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ECONOMIC ISSUES AND INEQUALITY GAPS IN INDIA

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INTRODUCTION

Economic problems are involved in all aspects of people's lives and are regarded as one of the most urgent problems to be solved in social issues. This article is about unemployment, the gap between the rich and the poor and wage inequality. Firstly, the current situation will be examined and the causes and effects will be analyzed and lastly, some feasible solutions will be suggested.

The current situation is that India's unemployment rate had climbed to 6.1% between July 2017 and June 2018, which is the peak in 45 years (India unemployment rate highest in 45 years: report, 2019). As many as 40% of Pakistan's 180 million people live on less than \$1 each day which means they are struggling beneath the poverty line (Fazl-E-Haider, 2019). Between 2012 to 2013, India's female graduates earned 552 rupees a day which is considerably lower than men of equivalent qualifications who got 737 rupees per day (Mehta & Shree, 2017). All these statistics show that the rapid unemployment rate and the growing widening gap between the rich and the poor and very unequal wage treatment are an undeniable fact. These issues severely vary from different genders, races, occupation types and countries and it is necessary to analyze and solve them as numbers of significant problems may be created for the society and the individuals.

According to several studies, the main reason for unemployment is recessions and economic globalization which also contributes to widening the rich-poor gap and wage inequality. The recession may lead to a huge increase in unemployment (Amadeo, 2019). From a global perspective, higher standards are required to meet the demand for education and skill levels in the context of global economic integration, those low-skilled cannot meet

the needs of the job market may become unemployed population. As a result, they will be reduced by the bargaining power due to the rising unemployment rate which may further be exacerbating the income inequality (Kuttner, Robert, 1997). In contrast, high-skilled talents could achieve high incomes at any time, which would widen the rich-poor gap. McGlynn and Angela Provitera (2014) also point out that the main reason for the widening gap in educational success is wage inequality as the rich families invest far more time and money in their children's education than the middle class and the poor do which may clearly be widening the rich-poor gap.

The emergence of economic problems will definitely bring a series of effects. First of all, health problems will occur to those unemployed and low-income groups, such as obesity, mental illness. Compared with Americans living upon the poverty line, those who live in the poorest communities have further probability to be obese (Nicholas Birdsong, 2015). Furthermore, jobless have relatedness with the growing risk of mental illness (Moore, T H M; Kapur, N; Hawton, K; Richards, A; Metcalfe, C; Gunnell, D, 2017), and these psychological distresses are more likely to be faced by unemployed young men (Kheswa, Jabulani G, 2017). Secondly, the crime rate and drug use are likely to increase. From an economic point of view, higher crime rates commonly exist in unequal societies and this comes from a research survey between 1968 and 2000 (Nicholas Birdsong, 2015). In the case of a significant increase in jobless, the drug users' number may rise sharply (Alejandro Badel, Brian Greaney, 2013). Thirdly, unemployment and income inequality can affect political stability as more unequal societies may be more politically unstable. It has to be mentioned that most of the terrorism could come from poor and war-torn countries.

There are some solutions available for these economic issues. Firstly, the state should increase investment in educational resources and make it possible that the preschool and secondary or even tertiary education that is basically universal has been attained, so that higher education and skills training opportunities can be given to all in the future, especially for those who are from poor and low-income groups. Secondly, new kinds of jobs can be created which are very useful in improving unemployment situation and bridge the wages between the rich-poor gap. Thirdly, politically and economically, a level playing field should be established by nations so that everyone can be treated equally and no one can enjoy the rich privilege and job privilege and also discrimination does not exist someday. In addition, individuals also need to work hard to improve their ability. In terms of employment choices, individuals can favor low-selection types of work, such as becoming an electrician or a plumber.

CONCLUSION

In conclusion, unemployment, the rich-poor gap and wage inequality are all economic issues that the world is facing today and these are very serious problems that cannot be ignored. Both the individual and the society should work hard together to deal with them.

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