

Incidence of Unemployment: A comparative study of Arunachal Pradesh India and Rural Tajikistan

IMRAN

Research Scholar

Academy of International Studies, Jamia Millia Islamia, New Delhi (India)

ABSTRACT

The unemployment rate is an important indicator of economic and social well-being. Arunachal Pradesh in north east India and Tajikistan has growing unemployment amongst the restive youth in both regions. As per state's annual planning document of 2011-1 Arunachal continues to remain one of the poorest states with inadequate basic infrastructure and low economic growth. The unemployment figure for Arunachal is the second highest in India. As per the state's Labour department, about 67,000 youths were registered as unemployed in 2018. Tajikistan also facing a big problem which is unemployment of the citizens where it causes migration of civilians and index Economy Freedom portrays that unemployment rate in 2018 was 2.5%. According to Russian Migration Service about two millions of Tajik citizens migrate to Russia to find employment. The main objectives of this paper are to identify the major determinants of unemployment in Arunachal Pradesh and Tajikistan.

Key Words : Unemployment, Migration, Economy, Employment

INTRODUCTION

The unemployment rate is an important indicator of economic and social well-being. Unemployment, mean jobless or want of work or offer to work but no works available as per academic qualification. In case of unemployment, availability of requisite persons with degrees or diplomas for the job but no jobs are available, according to qualification which can well be termed as Unemployment and under employment. In fact, in general understanding this unemployment is a social status of employable youths having no earning through employment and in true sense it is an economic status of employable youth. Arunachal Pradesh in north east India and Tajikistan has growing unemployment amongst the restive youth in both regions¹.

As per state's annual planning document of 2011-1 Arunachal continues to remain one of the poorest states with inadequate basic infrastructure and low economic growth. The unemployment figure for Arunachal is the

second highest in India. As per the state's Labour department, about 67,000 youths were registered as unemployed in 2018². Tajikistan also facing a big problem which is unemployment of the citizens where it causes migration of civilians and index Economy Freedom portrays that unemployment rate in 2018 was 2.5%. According to Russian Migration Service about two millions of Tajik citizens migrate to Russia to find employment³. The main objectives of this paper are to identify the major determinants of unemployment in Arunachal Pradesh and Tajikistan.

Incidence of Unemployment in Arunachal Pradesh:

Arunachal Pradesh is a developing state and is currently passing through many financial and economic crises. Poverty and unemployment has been steadily increasing. Unemployment leads to scaring effects *i.e.* permanent increase in the level of psychological distress, decrease in future wage, slow career progress and decrease in physical health (Reynolds, 2012). At global

level, unemployment is a manifestation of structural challenges. There is an increasing gap between education, skills and jobs (Dhilon and Yousef, 2012). There is an emerging crisis in Arunachal Pradesh and the North East: growing unemployment amongst the restive youth of the region. As per state's annual planning document of 2015 Arunachal continues to remain one of the poorest states with inadequate basic infrastructure and low economical growth⁴. The unemployment figure for Arunachal is also the second highest in the country. As per the state's Labour department, about 67,000 youths were registered as unemployed in 2018. There are negligible industries in the state. The major negative factors against setting up of industries in the state is the lack of stabilized three-phase electric supply in the industrial estates, lack of supporting ecosystem, and lack of transportation network, etc. No industry can sustain without stabilized three-phase electric supply.

The incidence of poverty in Arunachal Pradesh remained more or less static during the last two decades. About 59.5% of the population was below poverty line at the beginning of Eighth Five Year Plan⁵. As per recent NSS, about 33.47% of the total populations of the State have been found to be below poverty line. In order to uplift the BPL families above the poverty line, emphasis will be given to create community infra-structural assets with employment opportunities for sustainable economic development through Centrally Sponsored Poverty Alleviation schemes like SGSY, SGRY, Rural Shelter under PMGY and Hariyali etc.

The rural households in the state today, therefore, seem to reflect fair market participation in terms of expenses on food and non-food items, and on primary sources of energy. The state economy is perhaps on cross roads today with a progressive influence of the market economy and diminishing influence of the traditional economy, however affected by factors like geo-topographic positioning for accessing markets and the socio-economic environment. The resultant effect has been the emergence of a large tertiary sector which is contributing to the state's economy at par with the traditional agrarian sector. Despite the unimpressive secondary sector in the state, one can find a darts diversification in the livelihood pattern, be it in the primary sector in the form of transforming from traditional jhum to settled cultivation practices or in the tertiary sector economic activities under the influence of the market economy. With livelihood diversification, it is seen that

market participation is also on the rise reflected in higher consumption expenditure among the rural households.

Key Factors of Unemployment in Arunachal Pradesh:

Lack of employment opportunities in Arunachal is also main factory of unemployment and state is the second highest unemployment in the country. As per the state's Labour department, about 67,000 youths were registered as unemployed in 2018. Unemployment is one of the major reasons for unwanted activities, like theft, crime, extortion, insurgency etc. Unemployment is also one of the main reasons for drugs/ alcohol addiction, etc. Many experts relate the recent anti-PRC rioting and arson to growing unemployment. Arunachal Pradesh also a developing state and is currently passing through many financial and economic crises. Poverty and unemployment has been steadily increasing. Unemployment leads to scaring effects *i.e.* permanent increase in the level of psychological distress, decrease in future wage, slow career progress and decrease in physical health (Reynolds, 2012). At global level, unemployment is a manifestation of structural challenges. There is an increasing gap between education, skills and jobs (Dhilon and Yousef, 2012).

In recent times, there has been a strong concern expressed by various social scientists, youth organizations and student groups in the state that there is very high incidence of unemployment among youth in the state. To investigate this point, the incidence of unemployment in five age groups, 15-23, 24-32, 33-41, 42-50 and 51-59 years based on CWS that indeed the incidence of unemployment is highest in the first two age groups in the state in the NER compared to national level⁶. However it is in the urban sector that male unemployment among the youth is phenomenally higher at over 77 per cent compared to national average of nearly 40 per cent. Further, male unemployment in rural sector is as high as 38.41 per cent in the age group 15-23 years, whereas female unemployment is higher in 24-32 age groups⁷. This proportion is significantly higher than all India average. Male unemployment in the age group 15-23, under which most of the youth finish their education and achieve the adulthood, such high youth unemployment is alarming⁸.

This observation motivated us to take-up the issue of youth unemployment in more detail. For this purpose the state distribution of unemployment within the age group

15-23 years is the proportion of youth unemployment is in general higher in the state compared to all India levels. It is significantly high for both males and females in rural sector of Arunachal Pradesh As mentioned earlier, the youth unemployment is higher in urban sector of the state. Alarming higher level of unemployment is given as one of the major explanation for youth unrest, root cause for ongoing insurgencies and social tensions in the state⁹. This requires an immediate attention of policy makers and planners.

Incidence of Unemployment in Tajikistan:

After disintegration of Soviet Union Tajikistan has got its independence on 9 of September 1991. Since, Tajikistan was part of the Soviet Union before; it was facing the same challenges with unemployment. From 1992 until 1995 there was Civil War which people divided into two parts, one for them wanted to have the Communist country while another part wanted Islamic country¹⁰. During this civil war citizens face another problem which is scarcity of the food. In Tajikistan their main food is bread, therefore, this scarcity leads people to eat bread with husk and corn and some other staff. This was very tragic moment for each citizens of Tajikistan (Schweizer, 1994). Started from Civil War in Tajikistan there was problem with high unemployment. Most of the scientists and knowledgeable people left Tajikistan to other countries as Russia and US. The Current situation shows that almost 2 million citizens of Tajikistan migrated to Russia in order to find some jobs (Human Rights Watch, 2011).

Tajikistan also facing a big problem which is unemployment of the citizens where it causes migration of civilians. The Index Economy Freedom portrays that unemployment rate in 2014 was 2.5%. According to Russian Migration Service about 2 millions of Tajik citizens migrate to Russia to find job. From this most of them are under 18- 29 ages while only few of them are 30 and above (Salimov, 2014). During these ages they supposed to gain knowledge or skills which would be helpful for them but their life force them to find work. In addition to this, poverty is very high in Tajikistan; according to research 86% of the citizens of Tajikistan live below poverty which means it is really high¹¹. Besides that, in Khatlon Region there has been made a research where mentioned that this region is agriculture part of Tajikistan and only 3% has been employed in agriculture which is very less. In this oblast about 2.7 million people live and

out of 2.7 Million only 3% have been employed. In total in this region about 30% people has been unemployed which is very high (Bakanova and Carneiro, 2014). If in one region the number of unemployment is about 30% then in other regions also might be high as well. Thus, unemployment in Tajikistan is very big problem which people migrated to Russia and find job there. Therefore, the researcher focuses on the factors which are affecting the unemployment to be high in Tajikistan. In Tajikistan unemployment day by day is rising.

Most of the citizens are lack of knowledge or skills. The research has been done in 2011 and it shows that about 98% of Tajik citizens who work in Russia are lack of skill (Lemon, 2011). Besides that, there seems to be some feminism as well which increase the number of unemployment in Tajikistan. This is because, the research depicts that, in Tajikistan men have 30%-40% opportunity to find job than female and, elderly would be employed faster than young due to having more experience.¹² Based on this research, men are 27% has been self-employed while women only 12.6%. As the result, it shows that there is feminism in Tajikistan which leads to increase unemployment over there (Shemyakina, 2014). Another main issue is lack of knowledge which causes unemployment. Migration of the citizens helps the economy of Tajikistan to boost little bit. The recent research which has been done by World Bank shows that the GDP of Tajikistan in 2012 was US 6.9 billion from this amount 3.3 billion will come from Migrants who are in Russia (Salimov, 2014). From this we can estimate that if there are no migrants of citizens Tajikistan's GDP would go down and the economy will be very low. Tajikistan depends too much to its migrants in order to develop economy.

Causes of Unemployment in Tajikistan:

Lack of Education:

Lack of education is significant towards unemployment. A research has been done by Srivastav and Dubey (2010) portrays there are relationship between unemployment and lack of education due to it is regression is significant as $P=0.046$. Besides that, unemployment in country also has been affected due to lack of education. It is because, 18% school graduates are unemployed Kabaklari, Hazeler and Bulus (2011). Thus, the data shows that in Tajikistan education is one of the main factors for unemployment to be high.

Lack of Skills:

According to Tajik State Statistics Committee that several estimation has been done by other researchers as Wallis (2002) did the research on unemployment in Tajikistan and one of it is IVs was Lack of skills which the result portrays that regression analysis is highly significant. It is because it shows that about 27% of people were lack of skills and that is why they could not manage to find job¹³. Another, research has been done in US by Levine (2013) and he claim and he claimed there is high relationship between unemployment and lack of skills. However, this new research has been done and the researcher came out with different findings which is there is no relationship between lack of skills and unemployment in Tajikistan.

Low Wages:

The TSSC claims that based on the results of these three in this research the factors which mostly affect Tajik citizens to be unemployed are low wage and lack of education because based on Pearson's correlation these two factors are the strongest factors than lack of skills yet it also have the positive relationship between DV. Moreover, based on the literature, there are several results has been came out. Moghadam and Rijckeghem have done research on 1995 which shows there are significant relationship between low wage and unemployment in Tajikistan. Thus findings also support their studies as there is a significant relationship between low wages towards unemployment in Tajikistan.

The key factors of unemployment in Tajikistan are lack of education, lack of skills, and low wages contributes to the unemployment in Tajikistan. The paper is done based on the quantitative research and created questionnaires to collect the data. The collection process occurred in Tajikistan as the scope of the study. Moreover, the researcher collected data from 390 individuals randomly where the age of people was from 18 and above¹⁴. Furthermore, after collecting the data, the researcher has done several tests in order to get the results whether particular variables can affect unemployment in Tajikistan. Reliability tests, Pearson correlation test, ANOVA, and Regression Analysis. Based on the regression results, there found to be a significant relationship between low wage and lack of education towards wages towards unemployment.

The main aim of this paper was to identify whether lack of education, lack of skills, and low wages contributes

to the unemployment in Tajikistan and based on the regression results, there found to be a significant relationship between low wage and lack of education towards unemployment in Tajikistan¹⁵. Nonetheless, lack of skills has less significant relationship to unemployment in Tajikistan. Therefore, the main reasons for unemployment to be high in Tajikistan are lack of education of most citizens and low wage payment by the employers.

Conclusion:

In this paper main finding and investigated the incidence of unemployment between the Arunachal Pradesh India and Tajikistan compared it and analyzed household level data on employment and unemployment collected by the NSSO and TSSC for the year 1991 to 2018. The level of unemployment has been estimated considering the principal usual activity and current weekly status of the persons in the working age group of 15-59 years. The incidence of unemployment in both regions is in general higher. It is highest for Arunachal Pradesh among these north eastern states. The data suggests that the common belief that youth unemployment is high in NE states is indeed true. There is an urgent need of all out efforts for a "Job oriented economic growth". Encouraging non-farming activities in the rural areas and enlarging the scope of economic activities in urban areas. It may help in creating additional employment opportunities. The improved intra- and inter-regional trade links coupled with international trade links with neighboring countries like Myanmar, Bhutan, Bangladesh and Nepal could create additional employment opportunities in the long run. Of course, these linkages might not take shape unless proper infrastructural facilities are created. But how this could materialize is the biggest challenge for the policy makers in the region.

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