

Daily Mains Practice Answer 06-08-2026

Q. Emerging economies like India are less vulnerable to AI-led job displacement than advanced economies, yet they face unique structural challenges. Discuss. (150 words, 10 Marks)

Direction: Intro----emerging economies are less vulnerable + structural challenges---- Conclusion.

Introduction:

Give a brief introduction about AI transforming the job market.

Main Body

Why are emerging economies less vulnerable?

- Labour-intensive economy – A large share of employment in agriculture, construction, retail and informal services.
- Lower AI adoption – Limited digital infrastructure compared to advanced economies.
- Cost advantage of labour – Abundance of low-cost labour reduces the economic incentive for firms to replace workers with AI.
- Task substitution rather than job substitution – AI is more likely to automate specific tasks while complementing workers rather than replacing entire jobs.
- Demographic dividend – A young workforce provides flexibility for reskilling and adapting to emerging technologies.

India's unique structural challenges

- Skill deficit – Limited AI literacy and shortage of advanced digital skills.
- Quality of education – Weak foundational learning and inadequate STEM.
- Youth employment challenge – In India, AI could reduce entry-level opportunities for graduates and freshers.
- Digital divide – Unequal access to internet, digital infrastructure and AI tools.
- Informality & weak social security – Workers displaced by technological change lack adequate safety nets and reskilling support.
- Policy uncertainty – Long-term employment effects of AI remain uncertain, making premature policy responses risky, while delaying action can be costly.
- Threat to IT-BPM sector – AI directly targets routine coding, testing, customer support and back-office processes—areas where India enjoys a comparative advantage.
- Regulatory and ethical concerns – Data governance, privacy, algorithmic bias and cybersecurity require robust institutional frameworks.

Conclusion:

Suggest some measures in conclusion.

