

## EXPLORING THE INTERSECTIONALITY OF EDUCATION OCCUPATION AND INFORMALITY: A CASE OF SOUTH WEST NATIONAL CAPITAL REGION

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### ABSTRACT

Economic processes are a manifestation of dynamic complex interdependent array of factors, which involves resources, technology and an acting innovative human mind. In these economic processes of production, growth and development are the processes, which have vast number of complex drivers, determinants and factors. Education, Innovation, research, diffusion and dissemination are vital instrument of the economic processes of production. In the contemporary era, a lot have changed in the urban fringes at a very fast rate. This paper tried to look in to these changes, in the production of space in terms of tracing the link between education, occupation and informality, further it reflects upon the idea of trickle down of growth, by taking Delhi as the core; it traces the changes towards Mewat.

**KEYWORDS:** Education, Occupation, Urbanization, Informal Sector

### INTRODUCTION

Indian economy has its own characteristics due to a complex social and institutional structure, which sometimes not only affects, but also molds and governs. Due to this complexity, different dimensions and hidden drivers of our economy, scholars also assess its performances, challenges and projects in various fascinating dimensions. Some see it as ‘shinning India’, ‘amazing India’ or ‘emerging giant’<sup>1</sup>. And the country’s 8% plus growth scenario, during the tenth plan period made the people more optimistic<sup>2</sup>, though the euphoria did not last longer. But during these phases, a lot changed in the economy of Gurgaon and in the fringes of it. Gurgaon which was selectively benefited by the state led interventionist liberalized agenda, examining the occupational structure education and peeping into the informality aspects, would be a worthy attempt, to assess the present day economic dynamics of this region and its vicinity. Present paper looks into ward 31 of Gurgaon and two villages of Gurgaon, namely Behlpa, Fazalwas and ward 11 of Mewat. Along with the village Gabsanpur, that is the spatial unit of study. Selection of spatial units of analysis is on the basis of the percentage of non-workers, as per census 2001 across all units in Gurgaon and Mewat Districts. Further socio economic caste census data, 2011 (Provisional), were obtained from [www.secc.gov.in](http://www.secc.gov.in) as draft list. And the socio economic caste census data obtained from the above mentioned website were harmonized in a digital environment. To look into the dynamics of occupation, education and informality of the workers were classified, as per National Classification of Occupation (NCO). The workforce was classified into 4 categories i.e., high income, middle income and skilled professionals, low income and

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<sup>1</sup>Bhagwati, J., Panagariya, A., Sen, R., Shourie, A., & Wisner, F. (2008). 5. India: Past, Present, and Future. *Sustaining Indias Growth Miracle*. doi:10.7312/bhag14366-007

<sup>2</sup> Nath, K. (2008). 6. India: An Emerging Giant. *Sustaining Indias Growth Miracle*. doi:10.7312/bhag14366-008

semi- skilled professionals and house workers, dependents and pensioners. To assess the occupational structure across spatial units, in south west transact of NCR, for informal sector definition, national commission for enterprise, in the Unorganized Sector's (NECUS) criteria was adopted. Further, to look into the sectorization, work force was divided into different sectors, as per National Industrial Classification (NIC).

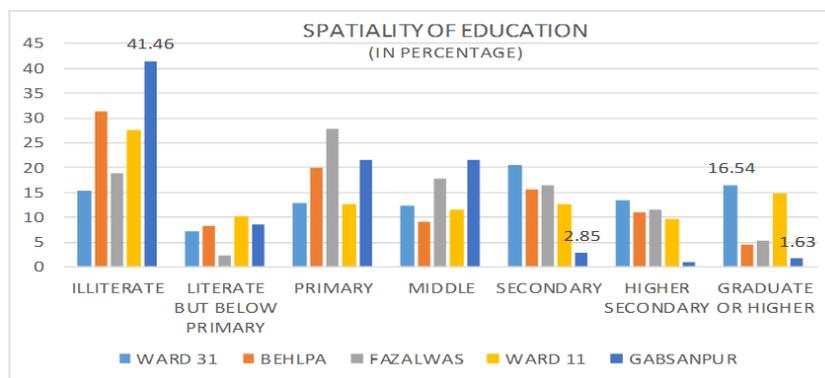
Asian mega cities are experiencing unsustainable and unplanned development, and its negative consequences such as, haphazard urban expansion, deteriorating inner city infrastructure and spillover of large exodus of people, to the peri-urban areas has changed the rural milieu. Rural and urban shares a dynamic relationship with each other, in contemporary times. This is vivid, in terms of flows of goods and services and the limits and boundaries of the two spatial units, have been blurred in immediate past. Urban and urbanity has encroached into views, expression and choices of rural life. Sometimes the rural landscape is surrounded by hyper urban form structure and processes, leading to a kind of 'Urban Enclave' or "Village in city", where rural and urban life is in contestation with each other in everyday life. In this conflict and contestation, many urban middle class invade the lower working class of rural landscape, and push them out leading to gentrification. This internal restructuring of the village and processes of displacement has lot to do with the level of education and occupational structure.

Education, which is considered as one of the deep determinants of growth and development, provides the skill set to prepare the human resources and creates employability. It is an evident and widespread recognition, that education is a major driver of economic competitiveness in an increasingly, knowledge driven global economy<sup>3</sup>. The role of technological capacity in development is coming to be viewed as central, to the industrializing effort and as the driving factor in shaping economic development (Mathews 2007). However, education is not the lone factor which creates and shapes the choice of occupation in India, child learns skills from his father and he passed on this to the posterity and it continues. Thus there is an effect of the caste system on occupational choice. But with the advent of modernity, education and skill sets is shaping the choices and determining the occupational character of the young India. Gurgaon, which is often projected and celebrated as a "growth engine", "hub of industry" and "cyber city" , but this kind of rosy picture and hyper- euphoric argument does not hold true, in terms of indicators of social development like education. In terms of economic growth, the city would have to perform well above the expectations, as it was an era of liberalization. Privatization gave tremendous boost by the introduction of new economic policy, in 1991 that allowed de-licensing, relaxing entry restrictions.<sup>4</sup> This heightened the competition, among the industries that were monopolized by the public sector earlier. But this kind of market driven development must be pocketed in certain inlets, in Gurgaon looks out of place and time. Market led development must not have provided a boost, to sectors like education. Though the condition of education in comparison to Mewat, it looks comparatively better, since Mewat is one of the backward cultural regions of Haryana and its performance in almost all the indicators, stands at bottom.

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<sup>3</sup> Snowdon, B. (n.d.). The role of human capital in economic development. *Handbook of International Development and Education*, 47-76. doi:10.4337/9781783473540.00011

<sup>4</sup> Gururani, S. (2013). Flexible Planning: The Making of India's 'Millennium City,' Gurgaon. *Ecologies of Urbanism in India*, 118-143. doi:10.5790/hongkong/9789888139767.003.0005



Source: Socio-economic caste census, 2011

Source: Socio-Economic Caste Census, 2011

**Figure 1: Spatiality of Education**

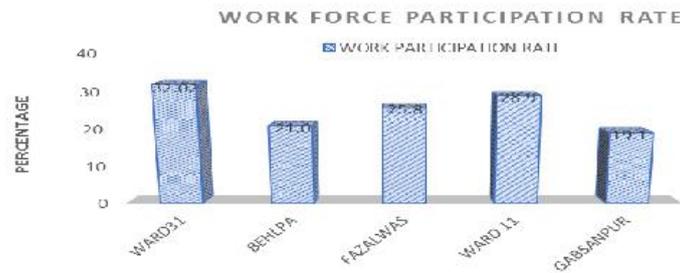
Illiterates are highest in the village of Mewat districts that are nearly 42%, which speaks about the stark reality of development gap, between the two districts of the state. One interesting and noteworthy point here is the, in the ward of Gurgaon, there is nearly 15% people who are illiterate.

Gurgaon, is considered as the growth center and its two decades, that has passed, but the districts adjacent to it and which was part of its earlier, seems lagging behind and not experiencing the fruits of growth.

**Table 1**

	WARD 31	BEHL PA	FAZALW AS	WARD 11	GABSANP UR
PROFESSION	(in %age)				
Legislators, Senior Officials and Managers	0.8	NIL	NIL	NIL	NIL
Professionals	3.9	0.2	1.6	0.7	NIL
Technicians and Associate Professionals	1.04	NIL	0.5	0.2	NIL
Clerks	3.3	1.9	2.7	3.1	0.4
Service Workers and Shop and Market Workers	3.1	2.5	4.1	10.9	0.4
Skilled Agricultural And Fishery Works	0.9	2.2	1.9	0.7	0.4
Craft and Related Trade Workers	4.71	0.1	0.9	1.7	NIL
Plant and Machine Operators and Assemblers	4.91	0.7	2.0	0.8	NIL
Elementary Occupations	9.32	13.1	12.3	10.9	17.9
Workers Not Classified By Occupations	0.87	2.6	1.0	0.5	NIL
House Work	27.49	26.6	24.1	27.6	30.1
Pensioner	1.74	5.9	2.8	2.2	0.4
Dependent	37.97	43.9	46.2	40.7	50.4

Though, in case of India, it is considered that, there is an effect of the caste system on occupational choice. According to a group of scholars, caste not only prescribes for each person, a hereditary occupation, but also discourages his attempts to surmount the occupational barriers existing for his group. Though there is absolute immobility in the occupational status, at any cost it is a practical impossibility in any society, as there is always a scope for choosing the occupation, as per the skill set. Every society has both the element of rigidity and flexibility, in their own way and context, no society is fully closed and is fully opened, and rather openness and closeness is a matter of degree, well preached by Andre Betillie, in his voluminous work on caste.



**Figure: 2**

Therefore, social institutions affect the occupational choices, but it is also a function of economic processes. Here, if we look into the national classification of occupations one digit level classification. Highly paid, professional and managerial job occupied by population is high in ward 31, and as we move away from the urban, towards rural and its nil, which speaks of their engagement in informal, agricultural and elementary occupations. Occupation classification of villages, at one digit level also brings picture more clear, regarding the development gap. There is a clustering, only at the elementary occupations, in all the villages. But within that, the share of gabansapur is highest, it can infer from this, that village of Mewat's people, has a low level of skill profile as compare to the villages of gurgaon. There are no people in gabansapur, in the legislator and managerial jobs. However, in case of Gurgaon's villages, some people are in the high order skill level jobs. Therefore the idea of trickle down appears as a myth.

Work force is always an important human resource, for a developing country like India, it is the demographic dividend that, if properly materlized can lead to economic development. If we see the work force participation rate, from Gurgaon towards Mewat, it shows a marked decrease which in turn reveals the stark reality of development gap, between the districts. It is vivid from the graph that, ward 31 has the highest ward participation rate that is, 32% whereas in its counterpart i.e., Mewat's ward has 28%, which shows the gap. Gap in work force is not just a gap in work participation, but it is a manifestation of level of economy and oppurtinities available, to enrich the skill profile which is a function of economic development level.

Working age groups reflect on various facets of socio-economic dynamics. More than 90% working age people are in the age group of 15-59, this could be a great human resource, an asset and if not tapped timely, it could turn into liability. Population in the age group of 0-14, speaks of child labour prevalence even after a strong legislation. Economic activities that remain outside official institutional framework are often

Table 2

Workers by Age-Group					
Age Group	Ward 31	Ward 11	Behlpa	Fazalwas	Gabsanpur
0-14	0.53	4.57	1.75	2.69	8.51
15-59	93.81	86.85	91.84	89.69	87.23
60 and Above	5.66	8.57	6.41	7.62	4.25

Regarded as an informal sector. Concept of informal sector is quite fuzzy, loosely defined indeed, Kabra (1995) states around thirty terms, including the survival sector, non-structured sector, transitional activities and hidden sectors have been used for this sector. One thing that is well documented by earlier research is that, worker in this sector do not get pension and other social security measures provided by govt, as they are there, in case of the formal workers. Gurgaon, which is known for service sector has as much as, 70% worker in informal sector, of its ward 31. Informal kind of workforce is increasing as we move away from the core urban towards rural parts, considered for analysis.

Table 3

EDUCATIONAL LEVEL	FORMAL WORKERS		
	B	SE	ODD'S RATIO (Exp B)
Intercept	-3.996**	0.194	
Middle to Higher Secondary	1.962**	0.199	7.116
Graduate And Above	4.435**	0.197	84.36
Up to Primary	Constant		
<b>The reference category is: Informal (**p&lt;.001)</b>			

To look into the impact of education on work, in informal/formal multinomial logistic regression, it uses probabilities of each dependent and independent variable that has been given, rather than a value. Each category compared to the reference category, in terms of their probability of being categorized under dependent variable i.e., formal workers, as given in above table. The above table provides the parameter estimates of multinomial logics of the district of Gurgaon. It infers that, both graduate people and people having educational level up to higher secondary, are strongly and significantly more likely to be involved as formal workers, as compared to the workers involved in the informal sector. The parameter estimate for these variables is positive, in both the categories, with probability value 7.116 and 84.36, for people with higher secondary educational levels and graduate levels, respectively. Thus education is strongly associated with employment sectorisation. Further the table reveals that, a positive B coefficient indicates that, the people with better educational level have higher probability, than people in reference category of being classified under formal workers. Further if we look into the sector of workforce, the significance of the rural non-farm sector, can hardly be denied, when seen in relation with the increasing saturation in growth of agricultural employment and the growing rural-urban divide, in a globalizing India.

The generation of employment in the rural non-farm employment, is important not only with respect to poverty alleviation and rural development, but is also known to enhance sustainability of the use of natural resources and food security, in rural areas (Bhalla 2002; Chadha 2002). By creation of in-situ jobs, it opens up opportunities for women in particular, as the patriarchal structure curtail their free mobility in rural India. Thus rural non-farm employment could be the vehicle, for the reduction of gender gaps in the rural India.

Higher employment in the rural non-farm employment is also known to have a positive externality impact on

urban areas, by limiting rural to urban migration, which if unaddressed could lead to unsustainable urban growth, on one hand and increased vulnerability of the migrating rural population on the other hand. (Davis 2003; Kundu 2011).

**Table 4**

<b>INDUSTRY GROUP</b>	<b>Ward 31</b>	<b>Behlpa</b>	<b>Fazalwas</b>	<b>Ward 11</b>	<b>Gabsanpur</b>
<i>Agriculture</i>	3.80%	11.07%	8.82%	2.65%	2.17%
<i>Mining</i>	12.76%	0.00%	0.83%	1.99%	0.00%
<i>Manufacturing</i>	2.34%	0.00%	5.51%	1.32%	0.00%
<i>Construction</i>	38.05%	67.75%	54.82%	43.05%	82.61%
<i>Trade</i>	11.27%	9.77%	14.05%	41.06%	0.00%
<i>Machine Operators And Assemblers</i>	15.14%	0.00%	4.96%	0.00%	0.00%
<i>Hotels And Restaurants</i>	0.93%	0.98%	3.31%	0.66%	0.00%
<i>Transport And Storage</i>	7.05%	3.91%	4.68%	4.64%	0.00%
<i>Defense</i>	3.09%	2.61%	1.10%	2.65%	0.00%
<i>Other Community, Social And Personal Services</i>	0.38%	0.00%	0.00%	0.00%	0.00%
<i>Personal Household Works</i>	5.19%	3.91%	1.93%	1.99%	15.22%

Amongst policy-makers, there is a considerable interest in understanding, how the non-farm sector contributes to the economic growth and what its role is in alleviating rural poverty. Promotion of rural non-farm sector leading to reduction of migration from rural to urban could be an interesting hypothesis here. Traditionally it is believed that, rural household in India is engaged in agriculture. This paper, vouched for the varied nature of employment, even in the rural spatial units. Interesting point here is, whether this declining share of agriculture in employment is due to positive forces in the economy, or a reflection of adverse condition of the agriculture sector.

The working-age population of India is growing in size, the labour force is shifting away from agriculture, and with higher education, workers are also seeking for better-quality, non-agricultural jobs. Construction has virtually become an area, where major workforce is concentrated. It is probably the migration stream in search of work, is absorbed by the real estate sector. Mining is another area, where workforce is concentrated but interestingly the Aravali region, where mining is actually practiced, is the nearest to the Behlpa and Fazalwas village, but the workers probably reside in Gurgaon ward 31 and these workers are often migrated from other states. There is a very low worker population in agriculture sector; there must be strong factors that have pushed workers out of agriculture. In recent years, agriculture has become non-remunerative, in many parts of the country. At the same time, there must be some pull factors that caused workers to move away from agriculture. Important point here is the expansion of casual employment.

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