Size and Growth of Population in India

The rapid and excessive increase in population is called Population Explosion. In India, population has increased tremendously in post-independence period. It increased 7.80 crore between 1951-61. Population has been increasing constantly since 1951.

In year 1991, it was estimated 84.63 crore and in 2001, it increased to 102.87 crore. In 2005 figure stood at 109.10 crore. The rapid rate of increase in population is the main problem of the country.

**Size and Growth of India’s Population:**

India comes second to China as regards the size of its population. It occupies 2.4% of world’s area and with 1.5% of world’s income; India is maintaining 16% of world’s population.

1.60 Crore persons are added annually in country’s population.

**The Growth of India’s population can be studied in four periods of time:**

**1. Stagnant Population Period (1891-1921):**

The rate of growth of population in India was slow between 1891-1921:

(а) 1891-1901: Population decreased by 4 lakh in this decade. Natural calamities like famines, plague, malaria etc. played havoc with the lives of people.

(b) 1901-1911: Population rose by 137 lakhs in these 10 years. Death rate was low as this period remained free from natural calamities.

(c) 1911-1921: Population decreased by 7 lakhs during this decade. Famine, Plague, Cholera and Malaria etc. were the cause for this decrease.

**2. Steady Growth of Population Period (1921-1951):**

In this decade, the population increased at a constant rate. That is why; the year 1921 has referred as ‘Year of Great Divide’ in population history.

(а) 1921-1931:

Population increased by 276 lakhs.

(b) 1931-1941:

Population increased by 3.96 crore during this period and rate of growth become 14%.

(c) 1941-1951:

Population increased by 4.24 crore. Due to partition of the country, the growth rate decreased a little.

**3. Period of Population Explosion (1951-1981):**

(а) 1951-1961:

In this decade, population increased rapidly. It is called ‘period of population explosion’. Population increased by 7.82 crore.

(b) 1961-1971:

In this period population recorded increase of 10.82 crore.

(c) 1971-1981:

During this period, population increased by 13.50 crore.

**4. Period of High Growth 1981 onwards:**

(а) 1981-1991:

In this decade, the population was 84.63 crore.

(b) 1991-2001:

In 2001, the population went up to 402.87 crore.

The population of India increased by 18.24 crore.

The growth rate of Indian population is more than China and Sri Lanka whose population grows at a rate of 1% per year.

Age and gender distribution in India

 Age- sex structure is one of the most important characteristics of population composition. Almost all population characteristics vary significantly with age. Age statistics form an important component of population analysis, as most of the analysis is based on age-sex structure of the population. The usefulness of age data is more noticeable when it is cross classified by variables like marital status, literacy educational attainment, economic activity which vary with age in different patterns.

   Apart from purely demographic concerns, the age- sex data structure is required for age specific analysis of data for planning, scientific, technical and commercial purposes. The dependency ratio, which is the ratio of economically active to economically inactive persons, is dependent on age composition.

   India has one of the largest proportions of population in the younger age groups in the world. 35.3% of the population of the country has been in the age group 0-14 years at the Census 2001. 41% of the population account for less than 18 years of age.

   Census 2001 data on marital status of persons show that out of over a billion population of the country, 513 million (49.8%) have reported ad ‘Never married’, mainly due to high proportion of young people. The ‘Married’ constitute about 45.6% of the total population.

Indian Census has the tradition of bringing out disaggregated information by sex on various aspects of population. The first and foremost component of gender statistics revealed by Census 2001, 532 million constituting 52 percent are males and 497 million constituting remaining 48 percent are females in the population. In sheer numbers, males outnumber females by 35 million in population.

    Sex ratio is defined as the number of females per thousand males. It is an important and useful indicator to assess relative excess of deficit of men or women in a given population at that point of time. Sex differentials can be due to difference in mortality rate, migration, sex ratio at birth and at times the undercounting of women at the time of population enumeration.

    It is commonly understood that males and females in the population balance each other in number. Little do they know sexes are imbalanced in different population across the worlds .According to United Nation estimates, the world had 986 females against 1000 males in 2000. Except Indonesia and Japan, all other Asian countries have low sex ratios. However, most of the developed European countries have high sex ratio. Interestingly the sheer weight of the population of the four Asian countries, particularly China (944) and India (933) with low sex ratio contributes to the preponderance of males over fameless in world.

Trends of Urbanisation

    When a person is enumerated in census at a different place than his / her place of birth, she / he is considered a migrant. This may be due to marriage, which is the most common reason for migration among females-or for work, what is the case as generally among males, etc. It also happens that many return to their place of birth after staying out. To capture such movements of population census collect information on migration by last helps to understand the current migration scenario better. In India, as per census 2001, about 307 million person have been reported as migration by place of birth. Out of them about 259 million (84.2%), migrated from on e part of the state to another, i.e., from one village or town to another village or town. 42 million (2%) from out side the country. The data on migration by last residence in India as per Census 2001 shows that the total number of migrants has been 314 million. Out of these migrants by last residence, 268 million (85%) has been intra-state migrants, those who migrated from one are of the state to another. 41 million (13%) were interstate migrants and 5.1 million (1.6%) migrated from out side of the country.

  Opportunities in urban areas for employment, education, etc have been a pull factor attracting migrants from rural to urban areas and from smaller towns and cities to larger urban areas. There is also migration in the opposite direction from urban to rural areas due to various reasons.

Out of about 98 million, total intra-state and inter-state migrants in the country during last decade, 61 million have moved to rural areas and 36 million to urban areas. Migration stream out of rural areas(73 million) to another rural areas was quite high (53million) in comparison to from rural to urban areas (20 million). About 6 million migrants went to rural areas from urban areas. On the basis of net migrants by last residence during the past decade, i.e., the difference between in – migration and out – migration, in each state, Maharastra stands at the top of the list with 2.3 million net migrants, followed by Delhi (1.7 million), Gujrat (0.68 million) and Haryana (0.67 million) as per census. Uttar Pradesh (-2.6 million) and Bihar (-1.7 million) were the two states with largest number of net migrants migrating out of the state.    There are various reasons for migration as per information collected in Census 2001 for migration by last residence. Most of the female migrants have cited ‘Marriage’ as the reason for migration, especially when the migration is within the state. For males, the major reasons for migration are ‘work/employment’ and ‘education’.

[**Urbanization**](https://en.wikipedia.org/wiki/Urbanization)**in**[**India**](https://en.wikipedia.org/wiki/India) began to accelerate after independence, due to the country's adoption of a mixed economy, which gave rise to the development of the private sector. Urbanisation is taking place at a faster rate in India. Population residing in [urban areas](https://en.wikipedia.org/wiki/Urban_area) in India, according to 1901 census, was 11.4%.[[1]](https://en.wikipedia.org/wiki/Urbanisation_in_India#cite_note-Singh1978-1) This count increased to 28.53% according to 2001 census, and crossing 30% as per 2011 census, standing at 31.16%.[[2]](https://en.wikipedia.org/wiki/Urbanisation_in_India#cite_note-rediffjune2012-2)[[3]](https://en.wikipedia.org/wiki/Urbanisation_in_India#cite_note-3) According to a survey by UN State of the World Population report in 2007, by 2030, 40.76% of country's population is expected to reside in urban areas.[[4]](https://en.wikipedia.org/wiki/Urbanisation_in_India#cite_note-4) As per [World Bank](https://en.wikipedia.org/wiki/World_Bank), India, along with [China](https://en.wikipedia.org/wiki/China), [Indonesia](https://en.wikipedia.org/wiki/Indonesia), [Nigeria](https://en.wikipedia.org/wiki/Nigeria), and the [United States](https://en.wikipedia.org/wiki/United_States), will lead the world's urban population surge by 2050.[[2]](https://en.wikipedia.org/wiki/Urbanisation_in_India#cite_note-rediffjune2012-2)

[Mumbai](https://en.wikipedia.org/wiki/Mumbai) saw large scale rural-urban migration in the 20th century.[[see main]](https://en.wikipedia.org/wiki/Urbanization) Mumbai accommodates 12.5 million people, and is the largest metropolis by population in India, followed by [Delhi](https://en.wikipedia.org/wiki/Delhi) with 11 million inhabitants. Witnessing the fastest rate of and urbanisation in the world, as per 2011 census, Delhi's population rose by 4.1%, Mumbai's by 3.1% and [Kolkata](https://en.wikipedia.org/wiki/Kolkata)'s by 2% as per 2011 census compared to 2001 census.

After [independence](https://en.wikipedia.org/wiki/Indian_independence_movement), India faced poverty, unemployment, and economic backwardness. The first [Prime Minister of India](https://en.wikipedia.org/wiki/Prime_Minister_of_India), [Pandit Jawaharlal Nehru](https://en.wikipedia.org/wiki/Pandit_Jawaharlal_Nehru" \o "Pandit Jawaharlal Nehru), failed to focus on the domain of science and technology.[[5]](https://en.wikipedia.org/wiki/Urbanisation_in_India#cite_note-Khilnani1993-5) The [*mixed economy*](https://en.wikipedia.org/wiki/Mixed_economy) system was adopted, resulting in the growth of the [Public sector](https://en.wikipedia.org/wiki/Public_sector) in [India](https://en.wikipedia.org/wiki/India) crippling down the development of Indian economy leading to what is popularly known as Hindu rate of growth.[[6]](https://en.wikipedia.org/wiki/Urbanisation_in_India#cite_note-Trehan-6)

The contribution of the [agricultural sector](https://en.wikipedia.org/wiki/Agricultural_sector) to the [GDP](https://en.wikipedia.org/wiki/GDP) of [India](https://en.wikipedia.org/wiki/India) started to decline and the percentage contribution from [secondary sector](https://en.wikipedia.org/wiki/Secondary_sector) increased. The period after 1941, witnessed rapid growth of four metropolitan cities in [India](https://en.wikipedia.org/wiki/India), which were [Kolkata](https://en.wikipedia.org/wiki/Kolkata), [Delhi](https://en.wikipedia.org/wiki/Delhi), [Mumbai](https://en.wikipedia.org/wiki/Mumbai), and [Chennai](https://en.wikipedia.org/wiki/Chennai).[[8]](https://en.wikipedia.org/wiki/Urbanisation_in_India#cite_note-NathAggarwal2007-8) The nation's economy saw a rise due to [industrial revolution](https://en.wikipedia.org/wiki/Industrial_revolution) and the invention of new technologies increased the standard of living of people living in urban areas.[[9]](https://en.wikipedia.org/wiki/Urbanisation_in_India#cite_note-9) The growth of [public sector](https://en.wikipedia.org/wiki/Public_sector) resulted in development of public transport, roads, water supply, electricity, and hence the infrastructure of urban areas.

[Maharashtra](https://en.wikipedia.org/wiki/Maharashtra) was the most urbanized state in India till 1991, stood behind [Tamil Nadu](https://en.wikipedia.org/wiki/Tamil_Nadu) in 2001 and third after it in 2011, with [Kerala](https://en.wikipedia.org/wiki/Kerala) being second,[[10]](https://en.wikipedia.org/wiki/Urbanisation_in_India" \l "cite_note-Census2011Urban-10) with the urban-total state population ratio. However, Maharashtra's urban population of 41 million, far exceeds that of Tamil Nadu which is at 27 million, as per the 2001 census.[[11]](https://en.wikipedia.org/wiki/Urbanisation_in_India#cite_note-planning_commission-11)

**Causes of urbanization in India[[edit](https://en.wikipedia.org/w/index.php?title=Urbanisation_in_India&action=edit&section=4" \o "Edit section: Causes of urbanization in India)]**

The main causes of [urbanization](https://en.wikipedia.org/wiki/Urbanization) in India are:

Expansion in government services, as a result of the [Second World War](https://en.wikipedia.org/wiki/Second_World_War)

Migration of people during the [partition of India](https://en.wikipedia.org/wiki/Partition_of_India)[[12]](https://en.wikipedia.org/wiki/Urbanisation_in_India#cite_note-NathAggarwal2007_6-12)[[13]](https://en.wikipedia.org/wiki/Urbanisation_in_India#cite_note-The_Indian_and_Pakistan_year_book-13)[[14]](https://en.wikipedia.org/wiki/Urbanisation_in_India#cite_note-HarrisInstitute2001-14)

The [Industrial Revolution](https://en.wikipedia.org/wiki/Industrial_Revolution)[[15]](https://en.wikipedia.org/wiki/Urbanisation_in_India#cite_note-NaikRahman2007-15)

Eleventh five-year plan that aimed at [*urbanization*](https://en.wikipedia.org/wiki/Urbanization) for the economic development of [India](https://en.wikipedia.org/wiki/India)[[16]](https://en.wikipedia.org/wiki/Urbanisation_in_India#cite_note-Kundu-16)

Economic opportunities are just one reason people move into cities

Infrastructure facilities in the urban areas[[17]](https://en.wikipedia.org/wiki/Urbanisation_in_India" \l "cite_note-17)

Growth of [private sector](https://en.wikipedia.org/wiki/Private_sector) after 1990 .[[18]](https://en.wikipedia.org/wiki/Urbanisation_in_India" \l "cite_note-18)

**Consequences of urbanization[[edit](https://en.wikipedia.org/w/index.php?title=Urbanisation_in_India&action=edit&section=5" \o "Edit section: Consequences of urbanization)]**

Crowded housing and polluted waterway in Mumbai

Rapid rise in urban population, in India, is leading to many problems like increasing slums, decrease in [standard of living](https://en.wikipedia.org/wiki/Standard_of_living) in [urban areas](https://en.wikipedia.org/wiki/Urban_area), also causing environmental damage.[[19]](https://en.wikipedia.org/wiki/Urbanisation_in_India#cite_note-SivaramakrishnanDasgupta1993-19)

The [Industrial Revolution](https://en.wikipedia.org/wiki/Industrial_Revolution) in the 18th century caused countries like [United States](https://en.wikipedia.org/wiki/United_States) and [England](https://en.wikipedia.org/wiki/England) to become superpower nations but the present condition is worsening. India's urban growth rate is 2.07% which seems to be significant compared to Rwanda with 7.6%. India has around 300 million people living in metropolitan areas.[[20]](https://en.wikipedia.org/wiki/Urbanisation_in_India#cite_note-20) This has greatly caused slum problems, with so many people over crowding cities and forcing people to live in unsafe conditions which also includes [illegal buildings](https://en.wikipedia.org/wiki/Illegal_housing_in_India). Water lines,roads and electricity are lacking which is causing fall of living standards. It is also adding to the problem of all types of [pollution](https://en.wikipedia.org/wiki/Pollution).[[21]](https://en.wikipedia.org/wiki/Urbanisation_in_India#cite_note-21)

Urbanization also results in a disparity in the market, owing to the large demands of the growing population and the primary sector struggling to cope with them.[[22]](https://en.wikipedia.org/wiki/Urbanisation_in_India#cite_note-22)

Allan Chirare, 15 August 2015 quotes: "Urbanization is just becoming a disaster to the city of Mumbai in India."

Of late, there has been a change in the thinking of policymakers about urbanisation. The Eleventh Five-Year Plan argued that urbanisation should be seen as a positive factor in overall development as the urban sector contributes about 62% of the GDP. There is also a growing realisation that an ambitious goal of 9-10% growth in GDP fundamentally depends upon a vibrant urban sector (Planning Commission 2008). As the country is on the verge of preparing the Twelfth Five-Year Plan (2012-2017), the urban transition is considered one of the major challenges, requiring a massive expansion in urban infrastructure and services. With this backdrop, the results of the 2011 Census assume enormous significance in enhancing our understanding of the magnitude, growth and interstate variation in the levels and tempo of urbanisation in the country. Demographically speaking, the level of urbanisation is measured by the percentage of population living in urban areas. In order to have a better understanding of the urbanisation process, it would be appropriate to examine which settlements are treated as urban by the Census of India. There is no standard definition of urban; it varies from country to country (United Nations 2009). India’s urban areas are defined on the basis of two criteria. First, the state government grants municipal status – corporation, municipal council, notified town area committee or nagar panchayat, etc – to a settlement. Such settlements are known as statutory or municipal towns in the census definition of urban areas. Second, if a settlement does not have an urban civic status, but satisfies demographic and economic criteria, like a population of more than 5,000, a density of 400 persons per square kilometre and 75% male workforce in the nonagricultural sector, it can be declared urban. Such urban areas are termed census towns. It is important to note that India’s urban definition is very broad-based and closely reflects levels of development unlike several other developing countries. For example, in south Asia, Nepal defines urban areas on the basis of population size only: a settlement with a population of more than 9,000 is declared urban. On the other hand, countries such as Bangladesh, Sri Lanka and Pakistan apply only the civic status criterion to declare a settlement urban (United Nations 2009). In each census, the rural-urban framework is prepared based on the above definition of urban. Many new towns are added and some existing towns revert to rural status if they do not satisfy the criteria. Thus the rural-urban classification used in India is a dynamic process, although there are some limitations to the definition (Bhagat 2005). Trends in Urbanisation The Office of the Registrar General and Census Commissioner of India projected the urban population for the year 2011 to 358 million, and estimated that urban population growth rates would decline from 2.75% per annum observed during 1991-2001 to 2.23 during 2001-2011 (Registrar General and Census Commissioner 2006). Urban experts also believed that India’s urbanisation would slow down because of its exclusionary nature and its inability to spur rural-to-urban migration (Kundu 2007, 2011). However, the 2011 Census shows some unexpected results. According to the 2011 Census, the urban population grew to 377 million showing a growth rate of 2.76% per annum during 2001-2011. The level of urbanisation in the country as a whole increased from 27.7% in 2001 to 31.1% in 2011 – an increase of 3.3 percentage points during 2001-2011 compared to an increase of 2.1 percentage points during 1991-2001. It may be noted that the Indian economy has grown from about 6% per annum during the 1990s to about 8% during the first decade of the 2000s (Ahluwalia 2011). This clearly reflects the power of economic growth in bringing about faster urbanisation during 2001-2011.

Table 1 shows that India had an urban population of about 79 million in 1961, which constituted about 18% of the total population. The average growth rate of the urban population was 2.32% during 1951-61 which accelerated up to 3.79% during 1971-81. This was the highest urban growth since independence. After 1981, the urban growth rate decelerated to 3.09% during 1981-91 and further declined to 2.75 during 1991-2001. However, the declining growth rate was slightly reversed during 2001-2011. It is worthwhile to note that urban population growth alone cannot speed up urbanisation. More importantly, if urbanisation has to occur, the urban population growth rate needs to be higher than the rural population growth rate. Thus, it is the urban-rural population growth differential that is critical to the process of urbanisation. Table 2 shows that urban-rural growth differentials increased from about 1% per annum during 1991-2001 to 1.61% per annum during 2001-2011. It is also evident from Table 2 that the rural population growth has declined much faster during 2001-2011 compared to earlier decades. Note that the urban-rural population growth differential is a product of the differentials in the natural increase between rural and urban areas (births-deaths), net ruralurban classification and net rural-to-urban migration. The urban-rural natural increase growth differentials remained almost constant (4 per 1,000 population) during 1991-2000 to 2001-2010. Therefore, it was the net rural-urban classification and net rural-to-urban migration that were responsible for higher urban-rural growth differentials and the speeding up of urbanisation during 2001-2011. Components of Urban Growth The natural increase, net rural-urban classification and rural-to-urban migration are components of urban population growth. An assessment of their relative contributions is very important to understanding the dynamics of urban population growth. Figure 1 shows that the contribution of net rural-urban classification and rural-to-urban migration has increased from 42% in 1991-2001 to 56% in 2001-2011. The available data from the 2011 Census at the moment does not allow for the separation of these two factors, but it does show the emergence of a large number of new towns in 2011. The number of towns at the national level increased from 5,161 to 7,935 – a net addition of 2,774 towns (2,532 census towns and 242 statutory towns) in 2011 compared to the 2001 Census. As there has been no change in the definition of the urban between the 2001 and 2011 censuses, this has contributed significantly to faster urbanisation in spite of several metropolitan cities showing a huge decline in their growth rates (Kundu 2011). On the other hand, the contribution of natural increases in urban population growth has declined from a peak of 62% during 1981-91 to 44% during 2001-2011. Yet the natural increase added a huge population of about 40 million in the urban areas during 2001-2011. In the study of India’s urbanisation, the contribution of natural increases has not received as much attention as rural-to-urban migration. This has led to the popular belief that the urban population is increasing solely due to migration. State-Level Patterns At the state level, the pattern of urbanisation is very diverse, but economically advanced states more or less show higher levels of urbanisation (Figure 2). All the southern Table 1: Trends in Urbanisation in India (1961-2011) Census Year Urban Percentage Annual Population Urban Exponential Urban (in million) Growth Rate (%) 1961 78.94 17.97 - 1971 109.11 19.91 3.23 1981 159.46 23.34 3.79 1991 217.18 25.72 3.09 2001 286.12 27.86 2.75 2011 377.10 31.16 2.76 As the 1981 Census was not conducted in Assam, and the 1991 Census was not held in Jammu and Kashmir, the population of India includes projected figures for these states in those periods. Source: Census of India, various years. Table 2: Urban-Rural Population Growth Differentials (1971-2011) Decade Rural Urban Urban-Rural Growth Differentials (Annual Exponential Growth Rate, in %) 1971-81 1.76 3.79 2.03 1981-91 1.80 3.09 1.29 1991-2001 1.69 2.75 1.06 2001-2011 1.15 2.76 1.61 Source: Census of India, various years. 0 10 20 30 40 50 60 70 1971-81 1981-91 1991-2001 2001-2011 p e r c e n t Natural increase Net rural-urban classification and rural-tourban migration 70 60 50 40 30 20 10 0 1971-81 1981-91 1991-2001 2001-2011 Figure 1: Components of Urban Population Growth (1971-2011, in %) Natural increase Net rural-urban classification and rural to urban migration Figure 2: Levels of Urbanisation, India (2011) 42 and above 37-41 31-36 30-26 25 and below Legend (%) COMMENTARY 12 August 20, 2011 vol xlvI no 34 EPW Economic & Political Weekly states, along with Punjab, Haryana, Gujarat, Maharashtra and West Bengal, have higher urbanisation levels than the national average, but small states like Goa continue to top the list among states (62% urban), followed by Mizoram (51.5%). Among the major states, Tamil Nadu continues to be ahead of the others, with levels of urbanisation at 48.4% in 2011. States which lag behind are Himachal Pradesh at the bottom with a 10% level of urbanisation, followed by Bihar (11.3%), Assam (14%) and Orissa (16.6%). Other states like Uttar Pradesh, Rajasthan, Madhya Pradesh, Chhattisgarh and Jharkhand also continue to have lower levels of urbanisation than the national average. Although the reversal in the declining trend in urban population growth rate at the national level is a major feature revealed by the 2011 Census, there are only 15 states and union territories which show an increased urban population growth rate during 2001-2011 compared to 1991-2001. Among them, Kerala, Andhra Pradesh, Karnataka, Gujarat, West Bengal, Bihar, Jharkhand, Chhattisgarh and Uttarakhand are the major states. A very high urban population growth has occurred in the states of Kerala and Andhra Pradesh; urban population growth rates have increased to 6.5% per annum in Kerala and 3% per annum in Andhra Pradesh during 2001-11 compared to just about 1% per annum during 1991-2001. In both Kerala and Andhra Pradesh, as well as in West Bengal and Gujarat, a large number of new towns have emerged as a result of rural-to-urban classification in 2011. Conclusions The declining trend in the urban population growth rate observed during the 1980s and 1990s was reversed at the national level, and the level of urbanisation increased faster during 2001-2011. The urban population grew from 286 million in 2001 to 377 million in 2011 – an increment of 91 million, which is larger than the rural population increment of 90.5 million for the first time since independence. A substantial increase in the urban population is due to a net rural-urban classification and rural-to-urban migration. A huge number of new towns emerged during the last decade, contributing significantly to the speeding up of urbanisation. On the other hand, although the contribution of the natural increase in urban growth has declined in terms of proportions, its share in absolute numbers (about 40 million) continues to be huge due to the large base of the urban population. This has implications not only for providing urban infrastructure and civic amenities, but also for reproductive and child health services in urban areas.

Occupational distribution of Labour Force in India

As per the Census 2001, the Indian workforce is over 400 million strong, which constitutes 39.1 % of the total population of the country. The workers comprise 312 million main workers and 88 million marginal workers (i.e., those who did not work for at least 183 days in the preceding 12 months to the census taking) Sex differential among the number of male and female worker in the total workforce is significant. Of the total 402 million workers, 275 million are males and 127 million females. This would mean that 51.7 percent of the total males and 25.6 percent of the total females are workers. The number of female workers is about less than half the number of male workers. In terms of proportion, 68.4 percent of the workers are males and 31.6 percent females.o the census taking).

   Main workers constitute 77.8 percent of the total workers. The remaining are marginal workers. Among the main workers, female workers, are only 23.3 % and 76.7% are male workers. Majority of female workers (87.3 percent) are from rural areas. This is also twice that of male workers, which may be due to their being employed predominantly in activities like cultivation and agricultural labour. In the urban areas, majority of female workers are engaged in Households industry and other work.

    Interestingly, among marginal workers females outnumber the males. In three of the four categories, viz. cultivators, agricultural labourers and household industries, female marginal workers outnumber male workers.

|  |  |  |  |
| --- | --- | --- | --- |
| **Number of Workers ('000s)** | | | |
| **Category** | **Persons** | **Males** | **Females** |
| Total population | 1,028,610 | 532,157 | 496,453 |
| Total workers | 402,235 | 275,015 | 127,220 |
| Main workers | 313,005 | 240,148 | 72,857 |
| Marginal workers | 89,230 | 34,867 | 54,363 |
| Non-workers | 626,376 | 257,142 | 369,234 |
| Cultivation | 127,313 | 85,417 | 41,896 |
| Agricultureal labourers | 106,957 | 57,329 | 49,446 |
| Household industry workers | 16,957 | 8,744 | 8,213 |
| Other workers | 151,190 | 123,525 | 27,665 |
| ***Source : PCA India, Census of India 2001*** | | | |

   The workers have been classified by the type of economic activity into broad the type of economic activity into nine broad categories as per National Industrial Classification, 1998. Distribution of main workers by industrial category shows that agriculture sector still employs largest number of workers. The dependence on agriculture is brought out by the fact that of the 313 million main workers in the country, 166 million (56.6%) has been engaged in ‘Agricultural and allied activities’. This is followed by ‘Manufacturing Industries’, which employed about 42 million (13.4%). There are 31.1 million workers in the services sector forming 10 % of the total main workers with similar number engaged in ‘Wholesale retail trade and repair work, Hotel and restaurant.

**TABLE 20 : DISTRIBUTION FO MAIN WORKED BY DIFFERENT INDUSTRIAL CATEGORIES, INDIA 2001**

|  |  |  |
| --- | --- | --- |
| **Industrial category** | **Main Workers ('000s)** | **Percentage (%)** |
| Total main workers \* | 312,972 | 100.0 |
| Agricultural & allied activities | 176,979 | 56.6 |
| Mining & quarrying | 1,908 | 0.6 |
| Manufacturing | 41,848 | 13.4 |
| Electricity, gas and water supply | 1,546 | 0.5 |
| Construction | 11,583 | 3.7 |
| Wholesale, retail trade & repair work, Hotel and resturants | 29,333 | 9.4 |
| Transport, storage & communications | 12,535 | 4.0 |
| Financial intermediation, Real estate, business activities | 6,109 | 2.0 |
| Other services | 31,131 | 10.0 |
| **Source : Industrial classification data based on sample.** | | |

Note:\* Total main workers is based on actual values of cultivators and Agricultural labourers from full count (included in agricultural & allied activities) and estimated values for industrial categories.

**Economic Development of Occupational Structure:**

Economic development creates various types of occupations in an economy. All these various occupations can be broadly classified into three categories, viz., primary, secondary and tertiary. The primary occupations include all those essential activities such as agriculture and allied activities like animal husbandry, forestry, fishery, poultry farming etc.

Secondary activities include manufacturing industries composed of both large and small scale and mining. Tertiary activities include all other activities like transport, communication, banking, insurance, trade etc. The occupational structure indicated the distribution as well as absorption of population into these various types of occupations.

In underdeveloped countries, majority of the population are still engaged in agriculture and other primary activities. Even in some developed countries like Japan, England, Norway fishing continues to be an important occupation, providing employment to a substantial number of populations.

Development experience shows that with the gradual development of a backward economy, the importance of primary occupations gradually declines with the growth of industries and tertiary activities. In the secondary sector, large scale industries, being more capital-intensive cannot provide much employment opportunities.

But it is the development of small scale and cottage industries, mining activities etc., being largely labour-intensive, can provide huge number of employment opportunities.

Again the tertiary occupations are also considered very important as these have a huge employment potential. In developed countries, the absorption capacity of this sector is very high. According to World Development Report, 1983, whereas about 45 to 66 per cent of the work force of developed countries was employed in the tertiary sector but India could absorb only 18 per cent of total force in this sector.

Changes in occupational structure are very much associated with economic development. The rate of economic development and the level of per capita income increase as more and more work force shifts from primary sector to secondary and tertiary sector.

As A.G.B. Fisher writes, **“We may say that in every progressive economy there has been a steady shift of employment and investment from the essential ‘Primary activities’…………………………… to secondary activities of all kinds and to a still greater extent into tertiary production.”**

While putting importance on the change in occupational structure, Colin Clark observes, **“A high average level of real income per head is always associated with a high proportion of working population engaged in tertiary industries low real income per head is always associated with a low proportion of the working population engaged in tertiary production and a high percentage in primary production.”**

Thus to attain a high rate of economic development inter-sectoral transfer of work force is very much necessary. This would be possible only when productivity of agriculture increases due to introduction of improved technology in it.

The increase in productivity in agriculture transfers surplus work force from agriculture to other sectors. The extent and pace of inter-sectoral transfer of work force depend very much on the rate of increase in productivity in the primary sector in relation to other sectors.

**Occupational Distribution of Population in India:**

Occupational distribution of population reflects on the degree of development and the diversification achieved in an economy. Let us now turn our discussion on the occupational structure of India. The occupational structure of India clearly reflects a high degree of backwardness prevailing in Indian economy.

Since the turn of the present century the occupational structure in India was tilted towards the primary sector. Over the last 80 years (1901-1981), the proportion of working force engaged in primary occupations remained very steady, i.e., around 70 per cent and that in secondary and tertiary sector was ranging between 28 to 30 per cent only.

Let us now make a detailed study on the occupation structure of India during this long 100-years period.

**Occupational Structure during 1901-1951:**

During the first half of the present century, occupational distribution of population in India did not report any appreciable change. Agriculture occupied the dominant position and its absorption capacity had increased marginally from 66.9 per cent in 1901 to 69.7 per cent in 1951.

The commercial policy of the British had paved the way for the introduction of British machine-made goods in Indian market leading to destruction of traditional Indian handicrafts. This forced the labourers of this household industry to engage themselves in agricultural operations for earning their livelihood.

All these led to a marked increase in the proportion of landless agricultural labourers to total labour force from 17 per cent in 1901 to nearly 20 per cent in 1951. The percentage of population engaged in other allied activities like forestry, livestock, fishery etc. declined from 4.3 per cent in 1901 to only 2.3 per cent of the total work force in 1951.

During this period, industrial activity was very much restricted to plantation and textile industry and was also supported by imported machinery resulting limited backward linkage effects and lack of diffusion of spread effect of industrialisation. Thus this process of industrialisation had created a very little impact on the generation of employment opportunities.

On this industrialisation issue, Priyatosh Maitra rightly observed, **“In Indian experience employment multiplier seems to be small and, therefore, occupational structure remained almost static……………………. Limited employment horizons, resulting from a process of industrialisation devoid of ‘built-in technological process’ effects, strengthen the hold of production techniques with built-in under employment.”**

Moreover,’ the depressed and overcrowded agriculture could not offer a significant portion of marketable surplus which could raise the demand for industrial goods and the tertiary sector could not increase its absorption capacity significantly.

However, T. Krishnamurty wrote, “Between 1901 and 1951 factory employment expanded partly at the expense of non-factory sectors, the modern branches grew at the cost of a number of traditional ones; and manufacturing output per head increased. While the share of transport, storage and communications rose, for the other branches of services trends are unclear.

Many services associated with modernisation under colonial rule expanded, in particular, public, educational, medical and legal services.”

**Occupational Structure during 1951-2000:**

After independence and especially after the introduction of planning in India, attempt was made by the planning to accelerate the process of industrialisation and also to change the occupational structure by transferring a section of working force from agriculture to secondary and tertiary sectors.

Accordingly, the Second Plan observed, “By 1975-76, the proportion of agricultural labour force to the total should come down to 60 per cent or so. But for this to happen something like a fourfold increase in the numbers engaged in mining and factory establishment has to be brought about, and the investment pattern in the plans has to be adjusted to these requirements.”

Just to fulfill these requirements it was necessary to increase the agricultural productivity through adoption of modern technology for meeting food and raw material requirements of the developing economy. It was also necessary to reduce the dependence on agriculture by generating alternative employment opportunities in the rural areas.

All these technological changes in agriculture along-with land reforms measures were introduced in India in order to increase agricultural production and productivity and to transfer surplus labour force from agricultural sector to secondary and tertiary sector.

On the other hand, to change the occupational structure in India, importance of designing a suitable employment policy was felt. With the introduction of planning, a considerable increase in employment opportunities was expected.

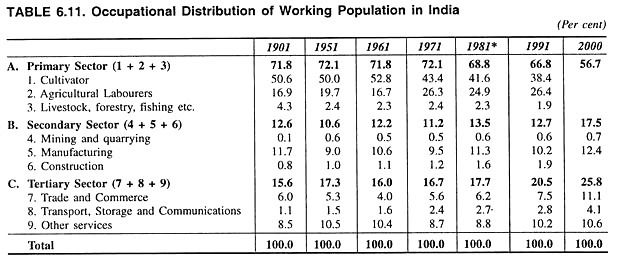
The planned economic development anticipated a rapid progress in the expansion of irrigation, power, basic industries, other manufacturing and household industries and the expansion of tertiary activities in the service sector like expansion of trade, banking, insurance, transportation and communication etc. But after two decades of planning occupational structure in India could not show any remarkable change.

Although both secondary and tertiary sector expanded and their absorption capacity also increased substantially but the rate of increase in employment opportunities fell far short of rate of increase in the labour force.

Moreover, another important condition for realising the change in occupational structure, viz., a significant increase in agricultural productivity could not be fulfilled. Again the allied activities of the primary sector and development of village industries could not make much headway in engaging the surplus population from the agricultural sector. All these led to growing pressure of population on agricultural sector and resulted in wide­spread disguised unemployment in rural areas.

Considering this situation, the Planning Commission in its Fifth Plan document mentioned, **“At the present pace of industrialisation any mass-scale transfer of the labour force from agriculture to non-agriculture sectors is ruled out. The growing labour force in agriculture has to be provided with fuller employment within agriculture.”**

Thus, Table 6.11 shows that during the period 1951-71, the proportion of work force engaged in the primary sector remained constant at 72.1 per cent. In-spite of heavy investment made on manufacturing and service sector during these two decades of planning the absorption capacity of secondary and tertiary sectors jointly remained the same at 28 per cent of the total work force.

[](http://cdn.economicsdiscussion.net/wp-content/uploads/2016/02/clip_image002_thumb5.jpg)

Again during the next 1971-2000 period, the proportion of work force engaged in the primary sector declined marginally to 56.7 per cent. Another noticeable change that was recorded was that the proportion of cultivators declined from 50 per cent in 1951 to 38.4 per cent in 1991 and that of agricultural labourers increased horn 20 per cent to 26 per cent during the same period.

This shows the growing concentration of land in the hands of rich and well-to-do farmers and the transformation of small and marginal farmers into landless agricultural labourers. Moreover, the proportion of work force engaged in the secondary sector increased marginally from 11.2 per cent to 17.5 per cent during the 1971-2000 period and that of engaged in tertiary sector increased slightly from 16.7 per cent to 25.8 per cent during the same period.

The absorption capacity of both the secondary and tertiary sector jointly increased from 28 per cent to 43.3 per cent during this 1971-2000 period.

Again the World Development Report, 1995 shows that in 1993, the percentages of work force, both wages and non-wages engaged in agriculture, industry and services were to the extent of 63.2 per cent, 14.2 per cent and 22.6 per cent respectively.

Considering the earlier mentioned position we can conclude that there was virtually no clear shift of working population from primary sector to secondary and tertiary sectors. Thus the planning process in India has totally failed to bring any change in its occupational structure.

Factors Responsible for Failure of Occupational Structure:

1. Indian planners failed to make any serious attempt for the development of rural economy for utilizing the vast idle labour force and also to raise the productivity of labourers. Due to poor organisation, the programmes of reducing unemployment and under-employment problem in the rural areas failed miserably.

Moreover, planners did not make any serious attempt to enlarge the scope of non-agricultural rural employment.

2. Land reforms in India failed miserably to realise its goal and to create small owner holding. These reforms could not diffuse the ownership of land among a large number of marginal cultivators.

3. Various other facilities provided by the Government such as cheaper credit, marketing, subsidy on fertilizer price etc. only benefitted rich farmers and poor and marginal farmers could not reap any benefit from these facilities leading to a failure in raising their agricultural productivity.

4. Efforts of the planners to develop industries helped the large scale capital goods sector and the plans could not create much response to the development of small scale and cottage industries. This development of large scale highly capital-intensive industries could not create much employment potential and thus created no impact on the occupational structure of the country.

5. The high rate of growth of labour force is also an important factor which has been creating serious drags on the path of changing the occupational structure in India. This fast growing labour force without getting any subsidiary occupation open to them in the rural areas stated to eke out their living from agricultural sector alone.

This led to a huge dependence as well as a high degree of disguised unemployment in the agricultural sectors.

Thus under this present situation occupational structure in India can be amended suitable only when the country will start to develop its labour-intensive sectors that include small scale and cottage industries, allied activities in the primary sector such as animal husbandry, fishing, poultry farming etc. and the service sectors as well as so to foster the growth of non-agricultural employment side by side with modern large scale industrial sector.

Development of this huge labour-intensive sector will raise the level of employment and income both in the rural and urban areas leading to an enlargement of aggregate demand for various goods and services produced by large scale industries.

Thus the development of this labour intensive sector will be able to bring changes in the occupational distribution of population from agricultural to non-agricultural occupations and will also be able to support the large scale manufacturing sector by enlarging the demand for their products and while doing so they can save these large scale industries from recession.

Poverty

**Absolute Poverty**

When Income of a person is not sufficient to provide the basic necessities of life, he/she is said to be in absolute poverty.

**Relative Poverty**

Relative poverty occurs when a comparison of the standard of living or income distribution of various income groups is undertaken in a country. The income inequalities between different groups are a reflection of relative poverty.

In India people living below poverty line are quite high as compared to other Asian countries like Malaysia, Thailand and China. According to the projections of the Planning Commission poverty is expected to decline to 18 per cent in 2002 and further to 4 per cent in 2012.

**Measurement of Poverty**

The Planning Commission set up a Study Group in July 1962 to examine the question of poverty in the country. The Study Group suggested a private consumption expenditure of Rs. 20 (at 1960-61 prices) per capita per month as a basic minimum requirement of life, below which are regarded as poor. In 1979, following the recommendation of the Task Force on Projection of Minimum Needs and Effective Consumption Demand, the poverty line is defined as “the per capita monthly expenditure needed to obtain the consumption of 2,400 calories per-capita per day in rural areas and 2,100 in urban areas in the base year 1973-74.” The poverty line so defined was Rs. 49.10 for rural areas and Rs. 56.60 for urban areas per capita per month. The same poverty line was updated for subsequent years using stable indicators of changes in cost of living.

**International Poverty Line**

World Banks estimates suggest that the percentage of people living below $1.25 a day in 2005 (which, based on India's PPP rate, works out to Rs 21.6 a day in urban areas and Rs 14.3 in rural areas in 2005 ) decreased from 60% in 1981 to 42% in 2005. Even at a dollar a day ( Rs 17.2 in urban areas and Rs 11.4 in rural areas in 2005 ) poverty declined from 42% to 24% over the same period.

**Poverty in India**

**Indian Poverty Line**

India's official poverty measure has long been based solely upon the ability to purchase a minimum recommended daily diet of 2,400 kilocalories (kcal) in rural areas where about 70 percent of people live, and 2,100 kcal in urban areas. Rural areas usually have higher kcal requirements because of greater physical activity among rural residents.

The National Planning Commission, which is responsible for the estimate, currently estimates that a monthly income of about Rs. 356 (about US$7.74) per person is needed to provide the required diet in rural areas and Rs. 539 in urban areas. Factors such as housing, health care, and transportation are not taken into account in the poverty estimates.

The Planning Commission's estimates are significant since they are used to determine the official national and state level below poverty line (BPL) population. The BPL population is currently estimated at 29 percent in rural areas and 26 percent in urban areas. The BPL estimates set a rough ceiling on how many people are eligible for BPL identity cards, which provide some commodities at greatly reduced prices.

The income amounts given above to estimate the BPL population have been criticised by critics as “ridiculously low” and “astounding”. To address the issue, the Tendulkar Committee was set up in 2008 and reported its recommendations in November 2009. It proposed that the previous calorie requirement be eliminated and that national and state poverty lines be based on the current urban estimate of 26 percent. After adjustment, the rural poverty percentage was increased from 29 percent to 42 percent. The monetary cutoffs were raised to Rs. 447 of expenses a month for rural areas and Rs. 579 a month for urban areas. These new poverty lines also accounted for education and health needs. Although the direction of change was clearly correct, it was branded as “meager” by one researcher who pointed out that raising the rural daily minimum income from Rs. 12 to Rs. 15 alone added over 100 million to the BPL population. In addition, given the fact that the 2004-2005 NSS showed that 77 percent of the population had an average daily income of just Rs. 16, there are vast numbers barely above the poverty line who are nonetheless excluded from BPL benefits. The committee was also careful to point out that, despite the higher estimate of poverty, their analysis of past surveys showed that poverty had declined as the government had previously claimed.

In 2008, the Union (national) Rural Development Ministry set up a commission to examine alternative methods of estimating poverty. The commission reported its findings in late 2009. The Commission felt that monetary amounts specified by the Planning Commission for a minimal diet were too low. Instead of Rs. 356 a month per person in rural areas, Rs. 700 was considered necessary (Rs. 1,000 in urban areas). The Commission recommended that the proportion of the rural population living below poverty be raised to at least 50 percent. But the figure was achieved by lowering the rural kcal requirement to 2,100, the same as in urban areas, and adding a minimum monthly cereal consumption of 12.25 kilograms. If the 2,400 kcal criterion had been kept, the percentage of India's rural population living in poverty would have risen to about 80 percent.

Two other Indian estimates are worth mentioning. The National Commission for Enterprises in the Unorganised Sector (NCEUS) was established in 2004 to examine ways to provide the welfare of that group. The unorganized sector comprises 86 percent of the Indian labour force and nearly always works below the daily minimum wage of Rs. 152 per day, have no benefits, pay no taxes, and often have little or no job security. In its study, NCEUS set an overall minimum of Rs. 20 per day per person as its poverty cut-off and calculated that 77 percent of Indians live below poverty.

The figure of Rs. 20 per day was cited in the Central Government's Economic Survey 2008-2009, but in recalculating poverty based on the 2004-2005 NSS it estimated that 60.5 percent lived in poverty nationally – 72 per cent in rural areas and 32 percent in urban areas.

The World Bank estimates that 41.6 percent of India's population lives below $1.25 per day and 75.6 percent live below $2 per day measured on PPP basis.

It is clear from the studies cited above that relatively minute changes in daily rupee cut-offs can add hundreds of millions of people to the poverty population. Thus, the official BPL figure currently used defines those living in truly abject poverty. The NCEUS, in its reports, noted that India's recent economic growth had simply bypassed the vast majority of the population, benefitting a relative few.

**Trend of Poverty in India**

The proportion of India's population below the poverty line has fluctuated widely in the past, but the overall trend has been downward. However, there have been roughly three periods of trends in income poverty.

1950 to mid-1970s: income poverty reduction showed no discernible trend. In 1951, 47 per cent of India's rural population was below the poverty line. The proportion went up to 64 per cent in 1954-55; it came down to 45 per cent in 1960-61, but in 1977-78, it went up again to 51 per cent.

Mid-1970s to 1990: Income poverty declined significantly between the mid-1970s and the end of the 1980s. The decline was more pronounced between 1977-78 and 1986-87, with rural income poverty declining from 51 per cent to 39 per cent. It went down further to 34 per cent by 1989-90. Urban income poverty went down from 41 per cent in 1977-78 to 34 per cent in 1986-87, and further to 33 per cent in 1989-90.

After 1991: This post-economic reform period evidenced both setbacks and progress. Rural income poverty increased from 34 per cent in 1989-90 to 43 per cent in 1992 and then fell to 37 per cent in 1993-94. Urban income poverty went up from 33.4 per cent in 1989-90 to 33.7 per cent in 1992 and declined to 32 per cent in 1993-94. Also, NSS data for 1994-95 to 1998 show little or no poverty reduction. The evidence till 1999-2000 was that rural poverty had increased during post-reforms period. However, the official estimate of poverty for 1999-2000 was 26.1 per cent, a dramatic decline that led to much debate and analysis.

The latest NSS survey (2004-05) shows poverty at 28.3 per cent in rural areas, 25.7 per cent in urban areas and 27.5 per cent for the country as a whole, using uniform recall period consumption. These suggest that the decline in rural poverty over the period during 1993-94 to 2004-05 actually occurred after 1999-2000.

**Vicious Circle of Poverty**

The vicious circle of poverty refers to the interconnectedness of different factors that reinforce each other for generating poverty. According to Nurkse and Kindleberger the reasons for this vicious circle of poverty can be classified into three groups.

Supply side factors

Demand side factors

Market imperfection

**Supply Side Factors**

The supply side of the vicious circle indicates that in underdeveloped countries, productivity is so low that it is not enough for capital formation. According to Samuelson, "The backward nations cannot get their heads above water because their production is so low that they can spare nothing for capital formation by which their standard of living could be raised." According to Nurkse on the supply side there is small capacity to save, resulting from low level of national income. The low real income is the result of low productivity, which in turn, is largely due to the lack of capital. The lack of capital is a result of the small capacity to save, and so, the circle is vicious. Thus, it becomes clear from the above diagram that the main reason of poverty is the low level of saving. Consequently, investment is not possible in production channels. A huge chunk of GDP is used for consumption purposes.

People cannot save. So, there is lack of investment and capital formation. Although rich people can save, they spend their surplus in some on luxurious goods instead of saving. They gave preference to high priced items and foreign products. Thus, their demand does not enlarge the size of the market. The developing countries, therefore, lack investment facilities.

**Demand Side Factors**

According to Nurkse, poverty is caused by several factors in the demand side. In underdeveloped countries the inducement to invest is low because of the low purchasing power of the people, which is due to their small real income. The main reason for poverty in these countries is the low level of demand. Consequently, the sizes of markets remain low. The small size of the market becomes a hurdle in the path of inducement to invest

**Market Imperfections**

According to Meier and Baldwin, the existence of market imperfections prevents optimum allocation and utilization of natural resources, and the result is underdevelopment, and this, in turn, leads to poverty. The development of natural resources depends upon the character of human resources. But due to lack of skill and low level of knowledge, natural resources remain unutilized, underutilised and misused.

**Causes of Poverty in India**

**Colonial Exploitation:**Colonial rule in India is the main reason of poverty and backwardness in India. The Indian economy was purposely and severely de-industrialized through colonial privatizations. British rule replaced the wasteful warlord aristocracy by a bureaucratic-military establishment. However, colonial exploitation caused backwardness in India. In 1830, India accounted for 17.6 per cent of global industrial production against Britain's 9.5 per cent, but, by 1900, India's share was down to 1.7 per cent against Britain's 18.5 per cent. This view claims that British policies in India, exacerbated by the weather conditions led to mass famines, roughly 30 to 60 million deaths from starvation in the Indian colonies. Community grain banks were forcibly disabled, land was converted from food crops for local consumption to cotton, opium, tea, and grain for export, largely for animal feed.

**Lack of Investment for the Poor:**There is lack of investment for the development of poorer section of the society. Over the past 60 years, India decided to focus on creating world class educational institutions for the elite, whilst neglecting basic literacy for the majority. This has denied the illiterate population – 33 per cent of India – of even the possibility of escaping poverty. Thus, there is no focus on creating permanent income-generating assets for the poor people.

**Social System in India:**The social system is another cause of poverty in India. The social subsystems are so strongly interlocked that the poor are incapable of overcoming the obstacles.

**India's Economic Policies:**In 1947, the average annual income in India was US$439, compared with US619 for China, US$770 for South Korea. But South Korea became a developed country by the 2000s. License Raj prevailed with elaborate licenses, regulations and accompanying red tape. Corruption flourished under this system.

**Over-reliance on Agriculture:**In India there is high level of dependence on primitive methods of agriculture. There is a surplus of labour in agriculture. Farmers are a large vote bank and use their votes to resist reallocation of land for higher-income industrial projects. While services and industry have grown at double digit figures, the agriculture growth rate has dropped from 4.8 per cent to 2 per cent. About 60 per cent of the population depends on agriculture, whereas the contribution of agriculture to the GDP is below 18 per cent. The agricultural sector has remained very unproductive. There is no modernization of agriculture despite some mechanization in some regions of India.

**High Illiteracy:**Indian literacy rate rose almost tenfold during the British era. In 1947, India's literacy rate matched China's. However, in 2007, China reported at 91 per cent literacy rate versus 66 per cent for India. Now India suffers from about 35 per cent illiteracy among the adult population. Literacy levels among SC, ST and females are very low.

**High Unemployment:**There is high degree of underutilization of resources. The whole country suffers from a high degree of unemployment. India is marching with jobless economic growth. Employment is not growing, neither in the private sector, nor in the public sector. The IT sector has become elitist, which does not improve the poverty situation in the country. Disguised unemployment and seasonal unemployment is very high in the agricultural sector of India. It is the main cause of rural poverty in India.

**Lack of Entrepreneurship:**The industrial base of India has remained very slender. The industrial sickness is very widespread. The whole industrial sector suffers from capital deficiency and lack of entrepreneurial spirit.

**Causes for Urban Poverty**

The causes of urban poverty in India are

Migration of Rural Youth towards Cities

Lack of Vocational Education / Training

Limited Job Opportunities of Employment in the Cities

Rapid increase in Population

Lack of Housing Facilities

No proper Implementation of Public Distribution System