



EMPLOYMENT AND PRODUCTION OF HANDICRAFTS IN JAMMU AND KASHMIR: AN ECONOMIC ANALYSIS

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Abstract: The handicraft industry remained an important key in the economic development of J&K (UT). Being environment friendly, these activities are best suited to the UT as they are more labour intensive and less capital intensive in nature, therefore having scope for employment generation at a large scale. Handmade products are exported all over India and other parts of the world. Kashmiri handicrafts eliminated financial crises among those people who are affected with the physical disabilities. After handicrafts gained foreign exposure with positive feedback, many youth made this, their profession. Kashmiri Handicrafts is the second largest and preferable industry after fruit in Kashmir Valley, and have earned worldwide fame for their attractive designs, functional utility and high quality craftsmanship. In absence of other manufacturing industries in the UT, handicrafts remained a key economic activity from time immemorial. The present study focuses on employment and production of handicrafts in the erstwhile Jammu and Kashmir state now a Union territory.

KEY WORDS: Handicrafts Industry, Employment Generation, Exports, Labour Intensive, Economic development.

I. INTRODUCTION

The word handicraft is made of two words hand + craft. „Hand“ means „made of hand“ or using simple tool in making of any item and „craft“ means „a unique expression that represent a culture ,tradition and heritage of a country“ i.e. handicraft is a unique expression by using art on any item . Handicraft is also known as artisanry which means a type of work where useful and decorative devices are made completely by hand or using simple tool. It was King Zain-ul-Abidin (A.D. 1420-70) popularly known as Budshah. who invited talented craftsmen from Central Asia and got them settled here to disseminate their skills. Later during the period 1450-1850 A.D, Maharaja Gulab Singh encouraged the Handicrafts in the state. His successor, Maharaja Partap Singh also took interest in the development of arts and crafts in the state. But during the reign of Maharaja Hari Singh, the Handicraft sector received a major setback because of the policy of replacing hand-made goods by machine-made goods. However, in the beginning of 20th century the Handicraft industry of Jammu and Kashmir was revived. The handicraft products have won worldwide acclaim for their exquisite designs, craftsmanship and functional utility. Prior to 1947, agriculture was the mainstay of the people. A full- fledged department of handicraft for projecting the crafts on wider scale was established on 1972-73. The Kashmir valley is recognized throughout the world so far as the arts and crafts as well its scenic beauty and bracing climate is concerned. It is famous for the weaving of specialized fabrics like Pashmina and Kani Shawls, Silken, Woolen and Cotton fabrics. The crafts range from woolen textiles of fleecy soft texture of matchless excellence in weaving, hand-woven carpets of the finest warp and weft, to the exquisite designs worked on Papier-Mâché, Wood Work, Silverware, etc. They are products of unique craftsmanship. The skill of the craftsmen and their capacity for intricate workmanship are assets, which can help development on a much larger scale. Besides, as an export oriented sector, it is instrumental in foreign exchange earnings, worth crores of rupees annually goes to Jammu and Kashmir, which is recognized as heaven on earth has also enjoyed its world-wide fame in Handicraft industry.

Review Of Literature

In order to gain background knowledge of problem and to identify appropriate methodology, research design and techniques of analysis or to be able to formulate the problem precisely, a brief review of the literature relating to the field under study has been presented.

F.M Hassanain (1980) pointed in his book about various traditional crafts of Kashmir like Namdhas, Shawls, Woodcarving, Silk, Willow Work, Chain stitch, paper machine etc. he points towards the relevance and importance of handicraft sector especially for the Kashmir economy. The environment of the state being more appropriate for the small and cottage industries and handicrafts industry among the others is the oldest traditional cottage industry in the state. The author also throws some light on the suffering of this sector mainly due to its unorganized structure, with additional constraints of lack of skilled labour, lack of training centers each of technology, absence of market intelligence, poor infrastructure and institutional framework.

Basher Ahmad (1980-81) in his study, “problems of marketing the handicraft products of Kashmir” pointed out the state of efficiently dealt with by the government; there is a tremendous scope for the development of this sector of the state economy. The study finds that the major problem of handicraft industry has been the disposal of products at remunerative prices.

R.V. Rao (1982) in his book “the Role of Cottage and Small Industries” analyzed the handicaps of the handicraft industry as insufficiency of raw materials, lack of finance, inadequate marketing and old techniques of manufacture. For the revival of handicraft sector, he suggested to organize separate industrial co-operative societies for persons engaged in different crafts.

R.C. Suneja (1982) in his book “Indian Rural Economics” has stated that handicrafts industry in India, besides helping to solve both social and economic problems of the village craftsmen and the vulnerable sections of the society, has to play an important role in earning valuable foreign exchange for the country.

C.R. Madan (1983) in his book “India’s Developing Villages” stated that handicraft articles appeal to customers principally through their distinctive and artistic designs. He suggested that there should be a planned development to improve the handicraft industry by avoiding middlemen and by increasing the resources of production.

Manzoor (1991) in his study on export marketing of Kashmir handicraft industry stated that very little, rather no attention worth the name is given or thought necessary for the conduct of market research. The problem is all the more grave in crafts like crewel, namda, paper machine and woodcarving, for which markets could have been exploited through a concerted and rigorous marketing effort in an environment where trade barriers such as tariffs are no inhibiting factors.

Sunita Sharma (2010) in her study revealed the structural of industries in J&K state. She suggests that the state leans heavily towards the small scale sector and to a little extent on medium industries. Heavy industry is completely absent in the state. However, the small scale industry has shown a continuous growth in number from 2203 in 1973-74 to 49426 in 2006-07. The author further says that among the small scale industries, the handicraft industry occupies an important place in the economy of J&K state.

Dr Darakhshen (2011) in his study stated that in the absence of large scale industries in the state, handicrafts remained a key economic activity from the times immemorial and they contribute towards foreign exchange earnings of the state in particular and country in general.

Effat Yasmin and Fayaz Ahmad Bhat (2013) revealed in their study that handicraft sector have an important role to play in the development of country in general and J&K in particular. They showed that production and sales of handicraft have increased significantly during the last two decades. The major chunk of foreign exchange earnings to the state come from this sector.

Showkat and Sharad Tiwari (2014) suggests in their study that the skill development and training programs have a far reaching impact on employment generation production and economic growth, and provide very large amounts of sales and exports to our country, as well as the state economy. Handicraft is one of the biggest employment providers next to agriculture sector. Growth Potential of Handicraft Industry in Jammu and Kashmir...

Research Methodology

The researcher desires to utilize the facts and information available in various secondary data sources to make crucial evaluation and thus from this point of view the nature of the study will be analytical study. This study is based on secondary data which are collected from various sources including, Economic surveys of Jammu and Kashmir, Digest of Statistics J&K, J&K in Indian economy and also from various publications of Ministry of Commerce. This study considers last 18 years data i.e from 1999-2000 to 2017-18. The collected data are carefully edited, classified and analyzed

Objectives

1. To study the growth and performance of Handicraft sector of Jammu and Kashmir economy.
2. To study growth of handicraft sector in relation with production, export, and employment.

Contribution of handicrafts to state economy(GSDP)

Year	Production in crore Rs.	GDSP at Current Prices	Percentage Share to State economy.
1999-2000	633.03	15659.81	4.04
2000-2001	696.33	16213.01	4.29
2001-2002	765.94	16530.81	4.63
2002-2003	775.00	17379.31	4.45
2003-2004	821.53	18277.57	4.49
2004-2005	887.00	27304.62 (R)	3.24
2005-2006	900.00	28882.83	3.11
2006-2007	950.00	30601.58	3.10
2007-2008	1614.59	32560.98	4.95
2008-2009	1100.00	34664.22	3.17
2009-2010	1050.00	36224.89	2.89
2010-2011	1553.15	38269.96	4.05
2011-2012	1815.33	41203.05	4.40
2012-2013	1843.21	43401.97	4.24
2013-2014	2017.82	45847.15	4.40
2014-2015	2175.00	45126.30	4.81
2015-2016	2234.15	97390.00 (R2)	2.29
2016-2017	2650.00	100598.00	2.63
2017-2018	1930.75	-----	-----

The above table clearly shows the increasing trend of contribution of handicraft sector to the state GSDP. In year 1999-2000 was contributing Rs. 633.03 to GSDP rises to 1930.75, crores in 2017-18.

Production of Handicraft Sector of J&K

Year	Production in crore. Rs.
1999-2000	633.03
2000-2001	696.33
2001-2002	765.94
2002-2003	775.00
2003-2004	821.53
2004-2005	887.00
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2006-2007	950.00
2007-2008	1614.59
2008-2009	1100.00
2009-2010	1050.00
2010-2011	1553.00
2011-2012	1815.33
2012-2013	1843.21
2013-2014	2017.82
2014-2015	2175.00
2015-2016	2234.15
2016-2017	2650.00
2017-2018	1930.75
Average	1390.13
CAGR	6.04%

Source: calculated from the data obtained from economic survey J&K, 2010 to 2018.

The above Table shows the production of handicraft sector of Jammu and Kashmir from 1999-2000 to 2017-2018. During the study period a positive trend has been observed for handicraft production. Further there is a positive growth rate of 6.04% is observed during the study period. This sector have shown a good performance with respect to production.

Export of Handicraft Sector of J&K

Year	Export in rupees. crore	Annual growth rate
1999-2000	-----	-----
2000-2001	574.98	4%
2001-2002	501.47	5%
2002-2003	549.2	5%
2003-2004	595.00	5%
2004-2005	641.00	5%
2005-2006	705.00	4%
2006-2007	750.00	4%
2007-2008	867.5	3%
2008-2009	740.5	5%
2009-2010	661.27	7%
2010-2011	1006.1	2%
2011-2012	1651.13	-6%
2012-2013	1538.28	-6%
2013-2014	1695.65	-9%
2014-2015	1287.04	-4%
2015-2016	1059.41	4%
2016-2017	1151.12	---
2017-2018	1090.12	---
Average	16403.5	---
CAGR	3.62%	---

Source: Economic surveys J&K 2010-2017

The above Table shows the export from Jammu and Kashmir handicraft sector from 1999-2000 to 2017-2018.. During the study period a positive trend has been observed for handicraft exports. Further there is a positive growth rate of 3.62% is observed during the study period. This sector has shown good performance with respect to exports

Employment of Handicraft Sector of J&K

Year	Employment in lakhs.
2000-2001	3.29
2001-2002	3.87
2002-2003	3.454
2003-2004	3.460
2004-2005	3.471
2005-2006	3.483
2006-2007	3.496
2007-2008	3.505
2008-2009	3.548
2009-2010	3.511
2010-2011	3.517
2011-2012	3.522
2012-2013	3.530
2013-2014	---
2014-2015	---
2015-2016	---
2016-2017	---
Average	45.657
CAGR	0.54

Source: Government of Jammu & Kashmir digest of statistics 2017-18

The above table shows the employment generated from handicraft sector of Jammu and Kashmir, from 1999-2000 to 2016-2017. During the study period a positive trend has been observed in handicraft employment. Further there is a positive growth rate of 0.54% is observed during the study period. This sector has shown good performance with respect to employment.

Conclusion

Handicraft industry occupies an important position in the economic structure of Jammu and Kashmir union territory. From times immemorial, handicraft sector has remained a key economic activity in the state. The reason being that handicraft activities are best suited to the state as they are more labour intensive and less capital intensive as well as being environment friendly. Besides, it is one such sector that has great employment potential. Handicraft products of the state are known for their high quality craftsmanship, attractive designs and functional utility. Kashmiri art and crafts have no parallel in design and quality; therefore, they continue to occupy a unique position in the national as well as the inter-national market. 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 thus occupying an important place in the economy of J & K. The finding from the literature review represents unique position of J&K handicrafts in improving social and economic conditions of Jammu & Kashmir. From societal point of view it is mostly preferred sector after agriculture because of suitable conditions in terms of topography of state. It provides opportunities to its citizens to enhance their standard of living and helps them to meet their social and psychological requirements of a sustainable life. In economic terms it helps in generation of aggregate employment and raising per capita income of UT and hence contributes to State Gross Domestic Product (SGDP) in particular and National Income in general. Jammu & Kashmir handicraft industry facilitates technical know-how between state skilled manpower and international market players through foreign exchange. Though the strength and opportunities exist in J&K handicrafts industry, but need exists to develop and implement strategies in order to explore and develop the hidden agenda thereby adding the value to socio-economic contribution of J&K handicraft industry to the UT. To conclude it can be said that the Handicraft industry of Kashmir has assumed a great and undoubted importance so far as the needs of the state economy is concerned. This vital sector has grown considerably in generating employment and volume of production. It has also contributed towards earning foreign exchange for meeting

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