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Social Security Challenges and Human Development in India

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Abstract-

Social security has always been an important instrument for securing social and economic justice in a country. India being a primarily developing country with a vast population requiring a boost from the government, the role of social security cannot be overemphasized. The economy is made up of three categories of resources i.e. land, labour and capital, collectively known as 'factors of production'. Out of these, human resource is the most important. The term 'human resource' includes a set of individuals who make up the workforce of a nation. The extent of utilization of other resources depends on the will, capacity and skill of human resources. Human Resource Development is inevitable for economic development of a country. HRD deals with all aspects of human development whether they relate to poverty, education, gender discrimination, denial of human rights, environmental concerns, etc. India has an abundance of human resources. The total population of our country is over 1.277 billion people. A lot has been done by our government in the recent years but still a lot more is needed to be done. In India, the quality of human resources needs to be developed and maintained. Providing 'Social Security' to people is one such way of achieving this objective. It is considered as an integral part of development process. Social security schemes are important for providing a feeling of security among workers and raising their standard of living. People can plan their future accordingly.

Various social security schemes for the benefit of workers have been framed in India in the form of various legislations. The various Central Acts on social security have been examined in the light of the recommendations of 2nd national commission on labour. Relevant amendments have been done in many of these acts from time to time and the consultation process regarding amendment in few others is still underway.

Social Security, though not novel, is still an underdeveloped concept for a country where at least 30% of population continue to live in poverty and where old age is often accompanied by extreme destitution for many. The current programs covers only a small portion of population and is primarily employer driven, limiting its scope to help the vast majority of people. Though recently, India's Prime Minister Narendra Modi has launched many social security schemes yet a lot more efforts are required. The flaws in these Social security measures are required to be dealt with in an appropriate manner.

Keywords: Social Security, Human Capital, Economic growth, Challenges.

Introduction

The term "social security" differs from country to country with changing political ideologies. For example, social security in the socialist countries means complete protection to every citizen of this country from the time of his birth till death. In other countries, social security refers to protection given to the needy citizens by

means of various schemes evolved by government consistent with resources. Social security is primarily an instrument of social and economic justice. In general sense, social security refers to protection provided by the society to its members against unforeseen mishaps over which a person has no control. The underlying philosophy of social security is that the State shall make itself

responsible for ensuring a minimum standard of material welfare to all its citizens on a basis wide enough to cover all the main contingencies of life. The objectives of social security can be summed under three categories: (i) **Compensation** (ii) **Restoration** (iii) **Prevention**.

According to a definition given in the ILO publication, “**Social security is the security that society furnishes through appropriate organisation against certain risks to which its members are exposed. These risks are essentially contingencies of life which the individual of small means cannot effectively provide by his own ability, or foresight alone or even in private combination with his fellows**”.

Objectives of Paper

- To study the evolution of the concept of Social security.
- To study the various Social security programmes run by government.
- To study the importance of social security programmes in the development of human capital.
- To study the challenges faced by government in the implementation of social security programmes.
- To provide suggestions to overcome these challenges.

Research Methodology

This paper is based on secondary data. The data has been collected from internet, journals and magazines.

Evolution of The Concept Of Social Security

Social security is as old as society itself, but its forms continuously changes according to the requirements and the level of social consciousness of the people. Before the industrial revolution, the needs of social security were met by institutions like the joint family, church, guilds and caste. The beginning of social security marks with the individual acts of charity and philanthropy, these devices progressed to include mutual benefit schemes, both formal and informal.

Later, protective legislations came into force mandating employers who set up a factory which was likely to cause loss and injury to his workpeople to compensate the victims. Small employers, who were large in number, found it

difficult to give benefits to their workmen. Therefore, insurance companies came forward to take over the employers' liability in return for a premium, but this did not turn out to be a satisfactory arrangement.

Mutual-aid societies of workers grew up with the object of helping their members in times of sickness with simple medical care and payment for funeral, if death occurred, in return for periodic contributions. Gradually they were brought under Govt, supervision. The societies could not perform the work of insurance satisfactorily. As a next step, government took the branch of insurance under its guarantee. Insurance companies played an important role in supplementing the protection afforded by social security schemes.

These traditional approaches gave rise to two branches of social security i.e. social assistance representing the unilateral obligation of the state towards its dependent groups and social insurance based on compulsory mutual aid. Social assistance programmes provide help to meet the minimum requirements of needy. These are financed wholly from the general revenues of the State. Social insurance schemes are financed mainly through contributions made by employees and employers. The benefits to insured persons are linked to their contributions. Most of these programmes are compulsory and specifically defined categories of workers and their employers are required by law to participate in the programmes.

Various Social security schemes

The various social security schemes can be categorized under the following heads:-

1. Medical and health care:

- Midday meal scheme
- Rashtiya Swasthiya Bima Yojana (RSBY)
- Employment State Insurance Scheme (ESIS)
- Central Government Health Scheme (CGHS)
- Aam Aadmi Bima Yojana (AABY)
- Janashree Bima Yojana (JBY)
- Universal Health Insurance Scheme (UHS)

2. Unemployment benefit:

- Swarnjayanthi Gram Swarojgar Yojana (SGSY)
- Prime Minister's Employment Generation Programme (PMEGP)
- Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA)
- Swarna Jayanti Shahari Rozgar Yojana (SJSRY)
- Pradhan Mantri Gramodaya Yojana (PMGY)

3. Old age benefit:

- Scheme of Integrated programme for Older Persons (IPOP)
- Indira Gandhi Old Age Pension Scheme (IGNOAPS)
- National Programme for Health Care of the Elderly (NPHCE)
- National Social Assistance Scheme

4. Family benefit:

- National Family Welfare Programme
- National Population Policy
- Urban Family Welfare Schemes
- Sterilization Beds Scheme
- National Family Planning Indemnity Scheme (NFPIS)

5. Maternity benefit:

- Janani Suraksha Yojana (JSY)
- Bhagya lakshmi Yojana
- Janani Shishu Suraksha Karyakram (JSSK)

- Anganwadi Nutrition Supplementation (ICDS)

6. Survivor's benefit:

- Provident fund
- Survivor (deposit-linked) insurance scheme
- Pension scheme
- Gratuity scheme
- Survivor grant (social assistance)
- Widow(er)'s pension (pension scheme)

Various **legislations** have also been enacted in the past namely,

- Employee's State Insurance Act,1948
- Employee's provident fund Act, 1952
- Workmen's Compensation Act,1923
- Maternity benefit Act,1961
- Payment of Gratuity Act,1972

Role of Social security in the development of Human capital

Human capital is a fundamental resource which can enhance the growth potential of a country and the potential of human capital can be enriched with the help of social security initiatives. Human resources of a country are the size of population ,rate of growth of population, urban rural distribution of people and quality of population. The quality of population as measured by health standards and educational levels and technology is vitally important in influencing a nation's cultural and economic progress. A country which has developed the skills and knowledge of its people can exploit natural resources, build social economic and political organizations and can carry forward national development. Prof. Galbraith is right in saying that "we now get larger part of economic growth from investment in men and improvements brought about by improved men."

Human capital and economic growth have a strong and direct relationship. Human capital affects economic growth and can help to develop an economy through the knowledge and

skills of people. Human capital refers to the knowledge, skills and motivation that people have, which can be transformed into economic value. Everyone does not have the same skills or knowledge and that quality of work can be improved by investing in education of people. . If the people of a country are well educated, well nourished, skilled and healthy, they are said to have more human capital.

According T.W. Schultz, there are five ways of developing human capital:

- (i) Provision of health facilities which affect the life expectancy, strength, vigor and vitality of the people.
- (ii) Provision of on the job training which enhances the skill of labor force.
- (iii) Arranging education at the primary, secondary and higher levels.
- (iv) Study and extension programme for the adults.
- (v) Provision of adequate migration facilities to families to adjust to changing job opportunities.

Economic growth is an increase in an economy's ability, compared to past periods, to produce more goods and services. It can be measured by measuring the percentage in the real gross domestic product (GDP) of a country. Human capital is directly related to economic growth. Investment in human capital by providing education and training to people leads to the economic development of a country. Many governments offer higher education to people at no or very low cost. They realize that the knowledge people gain through education helps develop an economy and leads to economic growth. Human beings can increase the quantity and quality of goods and services available in the economy by means of their skills and knowledge. Realizing the importance of human capital the less developed countries of the world are now making investment in human persons for increasing their skills, abilities and providing them ideal health . These productive investments have a strong bearing upon increasing human capabilities which is called human capital.

Social security plays an important role in the development of human capital. The workers are often required to face the problem of unemployment due to cyclical fluctuations in business, sickness, industrial accidents and old age. Similarly, while sickness suspends earning capacity of a worker temporarily, industrial

accidents may disable him/her partially or even permanently and old age may put an end to his/her ability to earn and support himself/herself and the family. These poor workers do not have resources required to face the risks caused by sickness, accidents, unemployment and old age nor do they have alternative sources of livelihood or accumulated property to overcome the period of adversity. Such a situation underlines the need for social security to be provided to such needy people. As a result, the Government has the obligation to help the needy and helpless workers and provide them security to face the period of adversity.

Social security measures have a great significance for developing the manpower of every developing country. They constitute an important step towards the goal of a Welfare State, by improving living and working conditions and affording the people protection against the uncertainties of the future. These measures enable the workers to perform their job more efficiently and also reduce the wastage arising from industrial disputes. Lack of social security programmes hinder production and prevents the formation of a stable and efficient labour force. Social security is, therefore, not a burden, but a wise investment in the long run. Thus, the need for a comprehensive program of social security in India is so strong that it needs no more proof or evidence. It is must to ensure a minimum level of living for helpless and poor people.

Challenges faced by government in the implementation of Social security programmes

Despite various efforts by the Government, the performance of various social security schemes has lacked behind due to several causes. The government is faced with the following challenges:-

- The schemes lack in providing wide coverage to the population due to which majority of people do not come under the benefits of these schemes.
- In our country various approvals and permissions are required to implement any scheme which leads to inordinate delays.
- Every department of government suffers from corruption and red tapism which hinders prompt action and decision making.

- Despite many amendments in various social security legislations there are still many provisions and rules which have become redundant with time and they require prompt changes.
- The budgetary allocation of government on various schemes is very low.
- Most of the beneficiaries under the schemes are much aware of their rights.
- The process for applying for these schemes is very cumbersome and sometimes leads to extortion by the government officials

Suggestions to overcome challenges faced by government in implementation of social security programmes

Following measures are suggested to face such challenges:-

- The government should frame the provisions of various schemes in such a way that majority of population is benefitted by these schemes.
- Social security schemes should be given priority in the union budget also.
- Proper implementation of the schemes is possible only when the governmental departments get rid of corruption and red tapism.
- The social security legislations should be revisited to make necessary changes to

bring them at par with the current requirements.

- Government must put efforts to create awareness among people with regard to existence of various schemes.
- The procedure for applying for benefits under the schemes should made simple and it is better if a single authority is appointed for this purpose.

Conclusion

Though since Independence the Indian government has been continuously giving importance to the social security programmes, yet the benefit is enjoyed only by small portion out of the whole population. Much is required to be done in this sphere as most of the people in India are in urgent need of protection under social security schemes.

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