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A Study on the Analysis of Youth Empowerment Initiatives in India and Its Impact on Indian Economy

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Abstract

Youth empowerment is a concept that has extended significant attention in recent years, and for good reason. The youth, often defined as individuals between the ages of 15-29, denote not only the future, but also the dynamic power of our nation. Youth empowerment is a multifarious conception that incorporates different phases of young person's survives. It entails equipping youth along with necessary instruments, supports, along with likelihood to enhance their abilities, cultivate self-assurance, act with discernment, and engage effectively in economic and sociopolitical domains of their groups. Entitling youth is essential for economic development and sustainability. Access to vocational training, quality education, with entrepreneurial possibilities enables young individuals to become active participants in economy along with workforce. Skillful along with empowered younger people can manage innovation, enhance production, and moreover foster a more affluent society. This article aims to comprehend the scope of youth empowerment initiatives and impact of youth empowerment initiatives on Indian economy. The secondary information is collected from applicable books, internet, periodicals, booklets, news articles and online platforms as specified by research needs. The results shows that youth empowerment initiatives contribute to both increasing the labour force participation rate and decreasing the unemployment rate. That is the labour force participation rate of young aged 15-29 yrs has increased from 38.20% in 2017-18 to 46.50% in 2023-2024 and the youth unemployment rate, which stood at 17.80% in 2017-18 decreased significantly to 10.20% in 2023-24.

Keywords: Youth, Empowerment, India, Initiatives, Economic, Employment, Development.

Introduction

Youth empowerment is a procedure by which individuals acquire capability and authority to make informed decisions and effect change in their own lives and others lives. It serves as a mechanism to motivate young individuals to achieve personal excellence moreover to effect

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significant impact within their communities. Youth empowerment encompasses diverse methods of facilitating opportunities for young individuals to acquire knowledge and equip themselves for future responsibilities and challenges of adulthood. It entails fostering and cultivating youth to achieve self-employment and financial productivity. It is a procedure of equipping youths with essential skills to enhance their lives and benefit society as a whole. It pertains to the establishment of favorable environments or settings that empower youths to make significant life decisions independently, rather than being guided by others.

Youth empowerment initiatives in India significantly impact the national economy by boosting economic growth, fostering social development, and driving innovation. Empowered youth, equipped with skills and opportunities, contribute to a more productive workforce, leading to increased economic output and competitiveness. Additionally, youth empowerment initiatives can help reduce unemployment and underemployment, addressing a major challenge in the Indian economy.

Review of Literature

S. Mahendra Dev and M. Venkatanarayana (April 2011): This study examines the challenges faced by youth population by analysing changes in youth labour market moreover population outside the labour force. Author stated that investments are crucial for enhanced growth, which can raise employment when directed towards labour-intensive sectors. A potential factor contributing to slow employment growth in post-reform duration might be reduced public investment growth.

Dr. Bimal Jaiswal, Ms. Saloni Bhasin and Ms. Astha Sharma (August 2015): In this article the author opined that opportunities for youth unemployment, including provision of basic amenities, enhancement of educational quality, establishment of credit and loan schemes, industrial modernisation, entrepreneurship training, access to productive resources, also cooperatives, are implemented to reduce rural-urban migration among youth.

Dr. Shankar Chatterjee (2017): The author opined that many graduates from degree programs are supposed unemployable. Employability can only be achieved by skill acquisition, re-skilling along with up-skilling. Karnataka Government's initiative by its newly established SDEL (Skill Development, Entrepreneurship and Livelihood) Department is praiseworthy.

Arifa Tabassum (2021): In their article, the author said that country's youth can participate in several productive activities and contribute to economic prosperity. The Indian Government has initiated a program to provide skill training to youth, enabling them to secure respectable occupation for their livelihood. Today's trained youth along with well-educated has been invaluable asset for India's future.

Research Gap

From the literature review it is understood that researchers have covered various aspects of empowerment of youth and youth employment and unemployment but no prior work has been done on the analysis of youth empowerment initiatives in India and its impact on Indian economy.

Objectives of the Study

- * To study the scope and nature of youth empowerment initiatives.
- * To study the youth empowerment programs.
- * To study the economic impact of youth empowerment initiatives in India.

Research Methodology

The research in this paper is constructed on exploratory study based on the secondary data and information obtained from relevant books, internet, journals, articles, magazines, media reports and websites as per the research requirement. Study design employed for research is of descriptive type.

Scope and Nature of Youth Empowerment Initiatives

Youth intended activities are crucial in order to comprehensive progress and societal benefit. The programs address a diverse range of needs and difficulties, so ensuring

knowledge, skills, along with opportunities for personal development of young individuals. Education serves a fundamental role in ensuring adequate intellectual growth together with vital skills this might enhance youngster's prospects in order to achievement in life.

This embraces education directed proposals including fellowships and financial assistance, coaching initiatives, including education institutes' support toward developing perceptive abilities, cultivating intellectual capabilities, and equipping youth with education for higher studies and professional career building. In addition to education, skill development initiatives help bridge the gap between academic learning and employment. They provide vocational training, entrepreneurship development, and career guidance, as well as enhancing soft skills in terms of communication, teamwork, leadership, and problem solving. This gives young individuals applicable competencies and makes them self-confident contributors to economic growth.

Such initiatives are accompanied by social welfare programs that directly address the socio-economic challenges among young people in the form of poverty, mental health, substance exploitation, young negligence, and homelessness. Counseling, rehabilitation, awareness programs, and community outreach are just some of the ways through which these initiatives aim to improve general well-being and social integration. Youth oriented programs work together, bringing in stakeholders from Governmental institutions, non-profit organizations, schools, and the private sector to plan and deliver these programs. This fluid and diversified approach allows such programs to be custom-made in response to particular needs and ambitions of young people.

Youth Empowerment Programs

There are various types of empowerment programs are there that empower youth through many different strategies and programs. Programs can operate in a variety of settings. The majority of programs operate in more than one setting, which may be a key factor in their success. The beneficial outcomes to youth empowerment programs are improved social

skills, improved behavior, increased academic achievement, increased self-esteem and increased self-efficacy. India has several youth empowerment programs, with a focus on skill development, leadership, and social engagement.

The Viksit Bharat @2047 initiatives seeks to evolve India as a developed nation by its centenary of independence, in 2047. This forward-looking plan focuses on inclusive growth and sustainable development with effective governance. Key to this transformation is the active participation of India's youth, who are seen as both the agents and the recipients of change. This approach promotes innovation and advancement as well as self-reliance, thus accelerating the achievement of Viksit Bharat 2047. Few important Government youth empowerment initiatives are explained below:

Pradhan Mantri Kaushal Vikas Yojana (PMKVY)

The Ministry of Skill Development and Entrepreneurship is implementing a top scheme under Skill India Mission, which is known as Pradhan Mantri Kaushal Vikas Yojana (PMKVY). The scheme is aimed at skilling youth under short term training, recognition of prior learning and special project across the country. The objective of this scheme is to enable a large number of Indian youth to take up industry-relevant skill training that will help them in securing a better livelihood. PMKVY was launched in 2015 to encourage and promote skill development in the country by providing free short duration skill training and incentivising this by providing monetary rewards to youth for skill certification. The overall idea is to boost both industry and employability of youths. During its initial phase in 2015-16, 19.85 lakh candidates were trained. After the successful implementation of experimental PMKVY (2015-16), PMKVY 2016-20 was launched by scaling up both in terms of sector and geography and by greater arrangement with other missions of Government of India like Make in India, Digital India, Swachh Bharat, etc. The Scheme is currently being run as PMKVY 4.0.

Rural Self Employment Training

Institute (RSETI)

RSETIs or Rural Self Employment Training Institutes are managed by Banks with cooperation from the Government of India and respective State Governments. There are dedicated institutions to ensure necessary skill training and skill up gradation of the rural underprivileged youth. These are promoted and managed by banks with cooperation from state Governments. One RSETI is established in every district in the country which is managed by the lead bank in the district. The Government of India provides one time grant assistance up to a maximum of Rs. 1 crore for meeting the expenditure on construction of building and other infrastructure. After successful completion of the training, youths are provided with credit linkage assistance by the banks to start their own entrepreneurial ventures.

The Rural Self Employment Training Institute scheme is being implemented as a sub-scheme of National Rural Livelihood Mission (NRLM). As on August 2023, 590 RSETIs are functioning in 572 districts across 33 States and UTs led by respective Banks and funded by Ministry of Rural Development under the scheme. These RSETIs are extending training to unemployed rural poor youth free of cost. Welfare of marginalized sections like SC, ST and OBC is taken care by way of training the poor rural unemployed youth free of cost and by ensuring settlement of the trained candidates for taking up self-employment ventures by extending necessary support.

Rashtriya Yuva Sashaktikaran Karyakram Scheme (RYSK)

The Scheme Rashtriya Yuva Sashaktikaran Karyakram (RYSK) is the flagship Central Sector Scheme by the Ministry of Youth Affairs & Sports. The Umbrella Scheme has been continuing since 12th Five Year Plan. The Scheme aims to develop the personality and leadership qualities of the youth and to engage them in nation building activities. The primary objective of the RYSK Scheme is to motivate the youth to strive for excellence in their respective fields and to bring them to the front of the development process. It seeks to

connect the immense youth energy for national building. The RYSK Scheme aims at promotion of national integration, adventure, youth leadership and personality development, development and empowerment of youths, technical and resource development. The beneficiaries of this scheme are youth in the age-group of 15-29 years, as per the definition of 'youth' in the National Youth Policy, 2014. In case of program components specifically meant for the youths, the age group is 10-19 years.

Khelo India - National Programme for Development of Sports Scheme

The Ministry of Youth Affairs and Sports has been running its flagship Central Sector Scheme, namely, 'Khelo India – National Programme for Development of Sports' Scheme since 2016. The scheme, which combines three previous schemes, was re-introduced during the 2017-18 fiscal year, merging the Rajiv Gandhi Khel Abhiyan (RGKA), Urban Sports Infrastructure Scheme (USIS), and National Sports Talent Search Scheme (NSTSS). The scheme mainly benefits youngsters between 10-18 years. Under the 'Khelo India Centres' component of the Khelo India Scheme, as a part of Government's vision to strengthen the sports ecosystem in the country at the grassroots level, a low-cost, effective sports training mechanism has been developed. State Governments can engage former sportspersons as coaches and mentors for youngsters. Further, Sports Authority of India (SAI), an autonomous body under the Ministry of Youth Affairs and Sports, provides opportunity to former sportspersons to be employed as coaches in various sports disciplines.

Prime Minister Employment Generation Programme (PMEGP)

Launched in August 2008, Prime Minister's Employment Generation Programme (PMEGP) is a credit-linked subsidy scheme, administered by the Ministry of Micro, Small and Medium Enterprises (MSME). PMEGP aims to generate employment opportunities through the establishment of micro-enterprises

in the non-farm sector for rural as well as urban areas. The scheme has been approved for continuation over the 15th Finance Commission cycle i.e., for the period of five years from 2021-22 to 2025-26. PMEGP was formed by merging the two schemes that were in operation till 31st March 2008, namely Prime Minister's Rojgar Yojana (PMRY) and Rural Employment Generation Programme (REGP). An outlay of Rs 13,554.42 crore has been approved for PMEGP for five Financial Years (2021-22 to 2025-26) to set up about 4,00,000 projects.

Economic Impact of Youth Empowerment Initiatives in India

Youth, often referred to as “YuvaShakti”, are powerful agents of change driving progress and development. The National Youth Policy 2014 defines youth as the individuals between the ages of 15 to 29 years. India is home to one of the youngest populations in the world, with youth accounting for 27% of the total population. However, this share is expected to decline to around 24% in the coming years. Despite this, the absolute number of youths will remain substantial, reaching approximately 365 million by 2030. This demographic shift presents an opportunity for a ‘Youth Bulge’ that can help propel India toward its the national goal of a USD 5 trillion economy.

An economic trigger occurs when a country has more people available to work than those to feed. With the significant transferences within India's skilling environment and the shortcomings of past skill development programs, there was a clear need to reassess the existing skill development framework. Hence, the “National Policy on Skill Development and Entrepreneurship” had been established in 2015. Up skilling is a collective obligation among all key players in the ecosystem.

Over proceeding few years, the Indian Government introduced numerous programs targeting skill development, recruitment, and entrepreneurship. PMKVY (“Pradhan Mantri Koushal Vikas Yojana”), one of the flagship initiatives, was launched on World Youth Skills Day. By the end of Year 2020, it had trained approximately 1.05 crores youth by STT (Short-Term Training) as well as RPL (Recognition of Prior Learning) Courses. Ambitious initiatives like “Make in India”, “Startup India”, “Deen Dayal Upadhyaya Grameen Kausalya Yojana”, and “National Apprenticeship Promotion Scheme” have a vital function in youth support through skill development. In addition to skill development, higher education is an important contributor to Science, Technology and Innovation (STI), benefiting both individuals and society. The “Gross Enrolment Ratio” for higher education was reported as 27.1% in the year 2019-20, compared to 24.5% in 2015-16 and 20.8 % in 2011-12.

Table 01 – A Statement of Participation of Youth in Labour Market and Unemployment (15-29 Age Groups)

Year	Labour Force Participation Rate (LFPR)	Unemployment Rate (UR)
2017-18	38.20%	17.80%
2018-19	38.10%	17.30%
2019-20	40.90%	15%
2020-21	41.40%	12.90%
2021-22	42.00%	12.40%
2022-23	44.50%	10.00%
2023-24	46.50%	10.20%

Fig - 01 - Participation of Youth in Labour Market and Unemployment (15-29 Age Group)



Source: Table No 01 ■ Labour Force Participation Rate (LFPR) ■ Unemployment Rate (UR)

Table 01 display that the labor force participation rate of young aged 15-29 has increased from 38.20% in 2017-18 to 46.50% in 2023-2024. Additionally, the youth unemployment rate, which stood at 17.80% in 2017-18, decreased significantly to 10.20% in 2023-24. This indicates youth empowerment initiatives contribute to both increasing the labour force participation rate and decreasing the unemployment rate. By providing youth with education, skills, and opportunities, these programs can make them more likely to seek employment and find jobs, thus boosting the labour force and reducing unemployment.

The Government of India incurred an expenditure of around 1289.20 crores for the last financial year 2023-24 under various plans of MSDE (“Ministry of Skill Development and Entrepreneurship”). Budget allocation to youth agenda is constant at an average of about 18% across every ministry, more than 50 percentage amount committed to 03 ministries, “the Ministry of Education”, “the Ministry of Social Justice and Empowerment” and “Ministry of Skill Development and Entrepreneurship”. Budget allocated to youth development remains at 0.01% of India’s GDP, which is significantly lower than that of less developed countries such as Nepal and Bahrain (0.2% of GDP) and Bangladesh (0.1% of GDP).

Findings

Youth empowerment initiatives contribute to both increasing the labour force participation rate and decreasing the unemployment rate. That is the labour force participation rate of young aged 15 to 29 has increased from 38.20% in 2017-18 to 46.50% in 2023-2024. Additionally, the youth unemployment rate, which stood at 17.80% in 2017-18, decreased significantly to 10.20% in 2023-24.

The Gross Enrolment Ratio (GER) for higher education was reported as 27.1% in the year 2019-20, compared to 24.5% in 2015-16 and 20.8 % in 2011-12.

In the last financial year 2023-24, India's budget allocation for youth empowerment was actual-

ly a low 0.01% of GDP, significantly lower than some less developed nations like Nepal and Bahrain (0.2% of GDP) and Bangladesh (0.1% of GDP). This disparity highlights a potential gap in India's investment in its young population.

Suggestions

The Government of India needs to expand budget allocation to youth empowerment initiatives. This investment, particularly in education, skill development, and employment opportunities, can lead to improved productivity, enhanced human capital, and increased economic growth.

Conclusion

Our prospects rely regarding capabilities, ingenuity, and strength of younger age group. Developing human capital, offering possibilities to professional and personal development, engaging individuals in decision making activities not just ensures promising future as well as fosters a more innovative, comprehensive, along with balanced community. We must acknowledge significant potential in youngsters and collaborate to empower them as change-makers moreover leaders of future. Youth empowerment initiatives in India have a significant positive economic impact by increasing productivity, fostering innovation, and driving economic growth. These initiatives, through skill development and education, equip young people with the tools they need to participate more effectively in the workforce and contribute to the overall economy.

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