

Strategies and Government Roles in Mitigating Unemployment: A Case Study of Jammu and Kashmir

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Abstract

Unemployment remains a critical challenge for many regions, including Jammu and Kashmir, where it exacerbates socio-economic disparities and hinders regional development. This study explores various strategies and the role of government interventions in mitigating unemployment in Jammu and Kashmir. By examining local and national policies, employment schemes, and strategic initiatives, this research aims to identify effective practices and areas needing improvement. Using a case study approach, the paper evaluates the impact of government programs such as the Jammu and Kashmir Employment Scheme and entrepreneurial support initiatives. The findings highlight the successes and shortcomings of these strategies, offering insights into how targeted interventions and policy adjustments can better address unemployment issues. The study underscores the need for a comprehensive approach that combines policy reform, skill development, and economic diversification to create sustainable employment opportunities in the region.

Keywords: *Unemployment, Skill development, Entrepreneurship, Govt. Schemes, economic diversification*

INTRODUCTION

Unemployment is a significant issue that affects people at many levels, from individuals and families to entire communities. It doesn't just mean a loss of income; it can also lead to slower economic growth and have deep psychological and social impacts. This issue can be even more challenging in areas with limited job opportunities and specific regional issues, such as Jammu and Kashmir. This region, with its unique history, politics, and economy, has struggled to provide enough stable jobs for its people.

Several factors have shaped the economic landscape of Jammu and Kashmir, including political unrest, a lack of large-scale industries, and a heavy dependence on traditional sectors like agriculture and tourism. These factors have led to a relatively high unemployment rate, especially among the youth, which has, in turn, resulted in economic stagnation and social tension. Addressing this issue is a pressing concern for policymakers.

Recognizing the problem, the government has started to focus on targeted strategies to combat unemployment and boost economic growth. One promising approach is to encourage entrepreneurship and the development of start-ups. Start-ups can bring innovation and create jobs, offering new employment opportunities in areas that haven't been traditionally strong in the region, such as technology, online businesses, and renewable energy.

This research paper explores how start-ups can help reduce unemployment in Jammu and Kashmir. It looks at various strategies the government and other stakeholders have implemented to support the growth of start-ups, including policy measures, financial support, and infrastructure improvements. By examining these efforts, the paper aims to understand how effective start-ups can be in promoting economic development and reducing unemployment in the region.

The study also considers the challenges that entrepreneurs in Jammu and Kashmir face, such as difficulties in accessing finance, market constraints, and infrastructure issues. Addressing these challenges is crucial for creating a supportive environment for start-ups and ensuring long-term economic growth.

Ultimately, this paper aims to add to the conversation about how to tackle unemployment, with a focus on the unique situation in Jammu and Kashmir. It seeks to provide practical recommendations for policymakers, entrepreneurs, and other stakeholders to create an environment that encourages entrepreneurship and job creation, thereby strengthening the region's economic and social stability.

OBJECTIVES

1. To identify the major challenges and barriers contributing to unemployment in Jammu and Kashmir.
2. To analyze the strategies employed by the government and other stakeholders to reduce unemployment in the region.

LITERATURE REVIEW

According to research by **Mir, A. (2014)**, unemployment is a major contributor to both rising income disparity and poverty. THEY discovered that young people who are jobless are often unable to come up with their own coping mechanisms. The psychological, emotional, and financial stresses that accompany joblessness may have a devastating effect on anyone's health and happiness.

Effet **Yasmeen, M.D. (2007)** Although a lot of effort has been put into addressing the issue of unemployment, only a little amount of work has been done so far in the Jammu and Kashmir region, and in the Pulwama block in particular. The unemployment crisis is complex and difficult to comprehend, but fortunately, a number of important works have been compiled to aid with this. Recent research has shown that being unemployed may have a devastating effect on a man's physical and mental health, as well as lead to a precipitous decrease in his human values.

Closer examination of the violent crime of rape offers some evidence that job prospects of males are closely connected with rape rates, as shown by **Ghose Ajit K. (2004)**, who also identified significant positive effects of unemployment and property crime rates.

When compared to the general population, **Majumdar (2013)** showed that 58% of those with epilepsy were jobless. As a result, it seems that young unemployment, especially among college- educated youth, is an obstacle to adaptation in many contexts.

RESEARCH METHODOLOGY

The present study adopts a descriptive approach to examine the problem of unemployment and its issues and measures that are taken by the government with special reference to PMEGP scheme. The study uses secondary source of data from government websites, reports, research articles and journals.

CAUSES OF UNEMPLOYMENT

Jammu and Kashmir, a region marked by its unique geopolitical landscape and historical context, faces several challenges that contribute to its high unemployment rate. One of the most significant barriers is the limited industrial base. Unlike other regions with diverse industrial sectors, Jammu and Kashmir's economy primarily revolves around agriculture, horticulture, and handicrafts. While these industries are crucial, they are not sufficient to provide

employment for the growing population, especially the youth. The lack of large-scale industries and manufacturing units limits job opportunities, compelling many young people to seek employment outside the region or face prolonged unemployment.

Another critical challenge is the ongoing political instability and frequent security concerns. The region has been a focal point of conflict and unrest for decades, which has deterred investment and economic development. Businesses are often hesitant to invest in an area with unpredictable political and security situations, leading to a lack of private sector growth and job creation. This uncertainty also impacts tourism, a potential major employer, as safety concerns deter tourists, further straining the economy.

The education system in Jammu and Kashmir also faces significant hurdles. Although the region has a relatively high literacy rate, there is a noticeable gap between education and employability. Many graduates find that their skills do not align with market demands, leading to underemployment or unemployment. The education system needs a revamp to include more vocational training and skill development programs that align with the needs of modern industries. This misalignment between education and job market requirements contributes to the frustration and disillusionment among the youth.

Lastly, the bureaucratic processes in the region can be cumbersome and slow, deterring potential entrepreneurs and investors. The procedural delays and lack of efficient governance mechanisms can discourage business ventures and startups, which are vital for job creation. This bureaucratic inefficiency, combined with the aforementioned challenges, paints a complex picture of the employment landscape in Jammu and Kashmir.

Addressing these challenges requires a multi-faceted approach, involving government intervention, private sector participation, and community engagement. By improving infrastructure, aligning education with market needs, and fostering a stable political environment, Jammu and Kashmir can work towards reducing its unemployment rate and building a more robust and diverse economy.

MEASURES TAKEN BY GOVERNMENT

In recent years, the government and various stakeholders have implemented a range of strategies to address the unemployment crisis in Jammu and Kashmir. Recognizing the unique challenges faced by the region, these initiatives aim to foster economic growth, enhance skill development, and create job opportunities for the local population.

One of the central strategies has been the promotion of entrepreneurship and startups. The government has introduced various schemes to encourage young entrepreneurs to set up businesses in the region. For instance, the Jammu and Kashmir Entrepreneurship Development Institute (JKEDI) offers financial support, training, and mentorship to aspiring entrepreneurs. By providing seed capital and other incentives, the government aims to cultivate a startup culture that can generate employment and drive economic growth. Initiatives like the Startup India Scheme and the Stand-Up India Scheme have also been extended to the region, offering additional financial and technical support to new ventures.

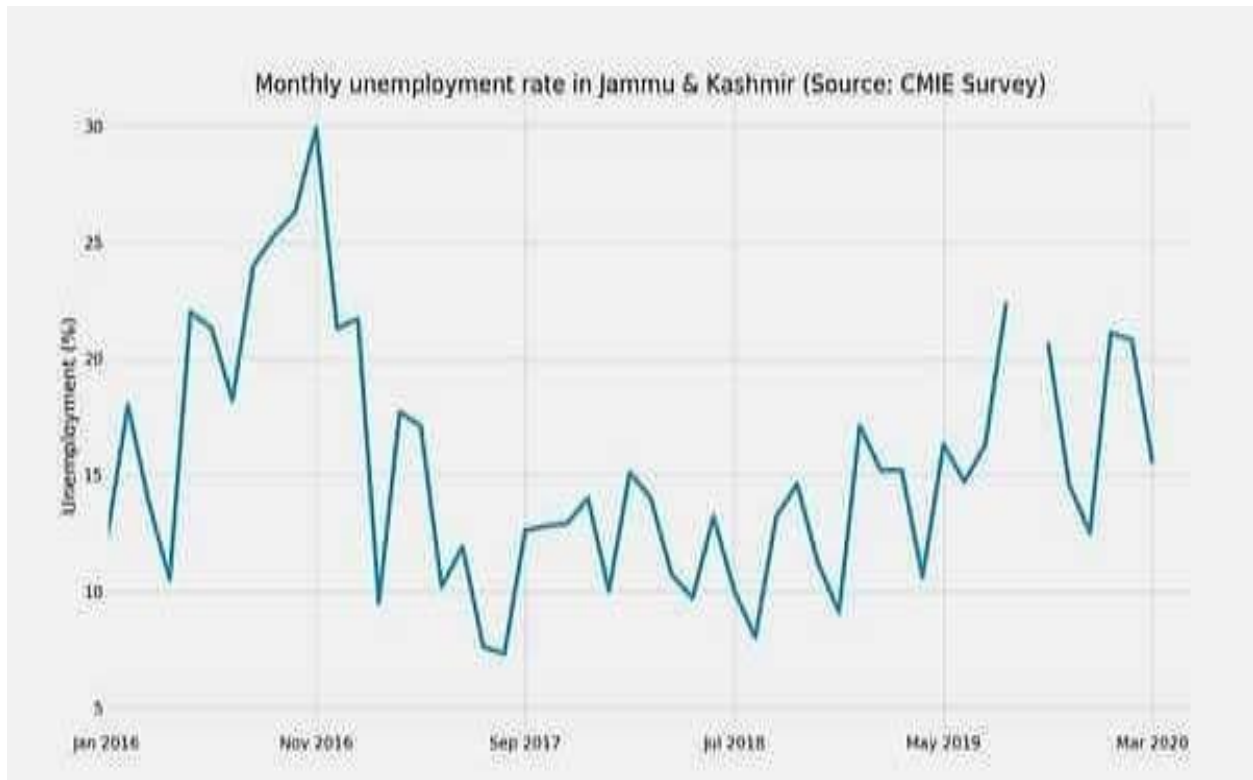
The government is deeply focused on generating employment opportunities and creating a skilled workforce to enhance employability. To address unemployment and promote job creation, several initiatives have been launched. These include encouraging private sector growth and implementing various skill enhancement programs such as the Pradhan Mantri Kaushal Vikas Yojana (PMKVY). Additionally, employment generation schemes like the Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGA) and the Prime Minister's Employment Generation Program (PMEGP), run by the Ministry of MSME, are key components of this strategy. The government has also increased public spending on initiatives like the Pt. Deen Dayal Upadhyaya Grameen Kaushalya Yojana (DDU-GKY) under the Ministry of Rural Development. This study focuses primarily on the PMEGP scheme, highlighting its role in job creation efforts since fiscal year 2016, which have benefitted over 5.7 million people

The Pradhan Mantri Employment Generation Scheme launched in 2008 is a flagship initiative of the Ministry of Micro, Small, and Medium Enterprises (MSME). This credit-linked subsidy program is designed to foster self-employment by supporting the establishment of micro enterprises in non-farming sectors, particularly benefiting

traditional artisans. A summary of the scheme's achievements, including the number of jobs created from its inception through 2020, is presented in Table 2. The data demonstrates that this program has been instrumental in generating numerous employment opportunities since it began.

Suggestions and Recommendations

1. **Develop Comprehensive Youth Employment Policies:** It's crucial to implement well-rounded macroeconomic policies that specifically address the needs of young people entering the workforce. These policies should focus on creating sustainable job opportunities, improving job matching services, and supporting youth entrepreneurship. By tailoring policies to the unique challenges faced by young job seekers, we can enhance their employment prospects and overall economic participation.
2. **Promote Investment in Labor-Intensive Industries:** To stimulate job creation, it is essential to invest in sectors that are labor-intensive and have the potential to expand manufacturing industries. This includes supporting industries like textiles, handicrafts, and small-scale manufacturing, which can absorb a large workforce and offer various employment opportunities. Encouraging investment in these sectors will not only generate jobs but also contribute to economic growth and industrial diversification.
3. **Enhance Skill and Vocational Training Programs:** Investing in skill development and vocational training is key to improving the employability of the youth. This involves creating and expanding programs that offer practical and market-relevant skills, tailored to current industry demands. By providing targeted training and certification, we can better equip young people with the competencies needed for various professions and ensure they are prepared for the job market.
4. **Implement Measures to Regulate Population Growth:** Managing population growth is an important factor in addressing unemployment. Effective control measures, such as family planning programs and educational campaigns about the benefits of smaller family sizes, can help balance the supply and demand of labor. By stabilizing population growth, we can better manage resources and ensure that job creation keeps pace with demographic changes.
5. **Align Employment Opportunities with Youth Skills:** It is important to match job opportunities with the skills and qualifications of young individuals. This means developing job placement programs, internships, and apprenticeships that align with the skills acquired through education and training. By ensuring that employment opportunities are closely matched to the abilities and expertise of the youth, we can enhance job satisfaction and reduce unemployment rates.



CONCLUSION

Unemployment, defined as the lack of gainful employment, is a significant issue affecting the youth in Kashmir, with many facing an uncertain future. The problem isn't just the lack of jobs but also the prevalence of underemployment or "hidden" unemployment. Reports indicate that the unemployment crisis among Jammu and Kashmir's educated youth has reached alarming levels, with far more job seekers than available positions. This situation leads to intense competition for the few jobs that do exist. A major challenge is that Jammu and Kashmir's economy relies heavily on agriculture and related industries, which employ a large portion of the workforce but reflect the region's economic underdevelopment. Unfortunately, many educated young people in rural areas show little interest in government self-employment schemes. This disinterest likely stems from the difficulty in securing necessary funding and the lack of orientation and training in entrepreneurship. To secure a better future for the region, it is crucial for federal, state, and local governments, along with civil society, to collaborate and take decisive actions to address the widespread unemployment.

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