

EDUCATION WITHOUT EMPLOYMENT – ECONOMY

NEWS: Despite many education reforms, our system fails to understand the changing job market, leaving graduates unprepared and unemployable.

WHAT'S IN THE NEWS?

Definition and Context

- Educated unemployment refers to the condition where individuals with formal education, especially at secondary and tertiary levels, remain unemployed or underemployed despite holding degrees or qualifications.
- In India, this paradox is intensifying as higher education no longer ensures job prospects, reflecting a serious disconnect between education and employability.

Alarming Trends (ILO–IHD India Employment Report 2024)

- Over 83% of India's unemployed workforce are youth, and more than 65% of them have at least secondary or higher education.
- The graduate unemployment rate stands at 29.1%, which is nearly nine times higher than that of illiterate workers.
- 50% of graduates are engaged in jobs below their skill level, indicating a significant mismatch between qualifications and job roles.

Why Is It a Paradox?

- Education is expected to enhance human capital, socio-economic mobility, and job security.
- However, in India, even graduates from prestigious institutions like IITs struggle to find meaningful employment.
- The reality contradicts expectations—educational attainment has become delinked from labor market outcomes, leading to a paradox where more education leads to more unemployment.

Key Causes of Educated Unemployment

1. Mismatch between Graduate Output and Job Market Demand

- Number of universities grew from 642 (2011–12) to 993 (2018–19) with 3.74 crore students enrolled.
- However, job creation in knowledge-based sectors hasn't kept pace, leading to an oversupply of degree holders.

2. Poor Quality of Higher Education

- Many private colleges lack basic infrastructure, trained faculty, and industry-relevant pedagogy.
- Despite NEP 2020's reforms, curriculum remains outdated and exam-centric, leading to poor learning outcomes.

3. Skill Mismatch

- 47% of graduates are not industry-ready, lacking key skills like problem-solving, critical thinking, and digital literacy.
- Communication and workplace adaptability skills are often missing in fresh graduates.

4. Structural Economic Weakness

- Between 2011 and 2018, India saw a loss of 9 million jobs, with manufacturing alone shedding 3.5 million jobs.
- Capital-intensive policies like "Make in India" created more infrastructure but failed to generate employment for skilled graduates.

5. Weak Innovation Ecosystem

- India ranks 16th in CNCI (Category Normalized Citation Impact) among G20 countries.
- Despite high funding, public R&D projects like IMPRINT and Akash Tablet lack transparent, scalable outcomes.
- Patent filings by Indian researchers remain low, indicating poor technology commercialization.

Consequences of Educated Unemployment

1. Wasted Human Capital

- 50.3% of graduates and 28.1% of postgraduates are in semi-skilled or unskilled roles, underutilizing their education.

2. Low Return on Educational Investment

- Families invest heavily in education with the hope of upward mobility, but job mismatch leads to disappointment and financial stress.

3. Brain Drain and Migration

- A growing number of youth seek employment abroad or in unrelated job sectors, depleting India's talent pool.

4. Mental Health Issues and Social Discontent

- Rising joblessness among educated youth causes mental distress, disillusionment, and can fuel radicalization or protests.

5. Widening Social Inequalities

- Female graduate unemployment is 34.5%, much higher than that of males (26.4%).
- Regional disparities persist—states like Telangana (25.1%), Bihar (23%), and Andhra Pradesh (22.2%) suffer higher educated unemployment.

6. Erosion of Faith in Education System

- Especially in Tier 2 and Tier 3 cities, students and families begin to question the value of higher education, particularly in arts and humanities streams.

Government Initiatives and Their Challenges

1. National Education Policy (NEP) 2020

- Seeks to introduce curriculum flexibility and vocational training, but lacks implementation clarity and industry input.
- Multiple entry–exit points risk producing half-trained workers suited only for gig or low-end jobs.

2. Pradhan Mantri Kaushal Vikas Yojana (PMKVY)

- Aims to certify youth in short-term courses, but suffers from low placement rates and poor monitoring mechanisms.

3. Skill India Mission

- Though launched to align skills with market needs, only 2.7% of Indians are vocationally trained, versus 96% in South Korea.

4. Make in India

- Intended to promote manufacturing jobs, but the focus remained capital-intensive, leading to decline in manufacturing employment.

5. Deen Dayal Upadhyaya Grameen Kaushalya Yojana (DDU-GKY)

- Targets rural youth, but struggles due to low awareness and poor outreach infrastructure.

6. National Apprenticeship Promotion Scheme (NAPS)

- Incentivizes apprenticeships, but low industry participation and poor alignment with university curricula limit its effectiveness.

Challenges in Tackling the Issue

- Implementation gaps in NEP and other schemes.
- Lack of coordination among multiple government skilling schemes.
- Degree-centric model continues to dominate over skill-focused training.
- Gender, regional, and social inequalities hamper inclusive employment outcomes.
- Absence of a centralized data dashboard hinders impact assessment and evidence-based reforms.

Way Forward

1. Curriculum Revamp

- Shift focus from rote learning to skills like communication, critical thinking, digital fluency, and adaptability.

2. Strengthen Vocational Training

- Integrate job-ready certifications and apprenticeships across all disciplines, including general degrees.

3. Localized Skilling

- Promote region-specific training based on local industrial clusters (e.g., textile in Tamil Nadu, tourism in Himachal Pradesh).

4. Support for Female Employment

- Create policies to encourage women's participation through flexible jobs, childcare support, and safe workplaces.

5. Data-Driven Governance

- Create a national dashboard for employability outcomes, long-term placement tracking, and policy realignment.

6. Promote Entrepreneurship

- Offer credit, mentorship, and incubation for youth-led startups in technology, agriculture, and services sectors.

Conclusion

India's challenge of educated unemployment poses a serious risk to its demographic dividend. The failure to create a synergistic relationship between education, skill development, and employment can result in economic stagnation and social discontent. Urgent and systemic reforms are required to bridge the education–employment divide and build an inclusive, future-ready workforce.

Source: <https://www.thehindu.com/opinion/lead/in-india-education-without-employment/article69572290.ece>