

# Employment and Production of Handicrafts in Jammu and Kashmir: An Economic Analysis

**Towseef Mohi Ud Din**

Research Scholar in Economics, Vikram University Ujjain (M.P)  
email: towseefeco@gmail.com

**Abstract:** Handicraft has emerged as an important and one of the important contributors to the state's economy. There are various handicrafts of Jammu and Kashmir which are famous not in domestic level but both in national and international markets. From the good old day handicraft had been the major economic activity of the state. In order to make our handicraft sector on the right track on which more and more production and employment is generated government should have to take care of this sector.

**Keywords:** Handicraft, Economic Activity, Employment, Production

## 1. INTRODUCTION

Handicrafts have a special socio-economic significance in J&K (Kashmir Times-2002). Keeping in view the vast potential in handicrafts for economic activities like the generation of employment and revenue, the state government has launched various measures to encourage the growth of the handicrafts industry. Against an allocation of a mere Rs.19.50 crores in 1974-75, the budgetary allocation for this sector has been increased to Rs. 24 crores during 1998-99. The production of handicrafts crossed the Rs. 400 crores mark during 1998-99. There has also been notable growth in the state's export in recent years which resulted in the growth of income and employment.

The handloom sector provides employment to about 22,109 persons annually and on the average about 500 persons is trained in handloom training centers. In order to give boost to the handloom activity in the state, the government has undertaken several welfare measures for the weavers and for the modernization of the looms. About 1,292 looms have been modernized and 1892 artisans/weavers brought under the scheme. The Government of India and state government have also given assistance of Rs. 7000 in rural areas and Rs. 10,000 in urban areas for the construction of work-sheds. Weavers are also provided loans for the purchase of looms and modernization of looms at lowest interest rates are possible. Other welfare schemes include thrift fund, scholarship to daughters of weavers under the education scheme and medical reimbursement under the health package scheme. About 100 new handloom cooperative societies and self-help groups (SHG) were to be set up by the end of 2001-2002 fiscal years. It is said that handicraft industry has come here from Central Asia. It is biggest employment provider and the bulk of women workers are also involved in this profession

## 2. LITERATURE REVIEW

*Selim Reza, (2012)* Bamboo handicraft helps to develop and upgrade the various nodes in the value chain and its direct impact could be observed in socioeconomic development of rural poor and small producer groups.

*Mansoor Ahmad Dar, (2013)* the handicrafts industry of J&K is an important sector contributing to overall development of current and other allied sectors in terms of wealth and employment creation, this occupying an important place in the economy of J & K. It is basically a cottage industry and provides direct and gainful employment to more than 3 lakh people and has the potential to facilitate the path of raising the living standards of citizens residing within and outside the boundary of state.

According to *Jammu & Kashmir Handicrafts Corporation Limited (2013)*, there has been an increase of 38.50 percent turnover to the total export of handicrafts products in financial years of 2011-2012 to 2012-2013 aggregate contribution of Rs. 17970 Crores from 12975 Crores to total State Gross Domestic Product (SGDP).

*Dr Manjusmita Dash, (2011)* there are about 3500 handicraft items produced in the country and the sector employs 60 lakh artisans working independently or in small co-operatives or firms.

## 2. OBJECTIVES

- To analyze the handicraft production of Jammu and Kashmir.
- To understand the current status of employment fashioned by handicraft industry

## 3. HYPOTHESES

$H_0$ : There is no significant relation between employment and production of handicrafts.

## 4. METHODOLOGY

The data for the present study has been collected from secondary sources. Government of Jammu and Kashmir digest of statistics, books, journals, newspapers, published and unpublished research work, various search engines, are also used. Growth rate, the simple regression model has also been used for showing the relationship between the employment and production.

## 5. MAIN IDEA

From ancient times, Jammu and Kashmiris are celebrated for their artistic manufactures. Wood work, metal work and papier mache received an impetus under the benevolent rule of Zain-ul-abidin. This is attested to by Mirza Haider Dughlat who in his Tarikh-i-Rashidi affirms. "In Kashmir one meets with all those arts and crafts which

are in most cities uncommon, such as stone polishing, stone cutting, bottle making, window cutting, gold beating etc. in the whole of Maver-ul-Nahr (the country beyond the river Oxus, i.e. Khorasan) except in Samarqand and Bukhara, these are now here to be met with, while in Kashmir they are even abundant. This is all due to sultan Zain-ul-abidin."

Table No 1.1: Production of handicraft goods (*In crores*)

Year	Carpet	Woolen Shawls	Papier Machie	Other items	Total
2003-04	450.53	275.00	13.50	82.50	821.53
2004-05	425.00	315.00	24.00	123.00	887.00
2005-06	425.00	310.00	30.00	135.00	900.00
2006-07	450.50	320.00	35.00	144.50	950.00
2007-08	761.27	420.58	37.92	394.82	1614.59
2008-09	457.60	303.45	35.49	303.46	1100.00
2009-10	638.17	201.03	10.15	151.15	1000.00
2010-2011	735.10	343.10	68.82	502.28	1650.30
2011-2012	624.70	702.20	102.70	385.73	1815.33
2012-2013	650.30	711.47	96.26	456.87	1914.09
% share	44.40	30.83	3.59	21.18	100

Source: J&K Economy survey (2012-13)

Table 1.1 shows that the production of handicraft goods for the year 2003-04 stood at 821.53 crores and the figures in 2012-13 rose up to 1914.09 crores, during the financial year. The table also depicts the percentage share of the main handicrafts of Jammu and Kashmir like- 44.40%

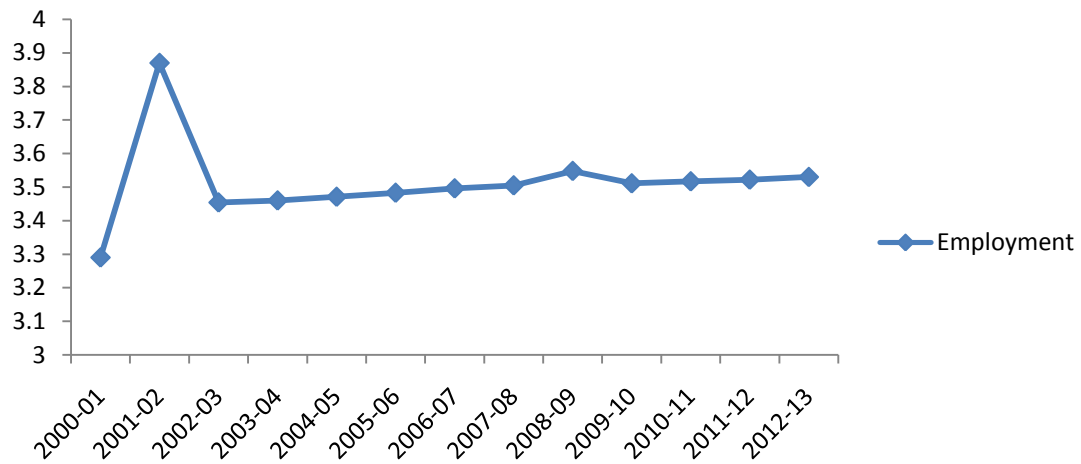
carpet, 30.83% woolen shawls, 3.59% papier machie and 21.18% of other handicraft items. It means that the carpets have more share of production of handicrafts in Jammu and Kashmir; the reason behind this may be the demand in national or international markets.

Table No 1.2: Growth of employment through handicraft industry (*In lacks*)

Year	Employment	Growth rate (%)
2000-01	3.29	-
2001-02	3.87	17.62
2002-03	3.454	-10.74
2003-04	3.460	0.17
2004-05	3.471	0.31
2005-06	3.483	0.34
2006-07	3.496	0.37
2007-08	3.505	0.25
2008-09	3.548	1.22
2009-10	3.511	-1.04
2010-11	3.517	0.17
2011-12	3.522	0.14
2012-13	3.530	0.22

Source: Government of Jammu & Kashmir digest of statistics 2012-13

## Employment



The above table shows that in year 2002-03 there is much increase in handicraft employment. After that the employment shows not much fluctuation, but increasing with slow rate, in 2000-01 it is 3.29 and in 2012-13 it is 3.530 lacks as shown in figure.

Table 1.3: Employment and production of handicrafts in Jammu and Kashmir (*In crores*)

Year	Production	Employment
1990-91	200	225
1991-92	210.19	237
1992-93	213.89	241
1993-94	228.67	256
1994-95	238.21	264
1995-96	250	278
1996-97	260	229
1997-98	267.13	220
1998-99	280	204
1999-2000	633.03	223
2000-01	696.33	329
2001-02	765.94	387
2002-03	775	345
2003-04	821.53	346

2004-05	887	347
2005-06	900	348
2006-07	950	350
2007-08	1614.6	351
2008-09	1100	371
2009-10	1000.5	380
2010-11	1650.3	391
2011-12	1700	338
2012-13	1723.9	348

**Source:** Government of Jammu & Kashmir digest of statistics 2012-13

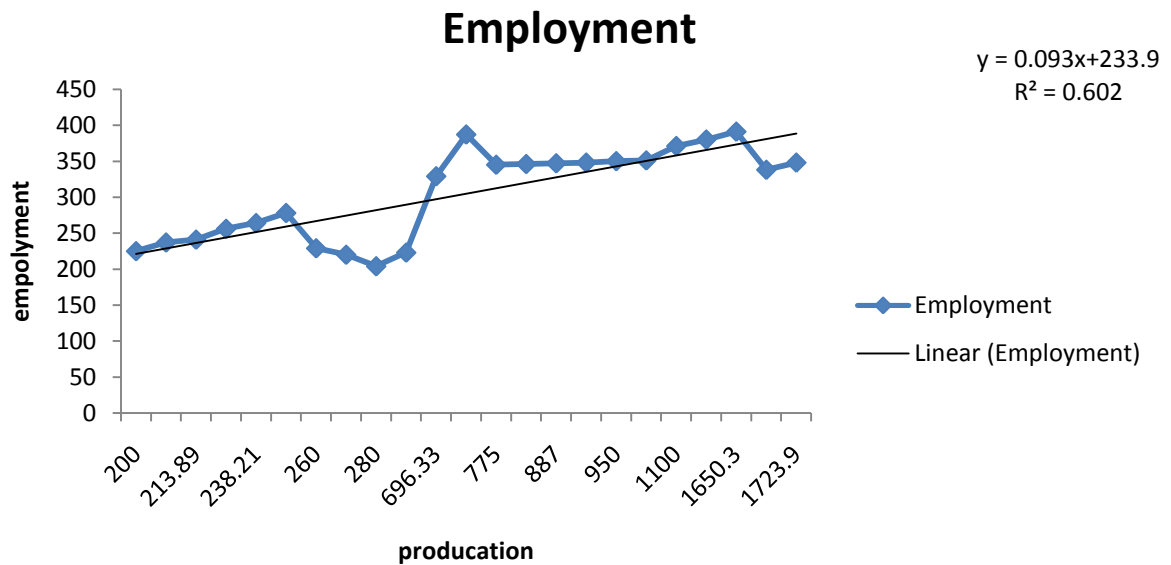
Production =  $f$ (Employment)

$Y = 0.093x + 233.9$ ,

$R = 0.601$ ,

$T = 5.632$

**Analysis:** The above model shows that  $T_{cal}$  (5.632) is greater than  $T_{tab}$  (2.080) so we reject the null hypothesis, and concluded that there is significant impact of employment on production or in other words we can say that there is direct relationship between the two. As shown in above table that production depends on employment about 56%, which means 1% change in employment leads to 56% in production, and 44% change in production are unexplained.



## 6. CONCLUSION

After tourism, Handicrafts is the second largest Industry of Jammu and Kashmir. Jammu and Kashmir is not only home to the vast cultural and ethnic diversity but also the myriad arts and crafts that have been carefully nurtured for the centuries. A variety of motifs, techniques and crafts flourished in the land as the people from different regions flocked through this beautiful place and many of the skilled craftsmen decided to settle amidst its charming abundance of natural beauty. With time, these arts have gained even more distinctiveness and today Kashmir is known for woolen textiles, Pashmina shawls, embroidered suits, Kashmir silk saris, papier mache, woodcarving, hand knotted carpets and lots of other traditional crafts.

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