

Relationship between Economic Growth and Unemployment in India

Pallavi Vairage and Dr. Archana Aher

MIT ACSC, Alandi, Pune, India

Abstract: *This research paper examines the relationship between economic growth and unemployment in India. Using time-series data from 1991 to 2023, the study employs the Okun's Law framework to assess the impact of GDP growth on unemployment rates. The findings suggest a weak inverse relationship, highlighting structural issues in the Indian labor market. Policy recommendations for inclusive growth and employment generation are discussed.*

Keywords: Economic Growth, Unemployment Rate, GDP Growth, Jobless Growth, Okun's Law, Labor Market, Structural Unemployment, Informal Employment, Skill Mismatch, Labor Market Rigidities, Employment Generation, Industrialization, Make in India, Vocational Training, Workforce Participation Rate, Frictional Unemployment, Cyclical Unemployment, Human Capital Development, Labor Productivity, Wage Growth