasn't received vocational training. Strengthening vocational education and providing better placement opportunities, especially through initiatives like 'Skills On Wheel' seen in Delhi, can be replicated elsewhere.

**Skill Development:** Rural education often lacks focus on skill development. Imparting skills in areas like agricultural mechanisation, nursing, and digital technologies is essential to equip youth for various job sectors.

#### **Improving Rural Education:**

**Technical and Life Skills Integration:** It's vital to incorporate technical and life skills into formal education to empower rural youth.

**Adopting Global Best Practices:** Learning from successful models like Mexico's tele-schools and Bhutan's well-being-focused curriculum can significantly enhance education accessibility in remote areas.

**Role of Civil Society and NGOs:** Organizations like NIIT Foundation and Pratham Institute are playing a pivotal role in upskilling rural youth. Such initiatives should be encouraged and expanded to bridge the education gap.

By focusing on these strategies, we can elevate the employability of rural youth across both conventional and modern trades, fostering a more dynamic and self-sufficient rural economy.

**UPSC Syllabus Topic : GS Paper 3 Indian Economy – Issues related to Growth and Development.**

**Shift in India's Trade Policy – Reverse India's trend of trade barriers going up**

The economic status of states like Uttar Pradesh (UP), Bihar, and West Bengal in India portrays significant disparities:

**Current Economic Status:**

- **Low Average Income:** Bihar's average income is merely 32% of the country's average, while UP's stands at 49%.
- **Historically Low Growth:** From 2012 to 2022, growth rates in UP and Bihar were below the national average. West Bengal's growth was modest at 3.9% during the same period, contrasting with states like Madhya Pradesh, Odisha, and Assam, which experienced faster-than-national-average growth.

**Recent Economic Growth Surge:**

- **FY23 Growth:** Notably, in FY23, these states experienced GDP growth significantly higher than the national average, with Bihar at 10.7%, UP at 8.4%, and West Bengal at 8.6%.

**Areas for Economic Advancement:**

- **Agricultural Sector:** Focusing on a potential second Green Revolution by transitioning from cereals to higher-value crops can benefit UP and Bihar.
- **Tourism:** Investing in highlighting the rich historical heritage of the Gangetic Plain could become a substantial employment generator.
- **River Transportation:** Developing efficient river transport along the Ganges could connect these regions globally, akin to the Rhine or Danube rivers.
- **Demographic Dividend:** These states will continue to see a rise in their working-age population for a decade, unlike wealthier southern states where this share is declining.

**Key Steps for Improvement:**

- **Education and Skill Development:** Prioritizing education and skill enhancement is crucial.
- **Infrastructure Development:** Focus on expressways, rural roads, electrification, and the development of IT-based services.
- **Crime Control:** Ensuring a secure environment for business and growth.
- **State Bifurcation:** Splitting UP and Bihar into smaller states can enhance governance and development efficiency.
- **Business-Friendly Image:** Changing perceptions to attract investment and encourage business growth.

The progress of these states, particularly UP, Bihar, and West Bengal, will significantly impact India's trajectory towards becoming an advanced economy. Their development is vital to curb regional disparities, diminish social tensions, and foster inclusive growth across the country.

**UPSC Syllabus Topic : GS Paper 3 – Indian Economy – Growth, Development and Employment.**

**Indian Development Model – India’s way forward: Services or manufacturing?**

India's developmental path is characterized by a unique emphasis on the service sector, deviating from the conventional trajectory of agricultural to manufacturing transitions seen in other countries.

Here are the key aspects and challenges of this approach:

**Indian Development Model:**

- **Service Sector Focus:** India's growth is propelled by a burgeoning service sector, particularly in high-tech domains, leveraging global demand through IT outsourcing and technological advancements.
- **Global Service Supply Chain:** The country has integrated into the global service supply chain, benefiting from the surge in demand for services and technological advancements.

**Challenges with the Indian Development Model:**

- **Imbalanced Growth:** India's manufacturing sector growth has stagnated, hovering at or below 20% of the economy. Overreliance on the service sector might lead to sustainability concerns.
- **High Unemployment:** Despite economic growth, India grapples with high unemployment rates, especially among youth (ages 15-24), surpassing 40%, indicating a mismatch between job creation and the expanding labor force.
- **Quality of Employment:** Job creation in the service sector largely encompasses low-value, low-skill roles, failing to meet the aspirations of an increasingly educated workforce.
- **Skill Gap:** Despite producing a significant number of STEM graduates yearly, there's a mismatch between their skills and industry requirements.

**Recommended Actions:**

- **Diversified Growth:** India should harmonize growth in both service and manufacturing sectors, moving beyond existing schemes and incentivizing private industry expansion to generate employment.
- **Policy Reforms:** Implement regulatory reforms in land and labor to attract more investment and stimulate private industry growth, thereby generating more jobs.
- **Address Skill Deficit:** Bridge the gap between education and industry demands by aligning educational curricula with industry needs and increasing investment in higher education to prepare the youth for evolving job landscapes.

By combining growth strategies in both service and manufacturing sectors, reforming policies to attract investment, and focusing on skill development aligned with industry requirements, India can mitigate employment challenges and foster a more sustainable and inclusive growth trajectory.