

Human Resources of India

Human resources we mean the size of population of a country along-with its efficiency, educational qualities, productivity, organisational abilities and farsightedness. By human resource we mean human capital. Human capital implies the abilities, skills and technical knowhow among the population of the country. A country should introduce manpower planning for the development of its human resources.

Human resources must be considered both from the angle of assets as well as the liabilities connected with the attainment of economic development. For the attainment of economic development, proper utilisation of both natural as well as human resources is very much essential.

Proper utilisation of natural endowments and the level of production of national wealth depend very much on the extent and efficiency of human resources.

But too much population will again eat up all the fruits of development. Thus from the point of view of economic welfare, it is quite essential to study human resources in detail. It should be equally stressed that human beings are the vital instrument of production and at the same time, fruits of all economic activities are rested on the betterment of conditions of living of human beings.

Thus in view of its importance, it is quite essential to know both in quantitative and qualitative terms, the size, rate of growth, the composition, distribution and all other demographic features of population of India.

Importance of Human Resources:

(i) Proper Utilisation of Resources:

Human resources are considered important type of resources for attaining economic development of a country. Among various types of resources, human resources are the most active type of resources. Qualitative and quantitative development of human resources is very much required for the proper utilisation of natural resources of the country.

Thus the human capital formation according to Prof. Meier is **“the process of acquiring and increasing the number of persons who have skills, education and experience which are critical for the economic and political development of the country.”**

(ii) Increased Productivity:

Human capital has been playing an important role in the economic development of a country. Schultz, Kenderick and Harbison have made some important studies recently so as to point out that a major part of the growth of national output in USA can be attributed to increased productivity which has been mostly realised out of capital formation.

In this connection Prof. Galbraith was of the view that “we now get the larger part of industrial growth not from more capital investment but from investment in men and improvements brought about by improved men.”

(iii) Development of Skills:

Slow growth in underdeveloped countries is mostly resulted from lack of investment in human capital. These countries are suffering from lack of critical skills required for its industrial sector and also face the problem of surplus labour force in its farm sector. Thus human capital formation is very much required for the economic development of the underdeveloped countries.

In this connection, Prof. Myint observes that, **“It is now increasingly recognised that many UDCs may be held back, not so much by a shortage of savings as by a shortage of skills and knowledge resulted in a limited capacity of their organisational framework to absorb capital in productive investment.”**

Thus the underdeveloped countries are suffering from shortage of technically trained and highly skilled and educated persons and the developed countries are maintaining high level of investment on the development of manpower resources.

Accordingly Prof. Meier observed that, “While investment in human beings has been a major source of growth in advanced countries, the negligible amount of human investment in UDCs has done little to extend the capacity of the people to meet the challenge of accelerated development.”

Thus in order to attain an all round development of the country, the human capital formation through adequate volume of investment on human development is very much important under the present context of development.

(iv) Increased Volume of Output:

As a result of human resource development, the production increases as the knowledgeable and skilled workers can make a rational use of all resources at their disposal. With the imparted knowledge, workers try to increase his output and income. Attainment of vocational skills helps the workers and all categories of manpower to earn higher level of income in various professions.

The higher education and training at higher educational set up like college and universities usually enables workers to contribute liberally towards faster expansion of output in technical, engineering, machine building, accounting, management etc. Moreover, improved health facility can enhance physical capacity of workers. Thus all these factors positively contribute towards increased output.

(v) Addition to Productive Capacity:

Human resource development in the form of human capital formation can make necessary addition to the productive capacity of a country in humorous ways. By upgrading the technological scenario along with improved knowledge and skill can modernise the

production technologies and thereby can add to the productive capacity of the country in general.

Transfer of technology from foreign countries can pave the way for adoption of modern technology into production and thereby can improve the productive capacities. Moreover, human capital formation can promote higher growth of the economy by adding physical stock of capital of the country.

(vi) Raises Per capita Income:

Human resources development can raise per capita income of the country through increased formation of human capital. Imparting knowledge can improve the productivity of workers and therefore, can raise the per capita income.

(vii) Tool for Economic Change:

Human resource development can make the people knowledgeable, skilled and physically fit. This can also change the attitudes of the people and improve the personal qualities of people.

Such changes are conducive to the development of innovative capacity and entrepreneurship which usually motivates people to work hard, take risks, do research and apply them to produce new products and also to develop new processes of production. All these can work as a tool for economic change.

(viii) Improving Quality of Life:

Human resources development can pave the way for improving quality of life for the people in general. This can be made possible through improvements in the three components of Human Development Index (HDI), i.e., rise in per capita income, higher educational attainments and increase in life expectancy.

Role of Human Resource in Economic Development:

Human resources are playing an important role in attaining economic development of a country. Economic development of country involves proper utilisation of its physical resources by its labour force and other forms of manpower for the proper utilisation of production potential of the country.

Thus economic development normally involves achievement of three conditions:

- (a) An increase in the per capita income to raise the level of living of the people;
- (b) A fall in the magnitude and rate of unemployment and
- (c) A consequent reduction in the number of people living below poverty line.

Although the labour force of the country is making positive contribution towards development but the rapidly growing population retards the process of development and thus considered harmful for economic development of the country.

[REPORT THIS AD](#)

[REPORT THIS AD](#)