

# 10 MILLION JOBS

An Operational Framework

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BOMBAY—20

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## An operational framework

“If even one man does not have the wherewithal to buy his needs, let us blast this world”, sang the Tamil poet, Subrahmanya Bharati. Apparently, he was referring to the key dimension in unemployment, namely, **the human dimension**. For one to get up in the morning only to feel he has nowhere to go to work is a devastating, devitalising experience. This is the case even if it is for a couple of days. If this state should continue for weeks and months, the experience can make one not merely frustrated but bitter and negative.

The unschooled ones can perhaps explain away the fact of temporary or extended unemployment by saying: “Even educated people don’t get jobs. What can I hope for?” The schooled ones are not able to say that. They say instead: “After 17 years of education during which time, according to figure-watchers, the government alone has invested Rs. 20,000 (about \$3000) *per year* in the last five years of my study, I am told that I am not wanted. Industry does not want an engineer. Government also does not want an engineer. They have no job to offer me and an estimated 60,000 engineering graduates like me.”

### NEED RUNS TO MILLIONS

The human dimension is so important that even if only one person is unemployed for no fault of his own, it deserves our immediate attention. Even so, it is well to get an idea of the quantitative dimension of the problem.

Statistically speaking, we have the following figures to consider :

At the beginning of the First Plan, the number of the unemployed was 3.3 million. No doubt, the First Plan created new employment opportunities of 7.0 million. But the number of new entrants in the labour market was 9.0 million. The result was that at the end of the First Plan the problem of unemployment had become more serious than at the beginning!

The same trend continued in the subsequent two Plans. Each time, the number of the new entrants exceeded those that were absorbed in fresh jobs. At the end of each Plan, therefore, the unemployment situation was more serious.

A recent estimate published by the Labour and Employment Division of the Central Government forecasts a still larger backlog of unemployment. It says that the unemployment at the end of the Fourth Plan, that is 1974, may be 23 million and at the end of 1979, 60 million.

#### UNEMPLOYMENT: 1951 to 1974 (Figures in millions)

| Plan           | Unemployment at the beginning of Plan | New entrants during the Plan | Fresh employment created by Plan | Unemployment at the end of the Plan |
|----------------|---------------------------------------|------------------------------|----------------------------------|-------------------------------------|
| First 1951-56  | 3.3                                   | 9.0                          | 7.0                              | 5.3                                 |
| Second 1956-61 | 5.3                                   | 11.8                         | 10.0                             | 7.1                                 |
| Third 1961-66  | 7.1                                   | 17.0                         | 14.5                             | 9.6*                                |
| Fourth 1969-74 | 13.6*                                 | 27.3                         | 18.0                             | 22.9                                |

\* These figures do not tally as the later includes addition to the unemployment (four million) in 1967 and 1968.

Two other related figures may also be considered here. One is the phenomenon of *underemployment*. According to the preliminary survey of urban employment conducted by National Sample Survey Organisation (in September '57-May '58) in towns with a population of 50,000 and above, the underemployed constituted 11.38% of the gainfully occupied persons. In another

survey embracing both the urban and rural sections, it was found that 26.69 million persons (14.36% of the gainfully employed) worked with less than full intensity, out of which 16.02 million persons (11.94% of the gainfully employed) worked with intensity of a quarter or less. Out of the rural underemployed and of 19.65 million, 14.53 million worked less than four hours a day.

The other is that even those that are employed are getting a *paltry income*. About 98% of government employees are earning less than Rs. 500 (about \$100 in purchasing power) per month. The non-government employees are not much better off. In other words, the employment has for most a status value rather than a standard of living value.

If we take the people living in the rural areas, the picture turns still more grim. An estimated 200 million people have consumption levels of less than one rupee a day (20 cents a day).

## THE BIGGEST CHALLENGE

Justifiably, therefore, J. R. D. Tata describes unemployment as "the biggest challenge facing India in 1970s, as food was in the 1960s". In a recent assessment of the economic situation in India, he posed the issue wherein India, having triumphed over Malthus, is now to succumb to Marx.

## A GRASS ROOT APPROACH

Leaders of all the political parties seem to understand the dimension and the urgency of the problem. (The recent annual conventions of the various parties have a special resolution on unemployment.) They take steps which according to their persuasion will solve the problem. In retrospect, some of the measures\* may be found to even worsen the unemployment situation, but that is beside the point. The purpose of this note is *not*

\* The Five Year Plans are not quite geared to more employment. In the First plan an investment of Rs. 2360 crores created jobs for seven million. To create one new job an investment of Rs. 3384 was required. During the Second Plan an investment of Rs. 4,800 was made, which led to new employment of 10 million, giving a ratio of 1: 4800. The employment investment ratio was 1:7172 in the Third Plan and in the Fourth Plan it is likely to be 1:12222.

to sit in judgment over the obtaining approaches. *The purpose is to explore a possible breakthrough.* Every effort in this critical area is welcome and worthwhile. One more is welcome too, more so if it takes a bottom up approach. This note outlines such an approach.

## WHERE CREDIT IS DUE

For the ten that are unemployed, knowing that 1000 others are employed is no consolation. Even so, credit should be given to the government and non-Government sectors for creating many employment opportunities since 1947.

In the period 1961-66 alone, the following rise in employment was noticed in the following sectors:

|                 | 1961      | 1966      |
|-----------------|-----------|-----------|
| Public sector   | 70,50,000 | 93,84,000 |
| Private sector  | 50,40,000 | 60,94,000 |
| Shops & offices | 9,28,000  | 25,90,000 |

That the demand has exceeded the supply of jobs should not blind us to the effect that constant efforts are being made in the country for more and still more jobs.

## THE CHANGING SCENE

The unemployed population in India is not merely growing in size but fast changing in its content and expectations.

Thus, the percentage of the educated people among the unemployed is increasing. The unemployed number rose from 34.4 (in 1953-54) to 64.8 millions in (1961-62). In percentage, the educated (11 years or more of school) account for an estimated 40% of the total unemployed population.

Any job at any price is no longer the case. The unemployed want to choose the price and if possible the job too.

This is partly occasioned by the erosion of the rupee. What a rupee bought in 1939, ten rupees are not able to

buy in 1969. (The inflation in the country has made the rise in per capita income a joke). This is also occasioned by "the revolution of rising expectations". The majority are not reconciled to "the amenities" they are having. They insist on improving their quality of living. They realise that cheap labour makes for a life of poverty and that poverty makes a person do anything or suffer anything; and since the majority are not the class who will do anything and they are in no mood to suffer anything, they have to press for jobs that are more paying than they used to.

If we look at this stand in human terms, it is understandable. If we ponder for a while, we will realise the human tragedy that is poverty and we will welcome the pressure for higher wages *and*, of course, a higher productivity that will make the higher wages worthwhile.

The other growing phenomenon is still more challenging. The educated people want not merely paying jobs but satisfying jobs. This 'job satisfaction' phenomenon makes the problem still more complex.

## **PRODUCTIVE JOBS**

Most of the attempts made to create jobs in the country are *not* in the area of paying and satisfying jobs which indeed constitute the growing need. We saw earlier on that over 90% of the present jobs in the country are of the less than Rs. 500 (about \$ 100 p.m.) category.

If a job has to be a paying one and a satisfying one, it cannot be a routine 10 to 5 (clerical) or 8 to 5 (factory) job. It has to be a highly productive job, it has to be a creative job, it has perhaps to be a 16-hour a day job, a job that can truly be described as one's own.

These jobs are often created not by others, but by oneself. These are jobs of a *self-employment* nature.

Such jobs are endless in a free society. The limit is set only by man's ingenuity.

Such jobs do not require one to wait endlessly on an impersonal agency. One can start working the moment one decides to.

It is true such jobs are not easy. One needs to have confidence in oneself, courage to take risks. One needs to have market support, monetary support, technical support and managerial support.

It is also true that all the unemployed cannot vote for self employment; only a fraction can. The saving feature is that this fraction can create new jobs for themselves and conventional jobs for many more.

### **“10 MILLION JOBS”**

Preliminary studies show that as many as 10 new jobs can be created by enterprising individuals in each village. India has 5,66,878 villages (according to the 1961 census) and the villages alone can hope to give about six million *additional* self employment jobs. Each city seems to have the possibility of a 100 new jobs. India boasts of 2699 cities and this means, hopefully, we can have about a quarter million more jobs.

Each self employed person can, over a period, create jobs for others who may not be that enterprising. It is this logic that makes one think that a 10 million job is more than a dream; it is a distinct possibility.

### **A BOTTOM-UP APPROACH**

The approach that is visualised is to take a village or a town and find out what are the unfilled economic needs of the community. Some of their needs are not met today by someone in the local community and some of their needs are met only indifferently by the existing agencies. The first step then is to locate these economic needs felt by the community.

The second step is to locate individuals within the community who have either the skills and the orientation to meet one or more of these needs. Before one is able to give a satisfactory service to the community, one may need to have additional training or guidance. But this may not be a problem. Nor would it be a problem to find the tools or the knowhow. In many areas, knowhow and tools can be locally found.

The third step is to bring these two factors together by coordinating the market and monetary support facilities available in the community. Banking is well developed and is willing to support even the small man. The market has been located through initial survey. Atleast a small percentage of the population would not mind sharing knowhow etc. with another so long as he does not expect him to become his direct competitor.

There may be cases where the knowhow and the tools may not be locally available. It is here that the able and the willing elsewhere in the world can give a hand.

To test the hypothesis that brand new jobs can indeed be created in a town and a village, experimental projects are being conducted at Rajkot (population: 1,50,000) and at a village Maliasan (population 800). The survey is conducted by professional agencies supported by civic organizations like the Rotary club. The educationists, local government leaders and businessmen are taking a keen interest in giving their best to make this possibility a reality.

The editors of the local papers have offered support. They state that they would open their columns freely to the activities of the experimental group. In particular, they said they would write in detail about every job created. They pointed out that such stories are not merely of human interest but may provide an action starter elsewhere in the country. Furthermore, they will comment editorially so that the lessons that were learnt in the process of creating a job can benefit others.

### **A MULTIPLIER MODEL**

This experiment, it is hoped, will provide a *multiplier model*. Probably, even when the model is being built, other towns and villages may try the approach out. It is possible that there are men and women in the country who may volunteer to place their rich resources at the disposal of the enterprising folks.

There is a belief that for one to go on one's own, one needs, to start with, a lot of hard cash. The emphasis, given therefore at the experimental stage is to

play down this fallacy. Enterprise lies in locating the economic needs and competently meeting it. It is true this can be done in a big way. It is also true that it can be done in a way to meet the needs of the *local* community.

### **LOCAL COMMUNITY-ORIENTED**

In fact, this experiment will emphasise the desirability of people ascertaining the *local needs* and meeting those needs and *not* building an industrial empire. In fact, they will be encouraged to share the knowhow etc. with others elsewhere in the country so that the interested elsewhere can also become independent and self employed *in their own community*.

The group that is working on this project also visualises the desirability of the beneficiaries of the scheme to do two things to deserve the assistance. One is that they should keep up high standards of performance and integrity so that the enterprising will be equated to the decent. (The current fear in the country is that the decent are not enterprising and the enterprising are not decent.) Secondly, they will be expected to donate to the proposed Foundation 1% of their gross income so that in due course the Foundation will be able to provide the initial monetary seed money and the like support for the many ventures that may come about (Currently, the Foundation will have to bank on existing financial agencies and this means an inevitable, painful and sometimes frustrating delay).

### **SPECIAL ATTENTION TO STUDENTS**

The experiment wants to give special attention to the students in the community. It seeks to develop in the students habits of earning while learning and partly financing their way through schools and colleges.

There will be, for example, an odd-job clearing house in each of the college. Citizens who may need their services on an hourly basis (say to baby sit or to paint a fence) may call for their help. Contrary to popular notions, students do not mind doing any piece of work. All that they need is a small organisation to assist them.

Incidentally, such efforts would give them the desirable attitude to time. Time is "money". It may be more money or less money but it can be some money if one engages oneself in work that turns out a product or service for which there is an economic demand.

Secondly, students in the campus will be encouraged to start small businesses to cater to the needs of the students as also the nearby community. For example, they would start good clean coffee or tea shops.

These are only indicative. The emphasis is that the students will get special attention since it is at the student stage that *attitudes to self employment* are formed.

The thought is not new. In 600 B.C. Kaun Tsu is reported to have said: "If you give a man a fish, he will have a single meal. If you teach him how to fish, he will eat all his life."

## **SERVICE INDUSTRY JOBS**

For three reasons, service industry employment opportunities will be highlighted in this approach.

Firstly, these jobs call for minimum capital and time investment to get moving.

Secondly, these jobs add to the quality of living. One reason why people rush to large cities is because the service industries thrive there with the promise of a higher quality of living.

Thirdly, in terms of employment opportunities, this is *the* promising area. Whether it is in Israel or U.S.A., the rise in the employment share of service industry is high indeed.

According to Victor R. Fucks (The Growing Importance of the Service Industry of National Bureau of Economic Research 1965) "virtually all of the net growth of employment in the U.S. in the postwar period has occurred in the service sector". Says Harry I Greenfield (Manpower and the Growth of Producer Services, Columbia University Press, NY 1966): "The services sector,

which provides employment for the majority of the population has been growing rapidly in the last few decades”.

## EMPLOYMENT PROSPECTS

The need of the hour is that the individual shifts the focus from corporate employment to self employment. He knows it is a challenge, but he also knows it is an opportunity. He will welcome it; and this could mean much to him and to the community at large.

So that self-employment becomes a dynamic movement instead of a stray phenomenon, organisational support has to be made available. It is to provide this organisational support, a Foundation is visualised, tentatively described as **The 10 Million Jobs Foundation**. If developed countries feel like cooperating in this venture, they too may organise similar foundations in their countries. This experiment in India may throw a possibility for other developing countries.

## MODEST ROLE

The very spirit of the projected organisation requires its role to be a modest one. The role of the foundation-in-the-making would be enzymic and coordinating. It will seek to develop multiplier models. It will seek to work through existing civic, educational or other organisations servicing local communities. It will work through individuals to the extent that the interested individuals have an organisation to back their efforts for this cause.

The cooperation that is visualised from other countries is essentially of a moral support nature. Courage and confidence are local products. Market and money are also local products. In certain areas, knowhow and tools may be a problem. Those who are interested in the human problem of unemployment could give a hand in organising this knowhow and tools support on a goodwill basis. That is all the cooperation that may be needed from friends abroad to keep this movement going.