



# INTERNATIONAL JOURNAL OF CREATIVE RESEARCH THOUGHTS (IJCRT)

An International Open Access, Peer-reviewed, Refereed Journal

## “Remedies Of Current Issues And Challenges In Indian Economy”

Dr. AShokkumar N. Patel  
H.O.D. (Economics Department)  
Shri R.K.Parikh Arts & Sci. College, Petlad

**Abstract:** In the world, the idea of a welfare state is spreading and is gaining momentum in development against free mercantilism and the world is sitting on our side, if we want to maintain the pace of this development and maintain the continuity of sustainable development, it is necessary to brainstorm some economic-social matters and formulate a new strategy and plan it to start from the rural sector. While taking pride in a country where 65 percent of the population is young, we should not forget that they do not get education, employment and respect. Only then can we move the country forward. We are poor not because of natural resources but because of lack of approach. Economic prosperity is possible only when the people of the country are enterprising. Not everyone wants to work, does not contribute to production and without work, everything is wanted for free. The job of the so-called economists of the country is to be a guide to the governments and not to complicate the problems further. The future of the economy may be seen in cities, but its roots are in villages. The heart of the Indian economy is the village. Its breath flows from the village. In the rural sector, there has now been a revolution in the field of communication through mobile phones through internet technology. But the problems of drinking water, sanitation and employment generation are yet to be solved. Due to the lack of labor-intensive industries and small commodity industries that can create employment, rural youth is being wasted in unemployment. We cannot be a leader in demographic dividend, i.e. population returns, but instead of focusing on the supply of cheap manpower in India, we can put more emphasis on skill development through training and creating high-tech manpower through skill development schemes, skill loan schemes, entrepreneurship, etc. If we cooperate in the great campaign to fulfill the resolutions of Make in India, Digital India, Swachh Bharat, Sarva Shiksha Abhiyan, Skill India, as well as Beti Bachao-Beti Padhao, and provide education and training to the workers so that they acquire the skills to use technology, we will definitely be able to build a new India.

**Introduction:** Today, the most complex problem of developing India is poverty and unemployment. The idea of a welfare state is emerging all over the world against free marketism and is taking a toll on development and the world is sitting with its fists in our direction. If we want to sustain this pace of development and maintain the continuity of sustainable development, we will have to think about some things and formulate a new strategy and it should start from the rural sector. When the wind of India is blowing in the foreign air, it can be seen that a few years ago, even a paragraph about India was not taken into account abroad, it has now reached the editorial level. If India is to be made a superpower, then equal opportunities will have to be provided to everyone in all sectors such as economic, social, education, health and employment. We will have to think seriously about corruption, poverty, rural development, education-health, drinking water, employment, home, etc. The country's population census figures are shocking. The country's population has reached an estimated 134 crore. According to the information released on World Population Day on July 11, four Australia are born in the world every year, that is, one Bihar of our country. The world's population increases by 10 crore every 14 months. We are satisfied by saying that China's population is more than ours, but we never say that if our population growth continues, we will be at the

top of the world in terms of population in the next few years. The problems that will arise due to population in the coming days will further deepen economic inequality.

While taking pride in a country where 65 percent of its population is young, we should not forget that they do not get education, employment and respect. We need to change our approach only if we can move the country forward. We are poor not because of natural resources but because of lack of approach. Youth can get equal opportunities only when they get a good profession or a good job. The unemployment rate in the country is very high. It is very important to emphasize on the five main components of the economy such as growth rate, full employment, price stability, progress in foreign trade and income equality etc. Whether we are talking about the quality of life of Europe, America or Gulf countries, it is not only due to strict laws but also due to the self-discipline culture instilled in the citizens. According to a report released by the World Bank in 2017, India will surpass France to become the sixth largest economy and France will become the seventh largest economy. According to the London-based Center for Economics and Business Research, India will become the third largest economy in 2032. According to the theory of Nobel Prize-winning economist Richard Thaler, administration should be simplified to be good for society. If the reforms implemented by the government do not bring simplicity, they become meaningless altogether.

Economic development is one of the most important problems in the world today. From Adam Smith to Karl Marx and Keynes, modern economists have presented studies on economic development. In the context of economic development, Michael Todero has said that economic development is a process of institutional and structural changes. In which social structure, people's mentality/attitudes as well as rapid economic growth. Reduction in inequality and elimination of absolute poverty are also involved.

The sectoral changes taking place in the Indian economy are today taking the economy out of the state of an underdeveloped economy and moving it towards a very fast growing economy. The structural changes taking place in the economy have created a global impression. These changes taking place in the Indian economy can be studied under two sections.

#### 1. Quantitative changes    2. Qualitative changes.

Entry into the club of trillion dollar countries in terms of GDP In 2006-07 the GDP of the Indian economy at market prices was 1.01 trillion, making India one of the top ten countries in the world. Other trillion dollar countries include America, Japan, Germany, China, Britain, France, Italy, Spain, Canada etc. (One trillion dollars = one thousand billion dollars) As per the latest World Economic Outlook of the IMF, India will surpass 3 trillion in 2019. And the government is expecting to enter the 5 trillion dollar economy.

Change in traditional form of agriculture, Extensive farming replaced by intensive farming, Conversion of subsistence farming into surplus farming, Multi-cropping system instead of single cropping system, Green Revolution, White Revolution (milk and its products), Brown Revolution (fish and marine products), Yellow Revolution (oilseeds and edible oils), Brown Revolution (biogas) etc. eras have dawned. According to a recent study by an organization called INTERNATIONAL SERVICE FOR THE EXHIBITION OF BIOTAKE APPLICATION, India is moving ahead rapidly in adopting biotech methods. In the last one decade, India is ranked 7th among 21 countries of the world.

Diversification in industrial structure. Along with traditional industries, emerging industries (Sunrise industries) such as electronics, computers, telecommunications, microelectronics, and biotechnology. Workers have learned new skills and trades. A new class of professional managers and administrators has emerged. India ranks ninth among the industrialized countries of the world and third in technical and scientific manpower.

According to a report published in Sandesh Samachar on 29 July 2016, by 2050, 970 million people in the world will be living in cities. But in the list of 230 most livable cities in the world, the top spot is the capital of Australia, Vienna. And the last spot is the capital of Iraq, Baghdad. Indian cities are somewhere between these two extremes: Hyderabad is at 139th place, Pune is at 144th, Bangalore is at 145th, Chennai is at 150th, Mumbai is at 152nd, Kolkata is at 160th and the capital Delhi is at 161st place. The survey of these 230 cities has been conducted by Mercer Quality of Life. The standard of living of urban citizens has been taken into account, taking into account the steps taken by the local government and the local people to make the city livable. India wants to become the number one economy, a world leader, a country of

smart cities, but until awareness is created among the citizens, this is just a pipe dream. On the other hand, about 67 percent of the country's population lives in villages, but for them, the biggest crisis is getting clean and pure water. 66 crore people in the world and 6.34 crore rural people in India do not have access to potable water. The reasons behind the lack of access to clean water are poor management and lack of stability of water supply, social inequality and poverty, and lack of water resources compared to the demand due to population growth.

Despite the implementation of numerous schemes, poverty is not reducing because middlemen, politicians, bureaucrats, businessmen and administrators of taluka and district offices are responsible for it, so welfare schemes are meaningless. In America, the average daily income for the poverty line of a family of five is \$13. According to the World Bank, if the per capita income is \$10 per day, that family can afford all the necessities. In contrast, the poverty line in India is where the average daily per capita income in rural and urban areas is Rs. 32 and Rs. 47 (according to the Rangarajan Committee). According to this rate, 36 crore people are poor in India. India's population is 17 percent of the world's population. While India accounts for 20 percent of the world's poor. The goals set in the United Nations Millennium Summit in 2000 regarding poverty, hunger, health, gender equality, education and environment were to be achieved by 2015, but many of them are yet to be achieved. Economic prosperity is possible only when the people of the country are enterprising. Here, everyone does not want to work, does not contribute to production and without work, everything is to be received for free, then how will the country move forward? The so-called economists of the country are criticizing the governments. They do not know that the job of economists is to show the way and path to the governments, not to complicate the problems further. The condition of the banking sector in the country is dire. The NPA figures are shocking.

emphasize on the dire situation of unemployment in the country. According to the data released by the Central Government based on the 2011 census, 11 percent of the country's population i.e. 12 crore people are looking for jobs. Among the unemployed, 25 percent are in the age group of 20 to 24, 17 percent are in the age group of 25 to 29 and 14.30 crore are below the age of 20. 34 percent of the total unemployed i.e. 1.19 crore people were in search of permanent jobs. According to the 2015 report of the International Labour Organization, 197.1 million (19.7 crore) people were unemployed in the world. It has been expressed that 100 crore people will become unemployed in the world by 2020. On the other hand, it is also necessary to draw attention to the dangers of increasing economic inequality around the world. The principles of development state that as development increases, employment increases, along with the growth rate, the rate of production growth increases, and employment also increases, but this principle has not been true in the case of the Indian economy till date. Many new businesses in the world have now started in India, which provide self-employment. There are ample opportunities for self-employment in dairy, poultry and fisheries. According to a news published in Sandesh Samachar on 15 September 2015, 15 lakh people in India take training as engineers every year. While in America this figure is one lakh people. The field of engineers is involved in the race to get a white collar job. Less job opportunities are created here than the number of engineers who come out. Customers also want something different in the IT sector, these companies have not been as successful as they should have been in meeting their demands, so fewer job opportunities are created.

The future of the Indian economy may be seen in the cities, but its roots are in the villages. The heart of the Indian economy is the village. Its breath flows from the village. Here, two different forms of economy are seen in the same economy, urban and rural economy. In the rural sector, there has been a revolution in the field of communication through internet technology and mobile phones. But the problems of drinking water, sanitation and employment creation are yet to be solved. Due to the lack of labor-intensive industries and small goods industries that can create employment, rural youth is being wasted in unemployment. A report was submitted to the government in Dec. 2018 stating that jobs have decreased and unemployment has increased after demonetization. According to the data of the National Sample Survey, the unemployment rate in 2017-18 was 6.1 percent, which is the highest in the last 45 years. The unemployment rate in cities is estimated to be 7.8 percent on average and 5.3 percent in rural areas. Only about 500 unemployed people are getting jobs in the country every day. The growing number of educated unemployed people is demanding changes in education. Which is very less compared to China. While the

economy is facing the strange paradox of job loss due to the dazzling economic growth, along with direct investment, advanced technology is also coming. This technology should not be labor-less but job-creating.

You, I and we talk about developed countries but our mentality remains outdated. Individuals and communities are damaging the country's assets by demanding reservations. On one hand, there is talk of bullet trains and Digital India in the country, organizations like ISRO are launching satellites of foreign companies, foreign companies are being brought abroad in the name of Make in India, while on the other hand, there is violence and sabotage with demands for reservations. What could be a bigger misfortune for this country than this. If China can become the world's factory, then India cannot become a nation that provides human resources in the world. We cannot be a leader in demographic dividend i.e. the return of population. Instead of focusing on the supply of cheap manpower in India, we should create high-tech manpower by providing training. More emphasis should be placed on skill development through Skill Development Scheme, Skill Loan Scheme, Entrepreneurship, etc. There is a great campaign to fulfill the resolutions of Make in India, Digital India, Swachh Bharat, Sarva Shiksha Abhiyan, Skill India, Beti Bachao-Beti Padhao etc. The workers should be educated and trained to acquire the skills of using technology. Because development including employment is possible with technology.

Talking about socio-economic challenges in India, solving problems like poverty and malnutrition, illiteracy, unemployment, poor health facilities, water and sanitation problems, energy shortages, regional inequality and environmental issues is not as easy as we think. There is a need for a comprehensive policy framework for sustainable development, food security, welfare schemes etc. These problems can be solved through good governance, i.e. socio-economic challenges can be solved with the help of good governance. New economic politics is making the economy hollow. As political parties gain more money and power, the evils of discrimination, inequality etc. increase. What can be the welfare index of a country where nationalism is mocked and deprivationism is encouraged, and traitors are presented as heroes. Due to some limitations of the economy based on the principles of republican democracy, social justice, and communal order, all three have been devalued after the LPG policy. With the concept of social justice, the unequal caste system should not be removed in a reformist manner and the upliftment of the weaker sections should not be overlooked.

#### References:

1. Economic Survey 2015-16, 16-17
2. NSSO –www.nssso.org.in
3. Indian Economic problem and policy –Rudra and Datt S. Chand publication
4. Yojana, arthsankalan
5. Sandesh and Gujarat samachar
6. Other website of economic Articles
7. Indian Economy : Popular Publication Surat.
8. Indian Economy:2023-24 , Pratiyogita Darpan. Agra