



Factors affecting the Indian Economy: A study

DR. RENU NAINAWAT
ASSISTANT PROFESSOR
DEPARTMENT OF ECONOMIC ADMINISTRATION AND FINANCIAL
MANAGEMENT
GOVERNMENT COMMERCE GIRLS COLLEGE KOTA , RAJASTHAN .

INTRODUCTION:

The main aim of this study is to find solution to the problem of finding remedial measures to improve the Indian Economy. Even though the Government of India taking several measures to improve the Economy and standard of living of the citizens but still what was achieved so far is well below par. Still today we don't have any control over Price rise, Inflation, Industrial output, Currency value and so on. So now we have to find some meaningful solution to the above problem that will be discussed in the following section of this paper.

Keywords:

Indian Economy, factors affecting Indian Economy, remedial measures, Globalization.

Covering micro as well as macroeconomics, some of IBSCDC's case studies require a prior understanding of certain economic concepts, while many case studies can be used to derive the underlying economic concepts. Topics like Demand and Supply Analysis, Market Structures (Perfect Competition, Monopoly, Monopolistic, etc.), Cost Structures, etc., in micro economics and national income accounting, monetary and fiscal policies, exchange rate dynamics, etc., in macroeconomics can be discussed through these case studies.

As mentioned above the objective is to find solution to the problem of finding remedial measures to improve the Indian Economy. The experts (Economist, Industrialist) found the following factors are affecting the Indian Economy.

These factors are:-

- 1) School Education
- 2) Higher Education
- 3) Employment in Public sector
- 4) Employment in Private sector
- 5) Agriculture
- 6) Industrial output
- 7) Implementation of Plans
- 8) Infrastructure
- 9) Money management
- 10) Human Resource management
- 11) Anti-Corruption measures
- 12) Disaster management
- 13) Natural Resource management
- 14) Alternative Resource management
- 15) Fund level



Note: The above factors were taken for the study after doing enough research on this subject. And also note that some of them are inter related (positively or negatively). Now we try to explain the factors briefly.

1. School Education: It plays a vital role in our Economy so that the Government takes several measures to give basic education to all its citizens. But we need improvement in this sector because people in the rural areas still don't get proper school education.

2. Higher Education: It is also an important one because the Industrial output and Improvement in Technology in all sectors depends on the Higher Education. But the worst thing is, the country is still far behind to give top level of Education and the Global survey shows none of our Educational Institutions in the above par level.

3. Employment in Public sector : Employment is one of the biggest challenges in India and the Government takes several steps to create job opportunities to all kinds of people. Millions of people are working in Public sector companies and the Government is spending billions of rupees to the Public sector companies to serve the people of India. So it is also plays an vital role in the Indian Economy

4. Employment in Private sector: Due to Globalization several Multinational companies and Indian companies give thousands of jobs to the people and it plays an important role in the economy of India.

5. Agriculture: Everyone knows India lives in villages and villages live in Agriculture. More than any other sector the Government of India is spending several billions of rupees for the agricultural sector (by giving subsidies to the farmers) and the agricultural output plays an important role in the Economy because production of food and several other commodities depend on it.

6. Industrial output: In modern India, Industries played a vital role in the economy and the good Industrial output is needed to the growth of the country. Both the Government and Private sectors are working together in several areas in order to compete with the world market. The Government is also providing a lot of subsidies to the Industries (both public and private).

7. Implementation of Plans: The Government of India has been preparing several plans in the Education, Agriculture, and Industrial sectors and so on through Five year plans and many other ways. But, proper implementation of such plans will become a huge challenge to the Government and this also plays an important role in the Indian Economy.

8. Infrastructure: India is lagging in Infrastructure when compared to several countries in the world. Still now we don't have proper Road, Rail and Sea connections. A lot of resources are wasted due to poor infrastructure. Proper infrastructure is needed in all sectors and so it plays a vital role in the Economy.

9. Money management: The Funds allotted by the Government to several sectors were not utilized properly and in return we can't able to get the expected growth in most of the sectors.



This affects the growth of the country and so Money management plays a vital role in the Economy.

10. Human Resource management: India is the second largest populated country in the world. Having more than 1.2 billion people, the country is rich in human resource and particularly more than 60 percent of the people are below 40 years of old. So it is very much important to use this resource in a proper manner and it plays an important role in the Economy.

11. Anti-Corruption measures: Corruption is everywhere in India particularly in Public sector. So much of money and resources of our country are looted by the corrupted people. This affects the Implementation of plans and subsequently spoils our Economy. So taking measures against corruption is the need of this hour.

12. Disaster management: Due to natural calamities and other reasons many of our resources, human life were destroyed in each and every year. The Government spends so much on rehabilitation and this affects our Economy. So the Government should concentrate more on this subject and it plays a vital role in our Economy.

13. Natural Resource management: In the past, Economy of each family and subsequently the Economy of the entire country had depended on Natural resources. Unfortunately the people did not realize the value of the Natural resources and destroyed them for their own benefit. Now we are facing the consequences of our past mistakes and so, the Government and each one of us must act together to save our Natural resources.

14. Alternative Resource management: Currently, the entire world runs on two things one of them is Coal (or petroleum products) and the other one is Power (Electricity). The Government of India spends more on, either producing or buying the above things. Obviously this affects our Economy more than anything. All the other commodity prices are depending on the above. So the Government has to find alternative ways to supply the needs of the people without affecting the Economy.

15. Fund level: In order to implement any plan, the main thing is Fund. Unless the Government have sufficient funds to spend, it is not possible to move forward and subsequently not possible to improve our Economy.

CONCLUSION:

By analyzing all the above cases, we conclude that the best way to tackle the economy is to follow the footsteps of our forefathers that is we have to follow our traditional way (as in case 15) by giving Very High importance to Education, Agriculture, Implementation of Plans in a proper manner, Corruption free environment and properly using the Human Resources and also concentrating on preserving Natural resources and finding Alternative Resources. Even though it takes time to achieve our goal but still this is the only proper way to achieve the goal because the best way to tackle any situation is to play with our strengths (Land and Human Resources). Otherwise if we follow the current world trend (Globalisation) for our Economy by depending on the Coal and Gold prices, Currency value, International share markets and so on, then one day we have to face the dreadful consequences of our approach. We have enough resources in our Country but what we have to do is, to use them in proper manner.



This cannot be achieved only by the State and Central Governments but it is the duty of every citizen of India. Finally the factors like Monsoon, Natural disasters (Flood, Tsunami and so on) may affect the Economy but these were not taken into account in our Model because these type of things cannot be controlled by us and this shows that we have to depend the One who above all of us.

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