



ISSUES AND CHALLENGES OF POVERTY AND UNEMPLOYMENT IN WORLD ASPECT

¹BANASHREE SAIKIA,

¹ASSISTANT PROFESSOR,

¹Department of Economics,

¹Assam Down Town University, Guwahati, India.

Abstract – Global poverty is defined as the number of people worldwide who live on less than dollar 2.15 a day . A person surviving on less than dollar 2.15 a day lives in extreme poverty , as defined by the world bank .Unemployment occurs when someone is willing and able to work but doesn't have a paid job . The unemployment rate is the % of people in the labour force who are unemployed .Consequently ,measuring the unemployment rate requires identifying who is in the labour force. As a result of Globalization , the earth turns into a small village . Moreover , this is needless to say that the news of a small village is made known to all in a moment . As an instance , the number of the poor and the unemployed persons is more than solvent and employed persons . At present times , in our world , the people being in unequal and imperfect rivalry are deviated from the right path . To get relief from the trouble , the equal distribution of resources and the awareness of maximum people as well as the same awareness on the part of our every government of our world are vitally necessary to do the needful action taken upto rise from global problems – poverty and unemployment . Under the developed countries , the USA , France , Japan , and Australia etc . the number of the poor and the unemployed is increasing day by day .India including our state I . e . West Bengal isn't outside the problem . In all areas of government and non – government sectors the output of surplus employment and shortage employment is carried forward ,as the folk is trained for needed courses whereas some or a large number forsake the unnecessary courses . In one side , because of increasing population the food crisis and money crisis take place all over the whole world as well as the number of unemployment and incapable workers is rapidly increasing .

Key ewords – Poverty , globalization , labour force , unemployment.

Introduction –

In recent era an economic and social crisis unexampled scale leading to the rapid poverty of the large sector of the world population . National economics as well as international economics are collapsing and unemployment is unprevented . The worlds are suffered from human poverty and unemployment with the destruction of the natural environment . It originates social separation , encourages racism and ethnic enmity , violence of women and often precipitates states as well as countries into destructive between nationalities .According to jospshwreinski (1977- 1988) founder of ATD forth world –“ where ever men and women condemned to live in extreme poverty , human rights are violated . To come together to ensure that these rights be respected is oursolemn duty .

Objective –

To aware the people from poverty and unemployment and also to know about the recent situation .

Methodology –

At first I have collected the data from journal, gadget, book , internet , newspaper . Then I have scientifically analyzed and interpret it .

Method of measuring poverty –

- 1 . Head count index – The headcount index measures the proportion of the population that is poor .It is popular because it is easy to understand and measure .
- 2 . Poverty gap- The poverty gap is the ratio by which the mean income of the poor falls below the poverty line . The poverty line is defined as half the median household income of the totalpopulation .
- 3 . Proportional poverty gap- It is defined as the average poverty gap in the population as a proportion of the poverty line . The poverty gap index is an improvement over the poverty measure head count ratio which simply counts all the people below a poverty line , in a given population , and considers them equally poor .
- 4 . Squared poverty gap – Squared poverty gap index , also known poverty severity index or P2, is related to poverty gap index . It is calculated by averaging the square of the poverty gap ratio . By squaring each poverty gap data , the measure puts more weight the further a poor person's observed income falls below the poverty line .

Causes of poverty –

The world Bank's "voices of the poor" based on research with over 20000 people in 23 countries, identifies a range of factors which poor people identify as part of poverty.

These includes –

1. **Precarious livelihoods** - Precarious livelihoods, as a phenomenon that characterizes rural household survival strategies, is a serious long-term issue for policies concerned with reducing rural poverty in developing countries.
2. **Excluded locations** – Excluded locations are used to restrict your ads from showing in specific geographic areas. For instance, a campaign could show ads in all parts of a country except for a specific city by having a targeted location for the entire country and an excluded location for that specific city.
3. **Physical limitations** – A physical limitation, refers to having difficulty performing any of eight physical activities. Physical limitation is important because of its relationship with the ability to live independently and to overall quality of life.
4. **Gender relationship**- Gender relations define how people should interact with others and how others relate to them, depending on their attributed gender, and they should be analyzed within the cultural context in which they develop.
5. **Lack of security**- It means lacking protection or defense, dangerous, involving or causing danger or risk, liable to hurt or harm, precarious, shaky, not secure.

Classification of poverty

1. **Absolute poverty** – The world bank defines extreme poverty as living on less than U.S dollar 1.25 ppp per day.
2. **Moderate poverty** – Which ppp / day is less than dollar 2 a day.
3. **Relative poverty** – It views poverty as socially defined and dependent on social context, hence relative poverty is a measure of inequality.
4. **Ultra poverty** – A term apparently coined by Michel Lipton, connotes being amongst poorest of the poor in low income countries. Lipton defined ultra poverty as receiving less than 80 % minimum caloric intake whilst spending more than 80% of income in food.
5. **Voluntary poverty** – Among some individuals, such as ascetics, poverty is considered a necessary or desirable condition, which embraced in order to reach certain spiritual, moral, or intellectual states.

How to reduce poverty

1. **Eliminating poverty through equity** – One of the main causes of poverty is inequality. The systematic barriers that lead to groups of people going without representation in their communities leaves them further behind in terms of resources and opportunity.
2. Develop and implement rapid and sustained economic growth policies and programs, in areas such as health, education, nutrition and sanitation, allowing the poor to participate and contribute to the growth.
3. Invest in and implement agricultural programs – China has helped 800 million people out of poverty since 1978. As a part of its strategy to eradicate poverty by 2020, the agricultural bank of China will lend more than dollar 400 billion to help develop rural areas, fund education, infrastructure, and crop production.
4. Create and improve access to jobs and income and develop entrepreneurial talent.
5. Providing all people with access to basic social services including education, health care, adequate food, sanitation, shelter and clean water.

Unemployment**Meaning of unemployment –**

The official unemployment definition comes from the U. S. Bureau of labor statistics, which states that "people are classified as unemployed if they don't have a job, have actively looked for work in the prior four weeks, and are currently available to work."

Types of unemployment

1. **Disguised unemployment** – This is a type of unemployment where people employed are more than actually needed. Disguised unemployment is generally traced in unorganized sectors or the agricultural sectors.
2. **Structural unemployment** – This unemployment arises when there is a mismatch between the worker's skills and availability of jobs in the market. Many people in India don't get job matching to their skills or due to lack of required skills they don't get jobs and because of poor education level, it becomes important to provide them related training.
3. **Seasonal unemployment** – That situation of unemployment when people don't have work during certain seasons of the year such as labourers in India rarely have occupation throughout the year.
4. **Vulnerable unemployment** – people are deemed unemployed under this unemployment. People are employed but informally i.e. without proper job contracts and thus records of their work are never maintained.
5. **Cyclical unemployment** – Unemployment caused due to the business cycle, where the number of unemployed heads rises during recessions and declines with the growth of the economy.
6. **Frictional unemployment** – This is a situation when people are unemployed for a short span of time while searching for a new job or switching between jobs. This is also called search unemployment, is the time lag between the jobs.

Causes of unemployment –

1. Large population.
2. Lack of vocational skills or low educational levels of the working population.
3. Labour-intensive sectors suffering from the slowdown in private investment particularly after demonetization.
4. The low productivity in the agriculture sector plus the lack of alternative opportunities for agricultural workers that makes transition among the three sectors difficult.
5. Legal complexities, inadequate state support, low infrastructural, financial and market linkages to small businesses making such enterprises unviable with cost and compliance overruns.

Impact of unemployment

1. The problem of unemployment gives rise to the problem of poverty.
2. The government suffers extra borrowing burden because unemployment causes a decrease in the production and less consumption of goods and services by the people .
3. Unemployed persons can easily be enticed by antisocial elements . This makes them lose faith in the democratic values of the country .
4. People unemployed for a long time may indulge in illegal and wrong activities for earning money which increases crime in the country .
5. Unemployment affects the economy of the country as the workforce that could have been gainfully employed to generate resources actually gets dependent on the remaining working population , thus escalating socio – economic costs for the state .
6. It is often seen that unemployed people end up getting addicted to drugs and alcohol or attempts suicide , leading to losses to the human resources of the country .

Government initiative to control unemployment –

1. In 1979 the government launched TRYSEM – training of rural youth for self – employment .The objective of this scheme was to help unemployed youth of rural areas aged between 18 and 35 years to acquire skills for self – employment .
2. The government launched the IRDP – integrated rural development programme (IRDP) in the year 1980 to create full employment opportunities in rural areas .
3. A new initiative was tried namely RSETI /RUDSETI in 1982 jointly by Sri Dharmasthalamanjunatheshwara educational trust , canara bank and syndicate bank . The aim of RUDSETI ,the acronym of rural development and self employment training institute was to mitigate the unemployment problem among the youth .
4. The Jawahar Rozgar yojana (JRY) was started in April 1989 by merging the two existing wage employment programme RLEGP – rural landless employment guarantee programme and NREP – National rural employment programme on an 80:20 cost – sharing basis between the state and centre .
5. MNREGA – Mahatma Gandhi national rural employment guarantee act launched in 2005 providing the right to work to people . An employment scheme of MGNREGA aimed to provide social security by guaranteeing a minimum of 100 days paid work per year to all the families whose adult members opt for unskilled labour – intensive work .

Conclusion -People must be united across , “both issue” groups join hands in its understanding on how this economic system destroys and impoverishes . The globalization of this struggle is fundamental , requiring degree solidarity and internationalism unprecedented in world history . This global economic system feeds on social divisiveness between and within countries . A major thrust is required which brings together social movements in all major regions of the world in this issue and commitment to the elimination of poverty and unemployment and a lasting world peace .

References –

1. Kirandeepkaur .(2014) . ‘ An empirical study of inflation , unemployment , exchange rate and growth in India ‘ , AJMS – Asian journal of multidisciplinary studies , Vol .2, No. 10,pp. 19 -21.
2. Bhavikajoshi , serene Shekhar and saritananwal (2015) , ‘ Entrepreneurship ; - A wayout for unemployed youth in research and technology , vol2,No 2 , pp.126-132 .
3. Gupta D P . and Arvind Dewanga (2012) , ‘ challenges before engineering education in India ‘ , reserarchers world – journal of arts , science and commerce , Vol 3 , No.2(1) , pp.100-103.
4. Kiran R ,Subashini K and Dr. Nagamani M K .(2014).
5. Jaganath Behera (2013), ‘ jobless growth in India in 2000 ‘s’ , International journal of research in commerce , economics and management , Vol.3, No .11, pp.131-133.
6. Udhayakumar R. and Karthikayann . (2014), ‘ Career up – gradation of Civil engineers through training and development at M/s URC construction (p) Ltd, India’,JBM and SSR – journal of business management and social sciences research , vol .3, No.4,pp.25-30.