

**Roundtable on Future of Jobs in India  
Chennai, August 17, 2018  
Report**

An economy that grows without a simultaneous growth in the employment could pose challenges for stakeholders like investors, employees and government, amongst others. Presence of industries in the country means automation and digitalization also replacing human labour. Reversing the trend and perspectives of stakeholders to address it, cannot be done in isolation. There is a need for participatory process of decision making and create a stronger alignment amongst the stakeholders towards a national agenda like job growth. There is a need to create a broad narrative for national-level change-making, where all the stakeholders could identify themselves and attempt to reach towards the common bigger goal of creation of decent jobs.

In this context, a **Roundtable on Future of Jobs** was organised by CUTS International and FES, India on August 17, 2018 in Chennai.

The objective of the Roundtable is to identify and map the current discourse communities and the actors driving the discourses in the context of future of jobs in India and capture the regional perspective of southern states in India, with respect to job creation.

**I) Key Points Discussed:**

**1. On Business Responsibility of Job Creation:**

- a) Businesses, along with other actors are an essential segment of the economy. The socio-economic and environmental aspects of their conduct are governed by both mandatory and voluntary mechanisms, such that they foster sustainable growth and economic development in the nation.
- b) Job creation is not just an economic but also a social phenomenon and businesses can play a critical social role in job creation. Business responsibility could also mean adoption of sustainable business practises that will ensure economic growth is socially and environmentally sustainable and hence creation of decent jobs is an outcome. Creation of decent jobs for workers could translate in more disposable income-in-hand that could lead to increased consumption.
- c) However, often, the responsibility of business entities towards these aspects is restricted to mere compliance with minimum standards proposed in the Laws. However, responsible business is a broader phenomenon that encompasses the limited scope of legal compliance and Corporate Social Responsibility. Further, the National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Businesses (revised in 2018) presented interconnected principles that present a holistic approach to business responsibility.
- d) Business entities are of the opinion that less regulatory control could lead to prosperity and growth that shall ultimately create jobs. Further, the businesses also believe that more than a social or moral responsibility, there is a need to create a business case for adoption of sustainable practises (making a business case for business responsibility). In other words, the entities, which are driven by the motive of making profits would adopt sustainable practises if it reduces their costs and increases their savings.

## 2. On Skilling and Education:

### a) **On Investment in Skilling by Businesses:**

- ***Significant investment in skilling and lower returns is a challenge:*** Impact of automation of processes (particularly in Information and Technology (IT) industry) requires the employees to persistently adapt to newer skill-sets. However, due to mismatch in skill-sets, presently, there is a critical need for skilled labourers to operate the advanced machines and robots. Hence, in order to fulfill the need, enterprises must continuously skill their employees.

Skilling of employees requires a significant investment. However job attrition and resulting lower returns to the employers on such investments in skilling may restrict the businesses from investing in skill development of their employees.

### b) **On Promotion of Entrepreneurship**

- ***Development of Entrepreneurial Mindset:*** Promotion of entrepreneurship is crucial to job creation. This shall require paradigm shift in the form of **transformation in the mindset from job seekers to job creators**. The entrepreneurial mindset must be developed from an early stage of life. Therefore, the **education system** needs to be redesigned in a way to provide youth an exposure to entrepreneurial opportunities during their schooling and orient them towards entrepreneurship. The academic curriculum could include an introduction to processes and opportunities of starting an enterprise.
- ***Premium attached to Skilling:*** Entrepreneurship has so far been overshadowed by an obsession with **education and skilling**. Job seekers attach too much premium to skills. Educated and skilled youth have high aspirations and mere skilling, without jobs to fill, may lead to frustration among the youth.

## 3. The new class of ‘Neo-Poor’:

Attachment of premium to skilling also creates another challenge. Indian society is evolving, with emergence of a different class of poor, namely ‘**the Neo-Poor**’. Earlier, the Indian society recognized poorer section (or lower class) as the class of people who were **socially as well as economically poor** (for instance, a daily wage earner, who would earn his livelihood through petty jobs).

Gradually, economic development led to further stratification of the middle class and the ‘lower-middle class’ or the ‘**Neo-Poor**’ emerged.

The Neo-Poor are the people who are economically as well as socially better as compared to the poor sections (or the lower class) of the society and have high aspirations. They are largely employed in jobs that involve clerical work which are threatened by automation. Further, providing skills to these employees without adequate jobs to fill could further lead to dissatisfaction in the society. There is a need to identify and address the challenge of job creation faced by the neo-poor.

## 4. Access to Credit and Access to markets to small and micro enterprises:

In addition to development of entrepreneurial mindset, a paradigm shift is required in creation of access to finance and access to markets to the small and micro entrepreneurs.

Lack of access to credit or capital is considered a major constraint in creation of small and micro entrepreneurs. Lending to poor is considered as risky and not feasible, due to high transaction cost involved in the process and lower creditworthiness of the borrowers. Banking paradigms need to be changed in order to suit the credit requirements of the poor, such that it fosters mass entrepreneurship<sup>1</sup> (local and ordinary business that hires five or more people, use local inputs and serve local needs) and facilitate regular deposits in banks.

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<sup>1</sup> [https://www.livemint.com/Leisure/TLH74S7Eikb9wCK5rPY8LI/Ravi-Venkatesan--Mass-entrepreneurship-an-idea-whose-time.html?facet=amp&utm\\_source=googleamp&utm\\_medium=referral&utm\\_campaign=googleamp](https://www.livemint.com/Leisure/TLH74S7Eikb9wCK5rPY8LI/Ravi-Venkatesan--Mass-entrepreneurship-an-idea-whose-time.html?facet=amp&utm_source=googleamp&utm_medium=referral&utm_campaign=googleamp)

Further, aggregator models or entrepreneurial clusters could help to address multiple constraints faced by such enterprises like electricity, work space, internet and last mile connectivity, amongst others. Incubators or clusters, like Farmer Producer’s Organisations (FPOs) could enable the entrepreneurs to improve income of the entrepreneurs.

**5. Social Stratification and Employment:**

Social stratification plays a significant role in labour market and job creation. Preference of a particular job by an individual could be determined by the social class to which the individual belongs. Several industries like beauty and wellness sector, which have a huge job creation potential could become ‘**taboo industries**’ as they are considered socially less-desirable by individuals. Jobs in other sectors like sanitation and waste management are also socially less desirable.

**6. Need to strengthen Local Self-Governance for Decentralized Data Collection:**

Maintenance of a disaggregated database on employment at district level could facilitate identification of skill gaps and enable provision of right skill-sets to people. This would require empowered local self-governing bodies that could collect data on district level employment.

However, preference for centralized or decentralized system of governance could vary from state to state. States of Kerala and Karnataka prefer a strong decentralized governance system, whereas the Tamil Nadu, Andhra Pradesh and Telangana have strong preference towards centralized system of governance.

**II) Discourse Mapping Exercise:**

Discourse mapping helps to visualise the political field, by mapping various discourse communities and the actors driving those discourses. It enables the participants to identify the centre of political gravity and to locate the best entry point for the change narrative. The discourse map is provided in the Annexure 1.

**1. Identification of Discourses:**

The following 17 current discourse communities were identified.

<b>Sr. No.</b>	<b>Development Narrative (What is the right thing to do?)</b>	<b>Job Creation Paradigm (Why do we need to do this?)</b>	<b>Stakeholders</b>
1.	Make in India	Create Manufacturing Jobs	Government and Business
2.	Digital India	Create IT services/ software jobs and jobs in entertainment industry	Government
3.	Gig Economy (Platform based Economy)	Create Entrepreneurs	Industries and Government
4.	Smart Cities	New Cities creates more job opportunities	Government
5.	Green Growth	Green Jobs	Multilateral Institutions
6.	Indigenisation	Promotion of MSMEs and cottage industries	Trade Unions, Industries
7.	Rural Development	Creation Farm and Non-Farm Jobs	CSOs and Think Tanks
8.	Doubling Farmer’s Income	Agro-Processing, Containing Migration, Aggregators Model	Voters, Political Parties
9.	Beti Bachao Beti Padhao	Greater Women Workforce Participation	Government

10.	Skill India	Enhancing Employability through skilling	Government
11.	Start-up India	Access to Credit/ Finance creates jobs	Industries and Government
12.	Energy for All	Renewable Energy Jobs	Industries and Government
13.	Ayushman Bharat	Care Economy creates jobs	Government and Industries
14.	Swachh Bharat	Waste Management	Government, NGOs and Industries
15.	Incredible India	Tourism creates Jobs	Government and Industry (Tourism)
16.	Industry 4.0	Higher Order Skills	Industry
17.	Ease of Doing Business	More business and More Jobs	Industries and Government

## 2. Mapping of identified Discourses, Mapping of Actors and Identification of Centre of Political Gravity:

The coordinates reflect the main contrasting stance on development, which are governed by different actors, logics and considerations. In order to reflect the conflict of inclusion and exclusion on the cultural axis, the participants chose the cultural conflict between **Universalist Outlook** (Development for All) and **Communal Outlook** (Development for a few). On the material axis, the conflict between **'Environmental Sustainability'** (ecology, sustainability) and **'GDP Growth first'** was chosen.

The identified discourses were then placed on the discourse map. The participants placed majority of the discourses in the **'second quadrant'**, with **'GDP Growth First'** on the x-axis and **'Development for all'** on the y-axis.

The mapping exercise was followed by identification of the actors propelling the discourses. These actors included the **government and political parties** (main players); **voters and civil society organizations** (social groups) and **private entities** (economic groups).

**Centre of Political Gravity** or the power centre helps to identify the opinions that carry more weight in the minds of the decision makers. The Centre of Political Gravity was also identified in the second quadrant as the participants believed that the discourses associated with the developmental outlook hold more prominence in the political agenda of the country.

## 3. Key Observations:

- It is observed from the discourse map (Annexure 1) that the Civil Society Organisations (CSOs) in the southern states are relatively marginalised in the job creation agenda as compared to government and private entities. The discourses propelled by the CSOs and the academia are weak, whereas most of the dominant discourses were propelled by the government and private entities.
- However, the perspectives captured in the discourse mapping exercise may not represent an aggregate southern Indian viewpoint. Perspectives pertaining to job creation could be diverse for all the states or cities in southern India. This is because, each of the southern states have a different governance structure and varied degrees of community participation. Karnataka and Kerala adopted decentralised local governance, which potentially has stronger community participation as compared to more centralised governance structure in Tamil Nadu, Andhra Pradesh and Telangana. Further, in addition to high variance in demography of the states, the rate of population growth and urbanisation in these states is also different.
- Discourses pertaining to skilling and service-oriented jobs were prominent in the discussion. This indicates presence of a knowledge economy in southern states governs employment and less-

preference for blue collar jobs. Further, social stratification could make several service oriented jobs in sectors like beauty and wellness socially less desirable.

d) Comparison with Roundtables in Delhi and Goa:

- **In Delhi**, it was observed that the **CSOs and think tanks had a strong presence** and propelled several discourses pertaining to job creation along with other actor like government, media, political parties, voters, multilateral organisations and private entities. As against that, the majority of identified discourses in Chennai were propelled by private entities and government.
- In all the three discussions, majority of the discourses were located in the second quadrant. The participants were of the opinion that role of the government is to create social mobility and the private sector is largely responsible for creating jobs. Hence, it was necessary to accommodate the interests of the business entities (growth of private sector). Discourses propelled by the private sector or the ones that will provide boost to private sector growth are located in the region close to the material axis and in the second quadrant (towards ‘GDP growth first’).

### III) List of Participants:

Sr. No.	Name	Designation and Organisation
1.	Prof. S.S. Meenakshisundaram, IAS	Vice Chairman, Mysore Resettlement and Development Agency (MYRADA), Bangalore
2.	K. Saraswathi	Secretary-General, Madras Chamber of Commerce, Chennai
3.	C. K. Kumarvel	Co-Founder, Naturals Beauty Salon India Pvt. Ltd and Head, Entrepreneur Cell, Makkal Needhi Maiam, Chennai
4.	Kris Lakshmikanth	CMD and Founder, HeadHunters India, Bangalore
5.	Gogo Rajan	Senior Partner, HeadHunters India, Chennai
6.	Mazher Hussain	Executive Director, Confederation of Voluntary Associations of India (COVA), Hyderabad
7.	Kazim Rizvi	Founder, The Dialogue, Delhi
8.	Devika Kher	Policy Analyst, Takshashila Insitution, Bangalore
9.	Priyam S. Purohit	CUTS International
10.	Abhishek Kumar	CUTS International
11.	Sehaj Malik	FES India
12.	Patrick Ruether	FES India
13.	Kabir Seth	FES India

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