Indian Economy · GS - III

Seasonal consumption-driven economic activities, such as India's wedding economy, generate substantial demand and employment across multiple sectors. Examine their contribution to economic growth and discuss the limitations of relying on such demand for sustained employment generation.

EXAM YEAR	PAPER	SUBJECT
DAILY PRACTICE 20/11/2026	GS - III	Indian Economy

MARKS	WORD LIMIT
15	~250 words

Answer Hint

Wedding economy, private final consumption expenditure, MSMEs, informal employment, multiplier effect, seasonal demand, employment quality, domestic supply chains, inclusive growth.

Model Answer

Introduction

India's wedding economy illustrates how cultural and social expenditure can stimulate economic activity. According to CAIT estimates, the 25-day wedding season from November 21 to December 15, 2026, may generate business worth ₹7.5 lakh crore across approximately 52 lakh marriages.

Contribution to Economic Growth

1. **Consumption demand:** Expenditure on jewellery, apparel, electronics and other goods stimulates manufacturing and retail activity.
2. **Service-sector expansion:** Catering, hospitality, transportation, photography and event management benefit from increased demand.

3. **Employment generation:** Seasonal activities create temporary livelihood opportunities, particularly for informal-sector workers.
4. **MSME development:** Small traders, artisans, decorators and local suppliers benefit from wedding-related business.
5. **Multiplier effect:** Increased spending supports interconnected supply chains and generates additional economic activity.

Limitations

- Employment is often temporary, informal and lacks social security.
- Seasonal demand can create fluctuations in income and business activity.
- Benefits may be concentrated in specific sectors and regions.
- Rising input costs and excessive consumption can create financial pressure on households.
- Such demand cannot independently ensure sustained productivity growth.

Way Forward

India should strengthen MSME credit access, formalise employment, improve workers' social security and promote skill development in hospitality and event management. Greater integration of local artisans and domestic manufacturers can also improve the distribution of economic benefits.

Conclusion

The wedding economy demonstrates the potential of domestic consumption to stimulate growth. However, sustained and inclusive development requires converting seasonal economic opportunities into productive enterprises and stable employment.