

## **STD-IX**

### **TOPIC- PEOPLE AS RESOURCE**

#### **Population as an asset for the economy rather than a liability**

- Population becomes human capital when there is investment made in the form of education, training and medical care.

- Human capital is the stock of skill and productivity knowledge embodied in them.

- 'People as resource " is referring to a country's working population in terms of their existing productive skills and abilities.

- Age group of working population of the country-15yrs.to 64yrs.

- This productive aspect emphasizes its ability to contribute to the creation of the Gross National Product.

- **Gross National Product-** The total value of goods and services produced in a country during one year, equal to the gross domestic product plus the net income from foreign investment.

**Gross Domestic Product-** The total value of goods and services produced in a country during one year.

- **Human resources is the positive side of the large population.** When the existing human resource is further developed by becoming more educated and healthy, we call it **human capital formation** that adds to the productive power of the country just like **physical capital formation**.

● **Investment in human capital (through education, training and health care) Yields a return just like investment in physical capital.** ● Educated and healthier people always return higher productivity to the country.

● **EXAMPLE**-Green revolution and India's IT revolution

**'Investment in human capital (through education, training, medical care) yields a return just like investment in physical capital'.**

- (i) It increases the productivity of the workers.**
- (ii) Educated, trained and healthy people can use natural resources in a better way.**
- (iii) It adds to quality of labor.**
- (iv) A country can earn foreign exchange by exporting services.**

**(b) Human resources is different from other resources like land and physical capital:**

Land consists of all natural resources. These are provided to us by nature. Physical capital consists of all those objects that help in further production of different types of goods and services. Human resource, on the other hand, consists of knowledge and skills. Other resources are not capital of bringing about an improvement in them by their own effort; they can be changed only by human resources. They do not have a mind and a brain of their own. Human resources, on the other hand, can be trained to perform any task for which it is required. It required education, training and health care. These, in turn, are again provided by human resources. Thus, human resources, unlike other factor resources, has an ability to improve itself.

**Virtuous cycle of human development:**

Educated parents are found to invest more heavily on the education of their child. This is because they have realized the importance of education themselves. They are also conscious of proper nutrition and hygiene. They accordingly look after their children's needs for education at school and good health. a virtuous cycle is thus created in this case. a vicious cycle may be created by disadvantaged parents who, themselves uneducated and lacking in hygiene, keep their children in a similarly disadvantaged state.

**" countries like Japan did not have any natural resources; still they are developed countries'.**

They have invested in people especially in the field of education and health.

The skilled and trained people have made efficient use of other resources like land and capital. Efficiency and technology evolved by people have made these countries rich/ developed.

## **ECONOMIC ACTIVITIES OF MEN AND WOMEN**

All the activities which contribute to the flow of goods and services in the economy are called economic activities. These activities add value to the national income. Economic activities have two parts\_

(i) **Market Activities:** Market activities involve remuneration to anyone who performs i.e., activity performed for money or profit. These include production of goods and services including government service.

(ii) **Non-market activities** are the production for self-consumption. These can be consumption and processing of primary product and own account production of fixed assets.

### **Economic Activities :**

(i) Economic activities contribute to the flow of goods and services in an economy.

(ii) If there is an increase in productive activities that means the economy is progressing.

(iii) Economic activities lead to an increase in the personal income as well as the national income.

### **Non- Economic Activities:**

(i) Non- economic activities do not contribute to the flow of goods and services in an economy.

(ii) Increase in non- economic activities is not an indicator that the economy is progressing.

(iii) Non- economic activities do not lead to an increase in the personal income and national income.

### **Classification of the Various Economic Activities:**

**i) Primary Sector:** Primary Sector includes all those activities which are related to by natural resources, like cultivation of land. The primary Sector covers agriculture and allied activities like forestry, animal husbandry, fishing, poultry farming and mining.

**(ii) Secondary Sector:** A secondary activity covers those activities that are concerned with the transformation of natural resources and products obtained into other goods. For example, cultivation of wheat is a primary activity. Wheat is converted into flour in a mill. This is a secondary activity. Similarly, forestry is a primary activity. But manufacturing of furniture is a secondary activity and so on. Secondary sector includes quarrying and mining.

**(iii) Tertiary Sector: it includes all those** activities which produce different types of services that are required by society. Examples: services of a doctor, a teacher, a maid, an insurance company, a transport company. In an underdeveloped economy, the primary sector is the dominant sector of the economy. With economic-growth, the relative importance of the secondary sector and tertiary sector increases, whereas that of the primary sector falls.

### **The two determiner of earnings- education and skill**

#### **Generally women are not paid as par with the men:**

A majority of the women have meager education and low skill formation. Women are paid low compared to men. Most women work where there is no job security for them. Various activities relating to legal protection are meager. Employment in this sector is characterized by irregular and low income. In this sector, there is an absence of basic facilities like maternity leave, child care and other social security systems.

### **Quality of population -1. Education**

The quality of population depends upon the literacy rate, health of a person indicated by life expectancy and skill formation acquired by the people of the country. the quality of the population ultimately decides the growth rate of the country.

#### **Advantages of Education:**

- (i) Education helps individuals to make better use of the economic opportunities available before him.
- (ii) Education and skill are the major determinants of the earning of any individual of the market.
- (iii) Education opens new horizons for an individual, provides new aspiration and develops values of life.
- (iv) Education contributes towards the growth of society also.
- (v) Education enhances the national income, cultural richness and increases the efficiency of governance.
- (vi) Literacy is not only a right; it is also needed if the citizens are to perform their rights properly.

#### **Steps taken by the government to promote education in India:**

Among the important measures taken in recent years to promote education, the following may be mentioned:

- (i) Steps have been taken by the government to promote universalisation of education.

(ii) Navodaya Vidhyalyas have been set up in each of the districts to provide quality education.

(iii) Vocational streams have been developed to equip a large number of high school students with occupations related to knowledge and skills.

(iv) Sarva Shiksha Abhiyan has been launched with the aim of providing elementary education to all children in the age group of 6 to 14 years by 2010.

(v) Bridge courses and back to school camps have been initiated to increase the enrollment in elementary education.

(vi) Mid-day meal schemes have been implemented to encourage attendance and retention of children . It also aims at improving the nutritional status of children.

#### **Four peculiarity of literacy in India:**

(i) The literacy rates have increased from 18% in 1951 to 74%in 2011.

(ii) A vast difference is noticed across different sections of the population. Literacy among males is nearly 16.6% higher than females and it is about 16.6% higher in urban areas as compared to the rural areas.

(iii) Literacy rates vary from 96% in some districts of Kerala to below 62% in some parts of Madhya Pradesh and Bihar.

(iv) According to the census of 2001, a person aged 7 years and above who can read and write with understanding in any language is treated as literate.

#### **Strategy pursued in the Tenth Five Year Plan to promote education :**

(i) The tenth Five-Year Plan pays special attention to increase the enrollment in higher education of the 18 to 23 years age group from the present 25.2% by 2017-18 and to 30%by 2020-21.

(ii) the strategy focuses on: a vast difference is noticed across, quality, adoption of states-specific curriculum modification, vocationalisation, networking on the use of information technology. The plan also focuses on distant education, convergence of formal, non-formal, distant and IT education and IT education institutions.

(iii) The Tenth Plan provides for an expenditure of Rs. 43, 825 crore on education during the period 2002-07, as against Rs. 151 Crore spent during the First Plan (1951-56).

## **. Health**

The health of a person helps him to **realize his potential and the ability to fight illness. An unhealthy person becomes a liability for an organization indeed;** health is an indispensable

basis for relishing one's well being. Health does not mean survival only; it involves not only the physical fitness of the individual but also his mental, economic and social well being. **Good health increases the efficiency of a worker. . Good health increases the learning capacity of a worker.**

### **Main elements of national health policy and its achievements:**

Our national health policy aims at improving the accessibility of health care, family welfare and nutritional service with special focus on the underprivileged segment of population. India has built up a vast health infrastructure and manpower required at primary, secondary, and tertiary care in government as well as in the private sector. The success of these measures gets reflected in the following:

- (i) Global Life expectancy has increased to over 72 yrs.at birth in 2016.
- (ii) Infant Mortality Rate has come down from 147in 1951 to 29 in 2017.
- (iii) Crude birth rate have dropped to 26.1
- (iv) Death rate has come down to 8.7 during the same duration of time.

All these facts are indicators of better health conditions in the country.

### **Unemployment, Types of unemployment**

**Unemployment is said to exist when people who are willing to work at the going wages cannot find jobs.**

a) Disguised Unemployment:

It is a situation in which more workers are working in an activity than required. the people who are actually engaged in such an activity appear to be employed but are not fully employed, for e.g. if for the cultivation of one hectare land, 10 workers are required but instead of 10 workers, 15 workers are working in this case 5 workers are disguised unemployed. In such cases even if the surplus workers are removed, the overall production does not suffer.

**(b) Seasonal Unemployment:**

It is a type of unemployment in which a worker is employed during some parts of the year (especially during harvesting or sowing season) and remains without work during the rest of the year. Factors responsible for seasonal unemployment

- (i) Lack of small scale and cottage industries in rural areas.
- (ii) Lack of multiple cropping

(iii) Lack of commercialization of agriculture

**(c) Structural unemployment:**

The working force in India is very large. It wants work but the existing capital structure is unable to absorb them. The mismatch of available capital and the size of the labor force create persistent unemployment both in agriculture and industry. We lack resources to improve agriculture and industry to provide employment to our labor force. This causes unemployment,

This type of unemployment occurs due to

(i) Lack of capital

(ii) Lack of resources.

(iii) Under utilization of natural resources.

(iv) Surplus workers as compared to demand.

Indian economy is facing structural unemployment as the workforce is more than the demand.

**d) Educated Unemployment:**

If the spread of education is not according to the needs of the economy it can create an army of educated unemployment. In India educated unemployment has become a common phenomenon.

India has failed to balance its education policy according to the needs of the economy. There is surplus of manpower in certain categories while there is a dearth of technical skills in other sectors. (paradoxical situation)

**'Education unemployment a peculiar problem of India'**

Education unemployment is a person who has some formal education upto some level, say senior secondary or more, and

fails to find a job. This type of unemployment is on the rise in India. This is due to the following factors:

(i) Much of the education is low-quality and general in nature. it does not have any vocation-specific component. Therefore, much of it is irrelevant.

(ii) The rate at which white-collar jobs have been created in India is much less than the rate at which population and education have been increasing.

(iii) In the globalizing world, demand for high-skilled labor is fast increasing. There is no demand for persons with not or little skills. Our education system is mass producing this second category of persons.

### **Disadvantages of Unemployment:**

(i) Wastage of resources: human capital is one of the most important resources. Unemployment leads to wastage of manpower resources. People who are an asset for the economy turn into a liability. There is a feeling of hopelessness and despair among the youth.

(ii) Poverty: the basic cause of poverty is unemployment. People do not have enough money to support their family. Inability of educated people who are willing to work to find gainful employment implies a great social waste.

(iii) Increase in dependent population: unemployment tends to increase economic overload. The dependence of the unemployed on the working population increases.

(iv) Poor quality of life: the quality of life of an individual as well as of society is adversely affected. When a family has to live on a bare subsistence level, there is a general decline in its health status and rising withdrawal from the school system.

Hence, unemployment has a detrimental impact on the overall growth of an economy. Increase in unemployment is an indicator of a depressed economy. It also wastes the resource, which could have been gainfully employed. If people cannot be used as a resource, they naturally appear as a liability to the economy.

## **Employment scenario in the three sectors**

### **Employment scenario in the three sectors:**

(i) Agriculture is the most labour absorbing sector of the economy. More than 60% of the population is already working in the primary sector. This sector is already facing the problem of disguised unemployment. Some of the surplus labor has moved to either the secondary or the tertiary sector.

(ii) In the secondary sector, small scale manufacturing is the most labor-absorbing. There is much scope in this sector as new manufacturing units are being set up.

(iii) In the case of the tertiary sector, various new services are now appearing like biotechnology, information technology and so on. As the need for the service sector is increasing, this sector has the ability to absorb a large number of working population.

### **HOW TO CREATE MORE EMPLOYMENT?**

(i) By promoting small scale and cottage industry.



(ii) By spreading technical education.

(iii) By promoting supplement works like animal rearing, horticulture etc.

(IV) By the infrastructural development programme in the rural area and providing cheap loans.