



Role of Aatmanirbhar Bharat in promoting the Gig Economy to reduce unemployment and poverty in India

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Abstract

The study examines the role of Aatmanirbhar Bharat Scheme in promoting the gig economy to reduce unemployment, poverty and risk of financial insolvency. In order to explore the impact survey method was being used in which about 300 respondents being considered from Micro, Small, and Medium Enterprises (MSMEs) and start-ups units. Based on the responses from a wide range of MSME participants and gig workers, the study confirms that there are a lot of young individuals in the gig workforce, approximately about 70% between the age group 18 to 34. The null hypotheses H_{01} and H_{02} were being tested using Chi-Square test and the results confirm that that both hypotheses are rejected, indicating a statistically significant association between the Aatmanirbhar Bharat Scheme and the reduction of unemployment, poverty, and risk of insolvency through the enhancement of the gig economy.

Keywords: Aatmanirbhar Bharat Scheme, Gig Economy, Economic Growth, MSMEs

Introduction

India, with its vast and dynamic workforce, has witnessed a paradigm shift in employment patterns over the past decade. One of the most significant developments has been the emergence and rapid expansion of the gig economy—characterized by short-term contracts, freelance work, and on-demand jobs facilitated through digital platforms. This new economic model offers flexible work opportunities, especially for youth, semi-skilled workers, and individuals from marginalized backgrounds. However, despite its growing relevance, the gig economy remains under-supported in terms of policy frameworks and financial backing.

In response to the economic disruption caused by the COVID-19 pandemic, the Government of India launched the Aatmanirbhar Bharat Abhiyan (Self-Reliant India Campaign) in 2020. The initiative aims to revive the economy by promoting local industries, strengthening supply chains, enhancing entrepreneurship, and generating employment. While the scheme has introduced several reforms across sectors, its role in supporting and enhancing the gig economy remains a subject of ongoing debate.

This study aims to critically examine the role of the Aatmanirbhar Bharat scheme in promoting the gig economy and its effectiveness in addressing key socioeconomic challenges such as unemployment, poverty, and financial insolvency. By analyzing government initiatives, policy measures, and their practical impact on gig workers, the research seeks to determine whether the scheme truly contributes to inclusive and sustainable economic growth.

Literature Review

The gig economy is changing the nature of work, employment structures, and worker rights in global labor markets. Scholars from all over the world are now examining its socioeconomic, legal, and developmental implications as a result of its evolution, which has been

driven by digital technologies and platform-based work. Within the framework of the gig economy, a wide range of literature provides insights into the interactions between national policies, technological ecosystems, and worker experiences.

Using a relational work perspective, Alacovska, Bucher, and Fieseler (2024) ^[3] investigate creative labor on digital platforms, exposing the emotional labor and insecurity gig workers frequently experience. Similar to this, Anwar, Schafer, and Golusin (2024) ^[5] place the gig economy in the context of globalization and market inequality, emphasizing the unequal growth of employment opportunities and the pressing need for legislative changes. This is consistent with Arriagada *et al.* (2023) ^[6], who offer a Global South viewpoint by examining Chile's gig economy and demonstrating that, despite the fact that these platforms generate income, they do not offer sufficient labor protections—a problem that is also common in the Indian context.

Abkhezr and McMahon (2024) ^[1] investigate how app-based employment affects migrant workers' career development, focusing on the relationship between migration and gig work. Their results, which align with India's efforts under programs like Aatmanirbhar Bharat and Skill India, highlight the role that national policies play in creating inclusive employment pathways. Atamaniuk (2023) ^[8] emphasizes the strategic growth of digital labor ecosystems from a technological perspective, highlighting the importance of platform-based work in the digitalization of the labor market, an area that India is focusing on with its Digital India campaign.

According to Banik and Padalkar (2021) ^[10], who study the global gig economy's trends and effects, there are advantages like flexibility and autonomy as well as drawbacks like inconsistent income and a lack of social protection. In order to ensure worker welfare, the authors support stricter government regulation; Kasliwal (2020) ^[12],

who examines gender dynamics in the gig economy, shares these opinions. The study by Kasliwal highlights the obstacles and opportunities that women encounter in platform-based work, underscoring the necessity of inclusive policies to guarantee gender parity.

Aloisi (2022) ^[4] examines platform work in Europe from a legal and institutional perspective, talking about recent legal changes and offering reforms to safeguard gig workers. Weil (2019) ^[15] adds to this by framing gig work in the context of the "fissured workplace," where traditional employer-employee relationships are weakened, leaving workers open to exploitation and lower-quality work.

Sobhit (2020) ^[14] examines the gig economy in India, concentrating on contract workers in the IT sector. The study raises issues regarding legal status, labor rights, and income security. In a similar vein, Goswami (2020) ^[13] criticizes how gig work reinterprets conventional workplace dynamics, highlighting a change in governance and employee-employer relationships. Adding a financial component, Durga M. M., Shiv R., and Sukanta K. (2022) emphasize how gig work boosts India's GDP and helps advance sustainable finance through the Aatmanirbhar Bharat initiative.

Creswell (2002) ^[11] offers a fundamental framework for mixed-methods research to support policy and empirical studies, directing researchers in the planning, gathering, and analyzing of gig economy studies. Through their systematic review of model-driven engineering, Abouzahra, Sabraoui, and Afdel (2020) ^[2] offer a technical viewpoint while highlighting the importance of methodological rigor in assessing intricate socio-technical systems such as digital labor platforms.

According to Asfahani, Alsobahi, and Dahlan (2023) ^[7], the gig economy in Saudi Arabia is characterized by HR practices that emphasize the significance of skill development and institutional support in maintaining gig careers. Blaising and Dabbish (2022) ^[9] go into further detail about the social and psychological changes that occur when freelancers join online work platforms. They emphasize the importance of self-directed adaptation as well as the changing expectations of digital workers.

Overall, research shows that although the gig economy offers great chances for jobs, entrepreneurship, and economic expansion, it also poses serious problems for worker safety, social protection, and the efficacy of policies. Programs like Aatmanirbhar Bharat present viable avenues for leveraging the gig economy in India to combat poverty and promote financial stability, but their full potential will only be realized with focused assistance, inclusive frameworks, and efficient execution.

Research Methodology

The research work uses the combined approach which included both the qualitative and quantitative research methods which identifies the impact of gig economy development, supported by the Aatmanirbhar Bharat initiative, on reducing unemployment and poverty levels in the country and examines the impact of the Aatmanirbhar Bharat Scheme on reducing risk of financial insolvency by promoting and strengthening the gig economy in India.

Research Design

- Mixed Method (Qualitative and Quantitative) Approach
- Exploratory study was conducted to understand the emerging trends and associations in the gig economy.

Study Area

- Major districts of India were being considered were the gig economy and MSMEs are presently influencing economic activities.

Sampling Design

- **Population:** Micro, Small, and Medium Enterprises (MSMEs), start-ups, and gig workers engaged with or benefiting from government schemes.
- **Sample Size:** 300 respondents were being considered
- **Sampling Method:** Non-probability-based technique convenience sampling,

Data Collection Methods

The research work uses both primary and secondary source of data collection. Accordingly, the primary data was being collect through well-structured questionnaire. Questionnaire being divided into two sections, first sectional includes demographic questions and second section included questions related to Aatmanirbhar Bharat Scheme on reducing unemployment, poverty and risk of financial insolvency. The questionnaire was sent to owners and top executives of MSME'S and startups. Secondary data was being collected through journal articles, government reports, company reports, economic survey and online databases. After data collection the data was being prepared using various pre-processing techniques and accordingly the data was coded, corrected, and transformed as required for better understanding and analysis.

Objectives

1. To assess the impact of gig economy development, supported by the Aatmanirbhar Bharat initiative, on reducing unemployment and poverty levels in the country.
2. To examine the impact of the Aatmanirbhar Bharat Scheme on reducing risk of financial insolvency by promoting and strengthening the gig economy in India.

Hypotheses

Based on the above objectives following hypotheses was being framed:

H₀1: The development of the gig economy under the Aatmanirbhar Bharat initiative does not significantly contributes to the reduction of unemployment and poverty in India.

H_a1: The development of the gig economy under the Aatmanirbhar Bharat initiative significantly contributes to the reduction of unemployment and poverty in India.

H₀2: The Aatmanirbhar Bharat Scheme has no significant impact on reducing risk of insolvency through the enhancement of the gig economy in India.

H_a2: The Aatmanirbhar Bharat Scheme has a significant impact on reducing risk of insolvency through the enhancement of the gig economy in India.

Results and Discussion

1. Respondents Profile

Classification Based on Gender: About 60% of the participants were men in comparable positions in micro, small, and medium-sized businesses (MSMEs) and start-ups in India, compared to 40% of female entrepreneurs and top-level executives from these business sectors.

Age Based Classification: The data shows that the majority of gig economy participants within MSMEs are young people, with 70.7% of respondents being between the ages of 18 and 34. About 23.7% of respondents were mid-career professionals between the ages of 35 and 54, whereas only 5.7% were older than 55. This suggests that older age groups are not very involved in the gig economy.

Educational Wise Classification: Majority of respondents about 44% were post graduate having master’s degree, 11% respondents were having doctoral degree, nearly 41.3% respondents were having bachelor’s degree whereas about 3.7% respondents were having the high school education. In all it reveals that the considered sample of respondents was highly qualified.

Type of enterprise: In the research work four type of units were being considered such as Micro, Small, Medium, and Startups. Majority of the respondents about 42% belongs to medium-sized businesses, 22.3% were from small businesses, 14.7% respondents being from microbusinesses

whereas 14% respondents were form startups. This indicates that medium-sized businesses are significantly represented.

2. Gig Economy Growth under Aatmanirbhar Bharat on Unemployment and Poverty

H01: The development of the gig economy under the Aatmanirbhar Bharat initiative does not significantly contributes to the reduction of unemployment and poverty in India.

Ha1: The development of the gig economy under the Aatmanirbhar Bharat initiative significantly contributes to the reduction of unemployment and poverty in India.

The table below represents the cross tabulation between support of Aatmanirbhar Bharat Scheme launched by the Government of India to promote self-reliance and schemes effectiveness in reducing poverty and creating jobs, especially in villages and small towns of India.

Table 1: Crosstabulation Between Aatmanirbhar Bharat Scheme and Reducing Unemployment & Poverty

		Crosstabulation				Total
		Reducing poverty and creating jobs, especially in villages and small towns, under the Aatmanirbhar Bharat Scheme				
		Very Low	Medium	High	Very High	
Support of Aatmanirbhar Bharat Scheme launched by the Government of India to promote self-reliance and boost economic growth	Very Low	12	3	6	9	30
	Low	9	15	18	18	60
	Medium	33	27	39	36	135
	High	6	12	9	18	45
	Very High	12	3	12	3	30
Total		72	60	84	84	300

Of the 300 respondents, 135 gave the scheme's support a "Medium" rating, indicating a generally positive outlook. Of these, 39 gave the impact a "High" rating, and 36 gave it a "Very High." 36 respondents felt that the impact was high or very high, even among those who gave support a "Low" rating, suggesting some degree of optimism. It's interesting to note that only three of the thirty respondents who gave the support a "Very High" rating thought the impact was

similarly high, indicating a gap between policy support and observable results. Overall, the data shows that opinions about the scheme's efficacy are mixed, with moderate levels of support showing a stronger positive correlation with perceived impact, while very high levels of support do not always correspond to strong perceived outcomes in terms of reducing unemployment and poverty.

Table 2: Chi-Square Test Results (H01)

Chi-Square Tests			
	Value	df	Asymptotic Significance (2-sided)
Pearson Chi-Square	24.700 ^a	12	.016
Likelihood Ratio	25.761	12	.012
Linear-by-Linear Association	.120	1	.729
N of Valid Cases	300		

a. 0 cells (0.0%) have expected count less than 5. The minimum expected count is 6.00.

The null hypothesis H_01 which states that the development of the gig economy under the Aatmanirbhar Bharat initiative does not significantly contributes to the reduction of unemployment and poverty in India was being test using the Pearson Chi-Square test. The calculated Chi-Square value is found to be 24.700 at degree of freedom 12, the Likelihood Ratio value is 25.761 at degree of freedom 12 and similarly the Linear-by-Linear Association value is found to be 0.120 at degree of freedom 1 also the corresponding p-values for Pearson Chi-Square, Likelihood Ratio and Linear-by-Linear Association were found to be .016, .012 and .729 respectively which reflects that as the p-value for Chi-Square test is quite lower than the standard alpha value of 0.05 confirming that the null hypothesis H_01 is being rejected. So, it is quite clear that the development of the gig economy under the Aatmanirbhar Bharat initiative

significantly contributes to the reduction of unemployment and poverty in India.

3. Aatmanirbhar Bharat on Financial Insolvency through Gig Employment

H₀₂: The Aatmanirbhar Bharat Scheme has no significant impact on reducing risk of insolvency through the enhancement of the gig economy in India.

H_{a2}: The Aatmanirbhar Bharat Scheme has a significant impact on reducing risk of insolvency through the enhancement of the gig economy in India.

The table below represents the cross tabulation between support of Aatmanirbhar Bharat Scheme launched by the Government of India to promote self-reliance and schemes effectiveness in reducing the risk of insolvency.

Table 3: Crosstabulation Between Aatmanirbhar Bharat Scheme and Reducing Risk of Insolvency

		Crosstabulation					Total
		Reducing the risk of insolvency					
		Very Low	Low	Medium	High	Very High	
Support of Aatmanirbhar Bharat Scheme launched by the Government of India to promote self-reliance and boost economic growth	Very Low	3	0	3	12	12	30
	Low	3	6	6	24	21	60
	Medium	12	12	18	54	39	135
	High	0	6	3	15	21	45
	Very High	6	0	6	15	3	30
Total		24	24	36	120	96	300

According to the crosstabulation, respondents with medium and low levels of perceived support have a generally positive opinion of the Aatmanirbhar Bharat Scheme's ability to lower insolvency. A sizable portion of the 135 respondents who gave the scheme medium support gave it "High" (54) and "Very High" (39) ratings for impact, demonstrating their confidence in its efficacy. Many acknowledged a high impact, displaying cautious optimism,

even in the low support group. Remarkably, only a small percentage of those who expressed very high support rated the impact as "Very High," indicating a potential discrepancy between expectations and actual results. Though opinions differ depending on the level of support, the scheme is generally seen as helping to reduce insolvency.

Table 4: Chi-Square Test Results (H_02)

Chi-Square Tests			
	Value	df	Asymptotic Significance (2-sided)
Pearson Chi-Square	29.948 ^a	16	.018
Likelihood Ratio	37.727	16	.002
Linear-by-Linear Association	2.189	1	.139
N of Valid Cases	300		

a. 10 cells (40.0%) have expected count less than 5. The minimum expected count is 2.40.

The null hypothesis H_02 which states that the Aatmanirbhar Bharat Scheme has no significant impact on reducing risk of insolvency through the enhancement of the gig economy in India was being test using the Pearson Chi-Square test. The calculated Chi-Square value is found to be 29.948 at

degree of freedom 16, the Likelihood Ratio value is 37.727 at degree of freedom 16 and similarly the Linear-by-Linear Association value is found to be 2.189 at degree of freedom 1 also the corresponding p-values for Pearson Chi-Square, Likelihood Ratio and Linear-by-Linear Association were

found to be .018, .002 and .139 respectively which reflects that as the p-value for Chi-Square test is quite lower than the standard alpha value of 0.05 confirming that the null hypothesis H_0 is being rejected. So, it is quite clear that the Aatmanirbhar Bharat Scheme has a significant impact on reducing risk of insolvency through the enhancement of the gig economy in India.

Conclusion

The analysis clearly indicates that the development of the gig economy under the Aatmanirbhar Bharat initiative plays a significant role in reducing unemployment, poverty, and risk of insolvency in India. By promoting self-reliance, self-employment, and digital employment opportunities, the scheme has enabled flexible and accessible work, particularly in rural and semi-urban areas. It has contributed not only to job creation but also to financial stability for many individuals, including those in underserved regions. While perceptions of impact vary across support levels, the overall trend reflects a strong positive correlation between the scheme's support and its effectiveness in addressing key socioeconomic challenges. These findings highlight the importance of strengthening policy implementation and ensuring inclusive support for gig workers. A sustained focus on gig-based employment can further enhance the scheme's role in driving inclusive economic resilience and long-term development.

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