

# Sustainable Economic Growth in Uttarakhand: A Critical Study of Vision 2030 And SDG 8 Implementation

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## Abstract

The achievements made under the Millennium Development Goals (MDGs), particularly the significant reduction in global poverty, led to the introduction of the Sustainable Development Goals (SDGs) in 2015. These goals attempt to strike a balance among poverty eradication, social inclusion, economic development, and environmental sustainability. Bharat, along with many other countries, adopted these goals and assigned state governments a central role in their local implementation. Uttarakhand, a Himalayan state with unique geographic and demographic challenges, has demonstrated proactive engagement in this direction. Through its Vision 2030 document, the state government has aligned its developmental efforts with the SDGs.

This paper focuses on SDG 8: Decent Work and Economic Growth in Uttarakhand. It discusses how the different sectors are working together to foster economic development while ensuring social justice. The paper also evaluates the proposals made in Vision 2030, current growth trends, programmatic strengths, and areas that require attention. Finally, the paper offers a few practical recommendations for achieving sustained economic growth in the state.

**Keywords:** Sustainable Development Goals (SDGs), Economic Growth, Vision 2030

## Introduction

The idea of Sustainable development is rooted in Bharat's traditional and philosophical outlook. In 2015, the United Nations launched the 17 Sustainable Development Goals as a global call to action for all nations. Bharat was among the first to endorse these goals and has since taken steps to incorporate them into state-level planning [1]. Mahatma Gandhi's words- "The earth provides enough to satisfy every man's need but not every man's greed", capture the true essence of sustainable development [2].

Among the 17 SDGs, SDG 8 plays a vital role in shaping India's economic trajectory. It focuses on creating sustainable, inclusive, and productive employment opportunities. For Uttarakhand, to address the distinct needs of its hill population, SDG 8 is particularly relevant. Vision 2030 reflects this by laying out a comprehensive framework for long-term inclusive development. The twin growth drivers identified in the vision are the transformation of hill agriculture with a focus on horticulture and the promotion of tourism across the state- both to be executed through mission-mode initiatives. Together, these will help generate local jobs and slow down migration from the hills.

### **Economic Performance and Sector Trends**

Uttarakhand has consistently demonstrated robust economic performance since its inception in the year 2000. Between 2011-12 and 2017-18, the state maintained an average Gross State Domestic Product (GSDP) growth rate of over 7% annually, propelled by industrial expansion, service sector growth, and improved infrastructure connectivity [3, 4]. Although the state experienced a marginal dip in growth in 2014-15, largely due to natural calamities and post-disaster adjustments, the economy remained resilient and quickly bounced back [3]. By 2017-18, the state's per capita income had risen to ₹1,77,356- significantly above the national average of ₹1,12,764- demonstrating better-than-average prosperity [3, 4]. While the economic slowdown at the national level between 2018 and 2019 had a mild impact, it was the COVID-19 pandemic in 2020-21 that caused a temporary but notable contraction across sectors such as tourism, hospitality, and informal employment [3, 5]. However, the economy began showing signs of recovery by 2021-22, with the growth rate estimated to have returned to around 6.8%-7% by 2022-23 [4]. In terms of sectoral contribution to the state's Gross Value Added (GVA), the secondary sector (comprising manufacturing, construction, and industrial activity) continues to dominate with approximately 50.4% share [3, 4]. The presence of industrial estates developed by SIDCUL (State Infrastructure and Industrial Development Corporation of Uttarakhand Ltd.) in regions like Haridwar, Pantnagar, and Sitarganj has bolstered this sector significantly [6]. The tertiary sector, contributing 38.41%, includes services such as tourism, banking, education, retail, and public administration. Tourism, in particular, has emerged as a key employment generator, with religious, adventure, and eco-tourism drawing millions of visitors annually [5]. The primary sector, which includes agriculture, horticulture, forestry, and animal husbandry, contributes only around 11.19% to GVA. However, this sector remains crucial for rural subsistence, especially in hilly areas where traditional agriculture is practiced on fragmented and rain-fed lands [3].

Within agriculture, the focus is shifting toward horticulture and organic farming, including cultivation of fruits, vegetables, and medicinal plants, which offer higher economic returns. The state has also promoted medicinal and aromatic plant farming as a growth-oriented initiative with export potential [3]. Meanwhile, micro, small, and medium enterprises (MSMEs) are gaining traction in both hills and plains, contributing to decentralized employment and production [6]. The education and health sectors are also witnessing growth, supported by institutions like IIT Roorkee, AIIMS Rishikesh, and IIM Kashipur, which not only provide high-quality services but also stimulate local economies [3, 7].

Infrastructure growth has been a key enabler across sectors. Uttarakhand boasts over 3,449 km of national highways, two domestic airports, and over 4,000 MW of installed power capacity [3]. Improvements in mobile and internet connectivity have supported digital inclusion and enabled service delivery even in remote areas [8]. Despite these achievements, challenges such as high youth unemployment, regional disparities, and underemployment persist [9]. Nevertheless, Uttarakhand's economic landscape, marked by steady growth and sectoral diversification, offers a promising foundation for achieving inclusive and sustainable development as envisioned in Uttarakhand Vision 2030 [3].

**Table 1: Sector Wise Economic Performance of Uttarakhand**

Sector	Contribution to GVA (%)	Key Features	Trends / Highlights
<b>Primary Sector</b>	~11.19%	Agriculture, Horticulture, Forestry, Animal Husbandry	Low contribution but vital for hill economy - Shift towards organic farming & MAP cultivation
<b>Secondary Sector</b>	~50.4%	Manufacturing, Industry, Construction (SIDCUL estates in Haridwar, Pantnagar, etc.)	Largest contributor to GVA - Supported by industrial zones & steady investment
<b>Tertiary Sector</b>	~38.41%	Services, Tourism, Trade, Education, Banking, Public Admin	Fast-growing - Tourism and education hubs like Dehradun, Haridwar & Nainital driving growth

## Challenges and Constraints

Despite Uttarakhand's proactive alignment with the Sustainable Development Goals (SDGs), particularly SDG 8 on Decent Work and Economic Growth, several ground-level challenges and structural constraints continue to impede inclusive development in the state. These barriers are both systemic and situational, stemming from socio-economic disparities, geographical limitations, institutional bottlenecks, and policy implementation gaps [3].

One of the most pressing challenges is outmigration from hill regions, especially by the male working population. The lack of sustainable employment opportunities in agriculture and allied sectors has driven many to seek livelihood elsewhere, resulting in declining village populations and 'ghost villages'. This has serious implications for local economies and cultural continuity [7].

Youth unemployment remains alarmingly high, especially among educated youth. The 2012 data showed a 14.3% unemployment rate among youth, and this figure rises to 17.2% for those educated up to secondary level and beyond. Moreover, nearly a quarter of the young population is neither employed, enrolled in education, nor undergoing any training. This indicates a serious disconnect between education systems and employable skills [9].

**Table 2: Youth Unemployment Rate in Uttarakhand (Ages 15-29 Years) [9, 10]**

Year	Youth Unemployment Rate (%)
2011–12	9.2%
2013–14	12.8%
2015–16	13.5%
2017–18	17.4%
2020 (Oct–Dec)	27.0%
2021–22	14.2%
2022–23	11.6%

Year	Youth Unemployment Rate (%)
2023–24	9.8%

Another significant constraint is the limited participation of women in economic and leadership roles. Despite constitutional safeguards and reservation in local bodies, women's involvement in high-growth sectors remains minimal due to prevailing patriarchal norms, lack of mobility, and poor access to capital and training [11].

Infrastructural gaps, particularly in remote areas, act as a bottleneck in implementing employment-linked programs. Inadequate road connectivity, poor internet access, and irregular electricity supply in many interior regions prevent effective delivery of schemes and hinder digital literacy and access to online opportunities [8].

Training and skill development infrastructure is also unevenly distributed. The absence of region-specific vocational education and industry linkages has left a large number of youth under-skilled and unemployable. Most training modules are generic and lack adaptability to local economic ecosystems like tourism, horticulture, or handloom [12].

The institutional framework suffers from fragmentation and lack of convergence. Various departments—such as Rural Development, Employment, Tourism, and Agriculture—often function in silos, resulting in duplication of efforts, inefficient resource use, and poor beneficiary tracking [7].

Environmental vulnerabilities add another layer of complexity. Being a hill state, Uttarakhand is prone to landslides, flash floods, forest fires, and earthquakes. These not only damage infrastructure but also disrupt livelihoods, increase displacement, and create long-term economic instability, especially in agriculture and tourism [13].

Lastly, there is a lack of awareness and trust in government schemes among the rural population. Due to weak outreach, digital illiteracy, and procedural complexities, many eligible beneficiaries are either unaware of schemes or unable to avail of them [14].

These constraints, if not addressed holistically, could significantly delay the realization of Uttarakhand's Vision 2030 and the broader goals of sustainable and inclusive development. Tackling them requires not only administrative reforms and inter-departmental collaboration but also community participation, technological innovation, and long-term political commitment [3, 7].

### **Employment Generation and Policy Interventions**

To address these challenges, the Uttarakhand government has introduced several schemes. The Uttarakhand State Employment Generation Policy (UK-SEGP) was developed by the Centre for Public Policy and Good Governance. It outlines a multi-sectoral roadmap for structural reform, skill development, and entrepreneurship promotion [15]. Another prominent initiative is the Mukhyamantri Swarozgar Yojana (MSY), which aims to support entrepreneurship among youth, skilled artisans, unemployed persons, and returnee migrants through financial assistance and bank-linked credit. The scheme also promotes solar power generation as a self-employment opportunity by ensuring income through the sale of electricity to the state grid [16].

Efforts are also being made to revitalize rural livelihoods through centrally sponsored schemes like MNREGA, NRLM, and SRLM, especially in backward and disaster-prone areas [14,17].

### Agriculture, Horticulture, and Livelihoods

Traditional agriculture in the hill regions of Uttarakhand, dominated by rice and wheat, offers limited profitability. Recognizing this, Vision 2030 places special emphasis on promoting horticulture, which includes fruits, vegetables, spices, flowers, and medicinal plants [3]. The agro-climatic diversity of the state makes it ideal for cultivating high-value crops. The government aims to double farmer incomes by 2022 through increased production and processing [3]. The area under organic farming is projected to rise to 2.5 lakh hectares by 2030. Similarly, the area under medicinal and aromatic plant cultivation is expected to grow from 625 hectares to 16,900 hectares, with over 68,000 farmers being engaged in this sector [3].

### Tourism and Infrastructure Development

Tourism is one of Uttarakhand's most promising sectors. The state's religious sites, adventure sports opportunities, and pristine landscapes offer diverse tourism experiences. Vision 2030 aims to develop theme-based tourism circuits and promote homestays, eco-tourism, and rural tourism to create employment [3, 5]. Emphasis is also placed on improving infrastructure and connectivity, upgrading sanitation, and beautifying villages to attract visitors.

**Table 3: Tourism driven Economic Development in Uttarakhand**

Year	Tourism's Share in GSDP (%)
2019	~4.4%
2022	~14.6%*
2023	Forecast: 43.7%
2024	Target: 7%+ (under Vision-2030)

The physical and digital infrastructure in Uttarakhand is expanding. As of 2022, the state had a power capacity of 4,092 MW, 3,449 km of national highways, and two domestic airports [3]. Internet connectivity and mobile network coverage are growing, enabling access to digital services, education, and e-governance [8].

### Recommendations

To effectively implement SDG 8 – Decent Work and Economic Growth in Uttarakhand and fulfill the vision set out in Vision 2030, the following actionable strategies are recommended:

#### 1. Strengthen Skill Development in Hill and Rural Regions

1. Set up more ITIs and skill development centres in hill blocks.
2. Collaborate with institutions like IIT Roorkee and IIM Kashipur for satellite outreach programs and sector-specific modules.
3. Focus on training youth in tourism, organic farming, agro-processing, handicrafts, and IT services [3, 15].

#### 2. Promote Women's Participation in Emerging Sectors

1. Offer incentivized training in solar energy, digital services, and micro-enterprise management.
2. Provide safety infrastructure, mobility support, and access to digital tools and finance.

3. Promote women-led cooperatives and startups with targeted subsidies and incubation support [12, 16].
- 3. Revitalize Hill Agriculture through Horticulture and MAPs**
  1. Expand area under fruits, spices, and aromatic/medicinal plants, supported by organic certification.
  2. Strengthen processing infrastructure, cold chains, and Farmer Producer Organisation networks at block level.
  3. Link farmers with export markets and e-commerce platforms [3, 14].
- 4. Leverage Tourism as a Growth Engine through Local Enterprise**
  1. Develop eco-tourism circuits, set homestay models, and local hospitality clusters in remote areas.
  2. Involve communities in guiding, transport, and eco-conservation roles.
  3. Offer fiscal and infrastructural incentives under the Tourism Policy 2023 [5].
- 5. Facilitate Employment for Returnee Migrants and Youth**
  1. Launch district-wise employment hubs aligned with local skills and natural resources.
  2. Expand schemes like Mukhyamantri Swarozgar Yojana (MSY) and promote digital job matching platforms [16].
  3. Introduce interest-free credit and mentorship for self-employment initiatives.
- 6. Improve Institutional Convergence and Localized SDG Monitoring**
  1. Create district-level SDG task forces including Rural Development, MSME, Tourism, and Horticulture departments.
  2. Develop Gram Panchayat Development Plan-linked digital dashboards for real-time progress tracking.
  3. Train Panchayati Raj Institution (PRI) members and officials in data-based planning and evaluation.
  4. These recommendations offer a focused, feasible, and regionally adaptive roadmap to help Uttarakhand realize its Vision 2030 targets, particularly in the context of SDG 8. By integrating its natural capital, demographic potential, and decentralized governance, the state can serve as a model for inclusive and sustainable development in mountain regions.

## Conclusion

Uttarakhand's Vision 2030 presents a well-structured, inclusive strategy for achieving SDG 8 and ensuring that every resident has access to decent work and economic growth. The state's approach to sustainable development is backed by solid policy intent, innovative schemes, and the active involvement of its people. If implemented effectively, these plans can transform Uttarakhand into a model state for economic inclusion and ecological balance in the Himalayan region.

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