CHAPTER-II

Review of Literature
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The review in a research study accomplishes several tasks. It shares with the researcher the results of other studies that are closely related to the study being reported. It also relates the study to the larger ongoing dialogue in the literature about the topic. It provides a framework for establishing the importance of the study as well as a benchmark for comparing the results of a study with other earlier findings. Some of the selective studies related to the present study have been reviewed in this chapter.

Amit Bhaduri\(^1\) asserts that a high employment content of growth process is a key element for politically sustainable economic strategies in India. Economic reforms are bound to falter without enough popular support unless they meet the test of sufficient growth in gainful employment over time. No degree of labour market flexibility and other supply side measures are likely to be effective unless government assumes the responsibility of managing aggregate demand through its fiscal and monetary policies. In this context, the author suggests that the government should insist on keeping an inventory of approved essential infrastructure, social and economic investment proposals both from the private and public sector which would be undertaken at appropriate time without further bureaucratic delay to manage aggregate demand.

Pradeep Agrawal\(^2\) while concentrating on the labour policies in India and East Asian countries, attempts to analyse the impact of labour policies on the different outcomes. The study reveals that a rapid growth of productive employment and real earnings should be the primary interest of workers in any country. An international comparison of the growth of employment and real earnings reveals that over the last 25 years, on average, the performance of East Asian Nations has been the most outstanding in this respect, while, India has been among the poor performers. East Asia and India are the two major regions who have followed the two extremes in the labour policy spectrum i.e. outward looking export oriented labour policy, and the inward looking welfare
oriented labour policy. It concludes that to generate a rapid growth of productive employment, a balance between two extremes of labour policy i.e. between efficiency and the welfare should be maintained. The paper therefore stresses on the adoption of a policy-mix of efficiency and welfare components, and to some extent flexibility in the labour market with the reasonable degree of job security to the workers.

Shariff and Gumber on the basis of unit level NSS data for the period 1972-73 to 1993-94) attempts to assess the impact of the structural reform programmes on employment, wages and labour productivity by establishing their correlation. On account of the falling organised sector employment, the study postulates that the growth of informal sector as an alternative source of employment for new entrants in the labour force and those forced out due to declining traditional activities and retrenched from the organised employment would continue. On the issue of labour productivity and wage, the author finds that labour productivity has marginally increased from 3.16 percent in 1983-88 to 3.32 percent during 1988-94. Besides, there has been an increasing trend in real wage rates in all sectors and population segments. Increase was pronounced more in 1980s. The female real wage disadvantage has in fact increased in the rural India.

Bhattacherjee traced the evolution of the Indian industrial relations system in two phases - first phase, the era of state planning in the economic domain with dominance of state pluralism in the IR arena, and the second phase of the internal and external liberalisation periods with the state gradually retreating from both economic and IR domains. The effects of liberalisation and globalisation has led to the rise to the ‘local’ and ‘specific’ in terms of sectors and regions in the IR landscape and a gradual decline in the importance of ‘national’. The study suggests that the trade unions will have to forge deep links with neighbourhoods and communities, urban movements, environment groups and an array of regional specific non-governmental organisations to enhance their effective power.

Vandana Shiva, et al. made an assessment of the impact of a decade of trade liberalisation and globalisation policies in India, and warned about the
disastrous consequences of the policy of Unholy Trinity. The old License Raj has been now replaced by the ‘New License Raj’ of Global Corporations, which have the License to destroy our livelihood, jobs, food rights and to kill the domestic economy through the trade and investment liberalisation. Author mentions that if ten years could cause so much destruction, how many more lives will be sacrificed if globalisation continues unabated and unchallenged.

Deshpande\(^6\) examines the rationale of labour flexibility as advocated by the World Bank. Making a case study against the labour market rigidities, he says that the labour market rigidities in a developing country like India have resulted in retarding the growth of formal employment thereby widening dualism in the labour market. The author advocates in favour of labour market flexibility as it will not only help the employer to face the challenge of global competition but also will secure the distributive justice. Labour market should be allowed to function as freely as possible without interference by what are perceived to be non-market intervention, whether from trade unions, customs or govt. regulations.

A. Base Myrtle\(^7\) analyses the impact of VRS on the nature of employment. VRS has come to impact the nature of lives in the wrong direction. One of the effects of VRS is found in the increasing tendency of casualisation of labour.

Sudip Chaudhary\(^8\) focuses on the impact of India’s economic reforms on industrial structure and productivity and reveals a disappointing overall performance in terms of both employment growth and output. The industrial base of the country has not deepened enough to solve the unemployment situation. The declining labour intensity has further compounded this problem in the 1990s. Labour intensity has gone down not only in the capital-intensive goods but also in the labour intensive goods. He finds that the labour productivity increased steadily between 1990-91 and 1995-96 but has stagnated since then.

Radhakrishna\(^9\) argues that interdependencies in the food and labour markets are important for the development process. An upward shift in the food
supply curve would simultaneously result in an upward shift in the labour demand curve. Modeling of the linkages between agricultural and industrial growth has shown that a 10 percent increase in agricultural output would increase industrial output by 5 percent and urban workers would benefit by both increased industrial employment and price deflation. The shifting of workforce from agriculture to non-agricultural activities also seems to be an outcome of such growth than a distress phenomenon. Employment potential of the non-farm sector appears to be directly related to the commercialization of agriculture, besides the normal pattern of development. However, the slow growth of rural non-farm sector has failed to create sufficient jobs to employ the large surplus agriculture sector in India. Therefore, the author stresses that for the generation of self-reliant employment, a strategy combining promotion of agricultural growth, productive non-farm employment and high levels of social development is imperatively needed for labour-intensive growth in rural areas. A nationwide scheme like Maharashtra Employment Guarantee Scheme should be launched so as to enable the poor to survive with dignity and avoid abject poverty. Substantial investment is, therefore, needed in human resource development for enhancing peoples’ inherent earning capacity.

Swaminathan Aiyar\(^{10}\) argues that liberalisation is not only for millionaire globalisers but also for millions of people for whom there are no jobs in the organised sector. The author reveals that in the post-liberalisation period, manufacturing techniques have become increasingly mechanised. Therefore output has expanded greatly accompanied by fall in employment levels as has happened in case of some large manufacturers like Tisco, L&T, Bajaj Auto and Ashok Leyland etc. Despite the legal hurdles, these corporate wigs have shed labour during the year 2002-03. All this represents the development of ability to produce more goods with fewer workers indicating false notion of increase in labour productivity. Although service sector jobs have been growing fast but are available only for the white collared workers and not for the blue collared workers mainly because of bottlenecks of municipal licensing. The author suggests a wholesale overhaul of municipal laws as it has it has created huge obstacles to the self-employed starting their own business and has resulted in a huge avenue for local corruption & harassment.
Mahendra Dev\textsuperscript{11} tries to provide an overview of growth-mediated and support-led social security mechanisms for the unorganised sector in India. The study examines the above issues on the basis of Kerala, Tamil Nadu and Maharashtra experiences. The author argues that in the context of marketisation, there is a substantial section of society which does not have the resource power to enter into market operations. The government and existing players in the market have the responsibility in providing social security for the large section of unorganised sector workers and other vulnerable groups who are out of the market. There is a need for public-private partnership in providing social and economic security for unorganised workers.

Bhole and Dash\textsuperscript{12} on the basis of data obtained from RBI and NSSO, reveal that economic policies introduced in India at the beginning of the 1990s has not been successful in alleviating the mass unemployment problem. These economic policies pursued in India have so far tried their best to achieve the objective of full employment primarily via economic growth, but not yielded the desired results. The unemployment crisis has further deepened over the years and reached a nadir during the 1990s which in turn has endangered the problem of lower living standards, greater income inequality, and greater poverty, thereby threatening the social cohesion and peace in virtually all the industrial market economies.

Bhaumik\textsuperscript{13} reveals that the process of globalisation and economic liberalisation has had adverse effect on the labour movement. Trade unions have by and large resorted to traditional means of protests, such as strikes, bandhs and demonstrations to counter such policies. The study suggested to the trade unions to explore alternative strategies to meet the challenges and to protect the interests of the working class. One of the strategy could be to take over the industries by the workers.

Chadha\textsuperscript{14} on the basis of NSS data for the period 1983 to 1999-2000, observes that employment friendly claims of the economic reforms have not fully come off. The benefits of higher employment growth rates under the spell of economic reforms have trickled neither to rural nor to urban workers and, neither to male nor to female workers across the board. It is undoubtedly a
situation of the sufferance of the common. The rural non-farm employment suffered a setback especially for rural females. The author makes a strong case for the development and expansion of rural non-farm sector as a potential area to become a future source of rural employment expansion.

*Economica India*\(^1\) study found the declining trend on employment on the CDS perspectives and a consequent rise in the unemployment rates. The study stated that the distressed employment trends in the 1990s have been triggered by the negative employment growth in agriculture, mining and quarrying, electricity, water supply and gas. The study further notes that employment elasticity may be very low in sectors where there is a great deal of under-employment indicating a considerable scope of output expansion at the cost of static employment. It further observes that changes in composition of output of broad 9 sectors and the impact of intra-sectoral composition of technology on labour-capital substitution have been held responsible for overall decline in employment.

*Ronaldo Munck\(^1\) deals comprehensively and analytically with labour’s response to globalisation. It provides a critical overview of the main challenges the workers and trade unions worldwide are likely to face. The author argues that what may be described as the national period in labour history is decisively over and now the labour movement is itself acting increasingly in a transnational manner which holds the hope of playing a major role in the social regulation of a global economic system which is largely out of control. The author explains how globalisation is imposing flexibilisation and feminisation on working people, but in the process also making them conscious of their transnational links. The ‘old’ internationalism of the trade union movement is now showing signs of fatigue and transforming into a ‘new’ internationalism by developing a sense of common interest and new ways of organising that transcend national boundaries. Drawing his evidence from what is happening to the workers and trade unions in a wide range of countries in both the industrialised North and the developing South, the author suggests that we may be on the brink of a new version of what Karl Polyani, many years ago, strikingly called ‘the great transformation’.
In his pioneering work, which is essentially an attack on the ideology of market fundamentalism, the Noble laureate Joseph Stiglitz proves himself as the critique of the Washington Consensus Policies — a consensus between the IMF, the World Bank and the U.S. Treasury about the right policies for developing countries that signalled a radically different and self-defeating approach to economic development and stabilisation. The author states that the net effect of these policies has all too often been to benefit the few at the expense of the many, the well-off at the expense of the poor. Globalisation itself is neither good nor bad. It has the power to do enormous good and for the countries of East Asia, who have embraced globalisation under their own terms, has been an enormous benefit. But in much of the world, it has not brought comparable benefits. For many, it seems closer to an unmitigated disaster. The globalisation for the IMF-IBRD combine is a progress and developing countries must accept it if they are to grow and fight poverty effectively. But globalisation has neither succeeded in reducing poverty nor has it succeeded in ensuring stability mainly because these institutions were both driven by the collective will of the G-7 nations. These nations pushed trade liberalisation for the products they exported, but continued to protect those sectors in which competition from the developing world might have threatened their economies. Stiglitz also talks about the East Asian Crisis and how it was controlled at their own, and how privatization harmed the Russia.

Finally, the author directs for 'The Way Ahead' and argues for the circumstances to be obtained through different reforms for the sake of globalisation with a human face. As an economist with public purpose, he calls for the fundamental changes in the governance on the international funding institutions and increased openness and transparency in their functioning along with proactive role of the developing countries in all these connections.

Bhaumik also seeks to examine the magnitude and growth of unemployment in India following the adoption of economic reform policies. Using different rounds of NSS data (38th, 50th & 55th), he has computed absolute number of unemployed and their growth in all India as well as 15th major states for the pre and post-reform period so as to understand the
consequence of reform policies in India in terms of unemployment. The study observed the negative unemployment trends in the all India level, the number of unemployed, both males and females (on CDS basis) declined from 21.61 million in 1983 to 19.58 million in 1993-94 but rose to 26.44 million in 1999-2000. Analysing the inter-state distribution of unemployed, the study found that in the year 1999-2000, W. Bengal ranked first in terms of concentration of unemployed followed by T. Nadu, Maharashtra, Andhra Pradesh and Bihar. On the gender perspective, the study shows that males constituted 70% or more in as many as 11 out of 15 major states in the year 1999-2000. By using simple regression techniques, the author also analyses the relationship between economic growth and unemployment rates and observes that this relationship has been negative and statistically significant during the pre-reform period but positive during the post-reform period especially in the primary sector.

N. Chander Mohan\textsuperscript{19} sheds light on an important causality of the Indian economic reform process since the early 1990s— the growing joblessness especially in the organised sector where the conditions of work are protected either by trade unionism or workers’ legislation. He concludes that at a time when organised sector employment is shrinking, the bulk of employment is being generated in low paid jobs in the unorganised sector including self employment. Work conditions in these sectors are out of the pace of unionism or workers’ legislation and that the fact that such low quality jobs have proliferated in the 1990s, is itself a damming indictment of reforms.

Manoj Narula\textsuperscript{20} studied the phenomenon of neglect of Indian labour in the wake of ongoing economic reforms. The study noted that since the liberalisation process, the labour reforms have not kept pace with ongoing economic reforms but rather acted as a major stumbling block. The economic reforms have led to the labour redundancy in the short run and very slow growth of employment in the medium term. To counter such social costs and contractionary effects of stabilisation policies, the author advocates for the labour market flexibility in the development process and generate appropriate wage differentials so as to induce labour reallocation.
Bhaskar Majumdar deals with the issue of expansion of job opportunities of the local workers and revealed limited scope of possibilities of employment to the local workers after globalisation. The study opines that the work pattern being heavily weighted in favour of land based activities, the scope for getting converted into global labour is severely limited. It points at the necessity to convert cast based division of labour into economically based division of labour if the local workers are to get converted into global labour.

Amartya Sen explores the interrelationship between institutions, technology and employment and provides a conceptual framework for the use of existing technological knowledge as an employment strategy in developing countries. He stresses the importance of adequate institutional and incentives structures and pricing policies. The study attaches importance to institutional factors and economic and political feasibility considerations relevant to appropriate technological choices. Even if appropriate technological alternatives are known to exist and are economical efficient, they are unlikely to be easily disseminated and applied unless adequate decision-making criteria, and proper institutional policies are introduced to change the factor and product-mix in favour of greater labour intensity and employment creation.

The study shows that too much emphasis should not be placed on the development of new intermediate technologies through research and development as the existing technological shelf is in place. A notable conclusion is that economic and employment policies, if formulated in isolation from the specific political, social and institutional milieu, are bound to flounder. Besides the study emphasises the use of social benefit-cost analysis as a tool to evaluate employment policies and optimal resource allocation in developing countries.

Janardhan argues that the bilateral nature of labour management relations is being obfuscated today by a Unitarian management project. He reviews a sample of contemporary writings that focus on why unions still matter, the new possibilities for unions and union-participatory approaches to management. Human resource management has emerged as an exciting approach to people management since about the middle of 1980s, pushing
personnel management and industrial relations into the background. How the union can perform its traditional countervailing role in one context and how the same or different union can take part in employee involvement programme in different context is a matter of both theory and practice. An important content of this paper is that in both these contexts, the trade union is necessary.

Gupta, et al.\textsuperscript{24} review some of the best practices in some of the countries (Indonesia, Korea, Mexico and Argentina) in the implementation of social safety nets during the macroeconomic adjustment programmes. The study asserts that some of the main lessons in effectively implementing social safety nets are: safety net instruments should be in place before a crisis occur; should provide adequate protection to the poor avoiding creating a culture of dependency among beneficiaries; transparency and accountability in the design and implementation of programmes; coordination of these programmes across implementing ministries and departments; and avoidance of proportional cuts in social spending and safety nets during any crisis. The authors strongly advocates in favour of Food Based Safety Nets like consumer price subsidies, supplementary feeding programmes, and food aid etc. as they are designed to protect the purchasing power and relieve deprivation.

Bhatt\textsuperscript{25} on the basis of research studies finds that the workforce structure in India has undergone a dramatic change over the last few decades. The share of the workforce in agriculture and allied activities has partly declined whereas the share of manufacturing and trade-hotels and restaurants has increased during the period 1993-94 to 1999-2000. The growth rate of GDP in agriculture and allied has marginally increased from 3.08 percent from pre-reform period to 3.14 percent during the 1990s, but the growth rates of workforce in this sector has steeply fallen from 1.39 percent to 0.05 percent for the same period. The paper finds that there was a significant increase in the share of administrative and managerial workers mainly due to privatisation and globalisation.

S.K. Bhaumik\textsuperscript{26} by using the NSS data (1983, 1993-94 and 1999-2000) deals with the trends and dimensions of casualisation of the workforce in all India and 15 major states during a period of past 20 years (1983 to 2002). The
study finds that there has been an overall increase in the incidence of casual labour in India during the 1990s especially in rural areas both for male and female workers. At all India level, except for urban female workers, casual employment has increased for all the other categories of workers. Dealing with the questions of inevitability of casual labour as a component of workforce, the study asserts that in the present scenario of globalisation and competition, employers need operational flexibility to respond quickly to the changes in the market, to innovate technologically and to deal efficiently with the ups and downs in the flow of work. From the workers’ point of view, the author argues that increasingly workers and employees too prefer this mode of employment as it takes care of their autonomy and freedom in terms of time allocation. The increasing share of causal workers is not necessarily disadvantageous if the wage rates received by them ensure an adequate level of living. Therefore the problem of casualisation is to be carefully studied in the context of direction and magnitudes of changes in the wages for different occupations and activities as well as the working conditions and the satisfaction or the levels of utilisation of skills of the workers.

Shuji Uchikawa grapples with the impact of economic reforms with reference to labour market and institutions in India. Uchikawa deals with post-reform employment scenario in the organised sector and tries to refute the argument that labour market rigidities restrict the expansion of employment. Employment in the 1980s and 1990s expanded.

Bhattacharya and Sakthivel present the alternative estimates of employment and employment elasticity at aggregate and sectoral levels for the overall economy and as well as for the major states. For comparative analysis of employment elasticity with respect to output, they have derived a consistent time series on State Domestic Product series 1980-81 corresponding to the same in 1993-94 series. Results from this study suggests that aggregate employment elasticity at all India level for the pre-reform period was around 0.51 which collapsed to 0.15, more than three-fold decline during the post-reform period (1993-94 to 1999-00). Similar decline was witnessed across states and broad sectors, particularly primary sector. Although output growth
has accelerated to some extent between 1980s and 1990s, employment growth virtually collapsed leading to low elasticity in the post-reform period. In the light of these results, it casted a serious doubt on the employment target of the 10th plan.

Tushar Mohanty defies the conventional economic principle suggesting that higher output leads to higher growth rate of employment. It shows a grim employment scenario in the post liberalisation era. The employment growth in the 1990s has decelerated despite a growth rate of output. Although Planning Commission has projected a higher (0.50) employment elasticity for manufacturing sector in Tenth Plan, but Indian industry seeking improved competitiveness has hardly allowed a fall in labour productivity since a rise in employment elasticity indicate either a fall in labour productivity and/or a shift towards labour intensive technologies. The fact is that the labour productivity has increased rapidly accompanied by marginal rise in actual employment.

Errol D'souza while focusing on self-employment argues that traditionally, the self-employment, the core of informal sector, is believed to have benefit from government and other labour market rigidities. The author, on the contrast, asserts that given the sheer size of informal sector and the low average income, it considers such employment as a second preference option. The resulting self-employment is a second option and does not earn individuals the high income of the formal sector, but it cushions them from the third best option, which is unemployment and possible destitution. Workers in self employment may gain a short-term advantage of income but lack recourse to legal protection.

Economica India has brought together three important Reports of National Commissions on Labour appointed by Govt. of India from time to time i.e.1967, 1991 and 2002. The latest report 2002 is of the immense relevance for the present work and covers almost all the aspect of labour market and industrial relations, labour market implications of economic reforms w.r.t. employment, wage rate, labour productivity, trends and transition in the labour market in the wake of globalisation process, and suggests important measures so as to make economic reforms labour friendly.
Hari\textsuperscript{32} examine the crucial issue of structural transformation in the Indian economy during the last three decades mainly in terms of employment identified the factors responsible for the delayed transformation in Indian economy. The study of employment transformation reveals a gradual shift of the workforce from primary to the modern secondary and service sectors. The degree of transfer is low mainly because of the failure of modern sectors of the economy to attain a high employment growth rates. Therefore, the economy still has a long way to go to achieve the kind of structural transformation postulated by the development paradigm.

Jayati Ghosh\textsuperscript{33} asserts that recent changes in the international economy in the wake of globalisation have affected both national and international labour markets. The most significant change is the increase in the open unemployment rates across the world, even as under employment continues to be a serious problem. Employment elasticities of production are falling in the developing countries. There is a decline in the formal sector employment all around. After more than a decade of corporate globalisation, millions of working men and women across the world, who were promised greater prosperity and opportunities through globalisation, find hardly any change in their conditions or changes for the worse. The author feels concerned about some difficult policy issues pointed by the recent trends and emerging processes. The basic question relates to how adequate and decent work is to be ensured for men and women workers in an international context in which greater economic integration has drastically altered the contours of public policy as well as the requirements of employers.

Ruddar Dutt\textsuperscript{34} examines the impact of economic reforms introduced in India in 1991 on GDP growth, poverty, employment, labour and industrial relations. The study concludes that the reform process through emphasising downsizing in the corporate sector has driven a large number of workers from organised to the unorganised sector meaning thereby from secure to insecure employment. The reform process has neglected support in the form of technology, credit and marketing to the unorganised sector. Regarding industrial relations, the study reveals that the reform process has helped the
business classes to appropriate the gains of speedy economic growth, but for labour, it has meant more lockouts, more retrenchments, layoffs and closures.

*Ruddar Datt* also attempts to study the menacing problem of lockouts in India which has plagued Indian industries for last more than three decades. Besides giving an overview of industrial disputes and lockouts from 1961 to 1997, the author has made a special study of lockouts in West Bengal – the state with maximum number of mandays lost due to lockouts in India. He suggests that the causes for lockouts put forwarded by the Government of India in the Labour Year Book as well as Labour in West Bengal (a publication of the West Bengal Government) are not tenable since the data is based on the employer’s perception only. The major causes of lockouts according to him are downsizing of labour and casualisation, increasing workload of workers, absence of a long-term perspective by employers, failure to bring about technological upgradation, preoccupation with short-term profits, inefficient management, inter-family disputes, indiscipline and violence to some extent and cost reduction during periods of low demand. While the employers have succeeded in subduing the labour by using lockouts, the state has failed to find a durable solution to the underlying problems of lockouts. The study concludes that while the state has tacitly submitted to the employers to earn higher profits by a system of exploitative efficiency, but failed to provide economic justice to the labour.

*Partha Sahu* on the basis of NSS household level data on employment and unemployment looks at the trends and pattern of casual employment during the period 1983 to 2002. The study finds that there was an overall increase in the incidence of casual labour in rural areas both for males and female workers. The author argues that the casual employment seems to be an essential and accepted component of the workforce as in the present scenario of globalisation and competition, employers need operational flexibility to respond quickly to the market to innovate technologically and to deal efficiently ups and downs in the flow of work.

*Sheila Bhalla* deals with the various issues relating to the restructuring of unorganised sector in India during the period 1979-80 to 1999-2000. The
author aims to provide an overview of the contributions made to income and employment generation by the unorganised non-farm sector as a whole, and the performance of seven economic sub-sectors taken individually on the available time series data. It provides compelling state level evidence of the strong link between agricultural performance and the economic conditions of workers in the unorganised non-farm sector in urban and in rural enterprises. The results suggest a substantial and systematic shift of number of major economic activities, including manufacturing and retail trade from rural to urban locations resulting in an absolute decline of rural workforce in such activities. It is most pronounced in the highly developed states of north-west India, coastal western India and Tamil Nadu in south. There arises a serious question about the policy whether India needs rural to urban shift or is farm to non-farm shift. On the productivity issue, it was shown that there exists a highly significant link between levels of agricultural productivity and productivity in non-agricultural activities, which persisted over the last 20 years. Lastly, the findings reveal that the rural non-farm sector in India cannot bear the burden of providing employment to an expanding rural population. The organised non-farm sector, which is mainly located in urban areas, has to kick in with jobs, so as to provide employment to the rural workers for whom the employment has closed the doors. In India, the unorganised non-farm sector has acquired a new position to provide the jobs to the rural labour.

Ajit Kumar Singh analyses the changes in the structure of workforce during the period 1981 to 2001 on the basis of census data at the all India and state levels. Analysis has been carried out for the entire workforce as well as the for the rural workers and separately for male and female workers respectively. Due to the non-availability of sectoral break up of workers for 2001, analysis has been undertaken for four major categories i.e. cultivators, agricultural labourers, household industry and other workers. The study finds that during the decade of 1991 to 2001, there has been a significant growth of marginal workers and sharp shifts in the workforce out of the agriculture sector. These features are spread over all states of the country as well as different segments of the workforce i.e. rural-urban and male-females respectively. The magnitudes of such structural shifts have been unprecedented. The study also
finds that in the recent years, there has been a steady shift in the workforce in favour of non-agricultural sector. The growth rate of total non-agricultural workers jumped sharply in the 1990s as compared to the 1980s across all India and states. Both the two components of non-agricultural sector, namely household and industry and other workers, showed a sharp jump in the post-reform period.

Supriya Roy Choudhary provides a brief outline of some of the important shifts in labour's position in the current era of globalisation. The author found shrinking of the organised sector accompanied by expansion of informal labour characterised by inadequacy of social safety nets, and the changing dynamics in trade union functioning. The study observed loss of jobs in organised sector employment as liberalisation has created an enabling environment for cutting down regular salaried jobs through VRS, contractual employment, sub-contracting etc. Citing the example of Gujarat, one of India's fastest growing industrial state, the author says that there has been all along the massive erosion of Gujarat's oldest and largest industry, textiles. The decay of the textile industry, the displacement of nearly a lakh of persons from employment, and the consequent hardships borne by an estimated 3 lakh persons is widely documented. These twin features – the developmental achievements of the state and the informalisation of a large labour force, has generated a debate which is relevant in the context of understanding the impact of globalisation on labour. These developments are indicative of the fact that the trade unions have been by and large unable to stem the tide of policies which negatively affect labour.

Ramgopal Agarwal makes a significant contribution towards understanding the nature of contemporary social security systems in India and for designing comprehensive and sustainable mechanism to provide social security, especially for those engaged in unorganised sector activities. The economic reforms in India has witnessed very adverse consequences on labour and employment that include slackening employment growth coinciding with high GDP growth; shrinking organised employment; declining employment elasticities; and increasing informalisation of the workforce and rising
unemployment rates. These negative trends of growing insecurities can be addressed through formulation and implementation of innovative social security reforms, targeted mainly to the requirements of the expanding informal sector.

Lalit K. Deshpande, et al. address to the labour flexibility in Indian manufacturing by posing the questions such as: Can employers reduce employment and wages? Do labour laws, unions and collective bargaining deter employment? How are the flexible labour categories related with one another? Does the extent of labour flexibility differ with the ideology of the state? And what policies can be drawn from the study. Based on a comprehensive labour flexibility survey of more than 1300 firms scattered across ten states and nine manufacturing industries, these questions have been examined meticulously.

Harsh Bhat critically discusses the concept and scope of social security maxim based on the principle of social partnership for social cause of protection in the context of individuals against eventualities leading to physical, financial or emotional distress. He throws light on various social security laws and schemes available for the organised sector such as EPFO and ESIC schemes, but there is no such social security laws for the unorganised sector. The study estimates that globally there are over two billion people who have not been covered by any form of social security protection. This is a major challenge in the existing social security system that have evolved in the last century in the form of institutional support required by all persons in order to mitigate hardships in the event of losses due to sickness, injury, loss of income and inability to work. The author put forth strongly that the unorganised sector workers should be covered under the various social security schemes as available to the labourers in the organised sector.

Renana Jhabvala, et al. brought out the analytical clarity of the important issues of the informal sector that has hitherto remained neglected on account of the intractable data problems. Drawing from the CSO’s NAS, ASI, NSS Surveys on unregistered enterprises and employment surveys and Economic Census of enterprises, the study provides insights and estimates of the contribution of informal sector to value addition and highlight the
deficiencies in the data sets. The study provides a glimpse of the nature of policy advocacy by NGOs, especially the SEWA experience that brought the informal sector centre stage in policy discourse and gave it some visibility.

Papola and Alakh N. Sharma discuss some of the detrimental effects of LPG process in India in the 1990s. The authors reveal that it is absurd to go for the slogan of 'India Shining' as on the labour fronts India has lost its shine. On the employment front, there was no 'shine' at all during the 1990s as employment dipped despite of high rate of GDP growth. Most of the additional jobs were created of the poor quality in unorganised sector. Flexibility of labour market has increased despite of restrictive labour laws in place. The strengths of trade unions has weakened in terms of influence and bargaining. Given these trends, the authors believe that the organised voice on behalf of workers is likely to further weaken, and conventional rights of the workers will be further marginalised. Therefore, a conscious, concerted and sustained effort by political group and civil society is imperative for the faster employment growth resulting in some tightening of labour market thus leading to an improvement in economic dimensions of quality of work.

Ramanujam, et al. make a valuable contribution to the era of contract labour by giving the diverse viewpoints on the various aspects of contract labour in the wake of globalisation and liberalisation towards the substitution of regular employment. The study provides a panoramic overview of contract labour including concept, definitions, its types, determinants and issues of contract labour including the issues pertaining to their working conditions, safety and social security and collective bargaining. The author presents future agenda emphasising the modification of legislative provisions which have proved to be totally ineffective in mitigating the hardships of the contract labour.

Shyam Sunder attempts an aggregate and disaggregate quantitative analysis of lockouts data in order to comprehensively understand the phenomenon of lockouts in India for the period 1961 to 2001. The study reveals that while the incidence of lockouts has clearly increased over the years. The most remarkable feature of lockout has been increase in duration of lockouts which in certain instances have lasted for more number of days in recent times
than in the past. Comparatively, they lasted longer than strikes. These facts have prompted the unions and researchers to speak of a rise in employers’ militancy which is not necessarily a national phenomenon since the lockouts incidence has been concentrated in a few regions or industries. Therefore, both the views- employer militancy on one hand and weak union power on the other need to be used with caution. There is thus a need to improve the data sets on both accounts such as classification and causes of work stoppages to reflect the better realities.

Tony Avirgan, et al. provides some insights into the exploration of linkages between informal employment and poverty by studying the labour markets of five countries i.e. Egypt, El Salvador, India, Russia and South Africa. A major contribution of the country studies in this book is that they have, with the exception of India study, analysed existing national data by using the ILO- 2002 concept of informal employment. The major findings of study reveals that economic reforms and restructuring have had a negative impact on the quality of employment in Egypt, El Salvador, India and Russia. Informal economy is not on the decline and all the countries have problems in respect of generating robust growth of formal and modern employment. By way of policy responses as to how the terms and conditions of informal employment can be improved, the study suggests explicit attention to the relevance of so-called Active Labour Market Policies (ALMPs), which in the context of developed country refer to skill training, direct job creation or improving job matching retraining displaced workers and securing matches with employers. A solid and fundamental argument in the context of developing countries is that the ALMPs in developing countries need to address demand side structural constraints that discourage the creation of formal jobs, encourage informalisation of employment relations, and undermine the competitiveness of micro entrepreneurs and own account producers.

Amit Bhaduri argues that even after six decades of independence, India has failed to deal with the mass poverty, unemployment and various forms of social and gender discrimination. He points out that soon after Independence, India opted the strategy of state led industrialisation but never
envisaged a plan for a full employment society with access to basic health, education and social security for all. An economy is doing well does not necessarily mean that the people are doing well. A mere growth in GDP or a booming stock market and a pro-middle class of economy do not sufficiently reflect growth in real terms. In a lucid manner, the author highlights the fact that if the market is left to decide what goods to produce, it might simply end up not producing even the most essential and necessary goods needed by the majority of the poor people. The state, therefore, must provide basic necessities like health, education and housing for the poor. He proposes the idea of ‘employment first with growth as outcome’ instead of the believed view of ‘growth first and full employment later’. Unguarded liberalisation breeds inequality which needs to be handled by the state. The need of the hour is to combine participatory democracy with high rate of pro-poor growth sustained over time so as to provide human dignity to all our citizens.

_Bhattacharya and Sakthivel_ attempt to examine the relationship between employment, wage and output in India by using an employment demand function at one digit industry level and across sectors and the states in the pre and post reform period. The study is based on the daily status NSS data on employment, real wage and GSDP for output. The study observed an all round decline in the employment growth in the 1990s as against a robust employment growth of 1980s. Similarly, the real wage earnings, too witnessed a decline in the post reform period. At all India level, real wage growth registered a phenomenal growth of 15 percent during the pre-reform period while in the 1990s it tumbled to a very low level at 3 percent. The exercise suggests that despite many institutional bottlenecks, the basic labour function postulated in the wake of economic liberalisation is still valid for India. The employment elasticity with respect to real wage is negative and is most marked during the post-reform period where a 100 percent wage increase resulted in a sharp reduction in workforce by 60 to 65 percent, whereas during the pre-reform period, a 100 percent wage increase was associated with 30 to 40 percent fall in employment.
Bibek Debroy, et al.\textsuperscript{50} in his introductory remarks dealt with various issues i.e. labour market flexibility, reform of industrial relations, labour policies for the digital economy and the issue of reservation jobs in the private sector in the context of globalisation. Employment generation and not the employment protection should be the goal of labour policy. Employers will create jobs only if they enjoy the freedom to terminate them. Therefore, the total number of jobs created in an unregulated economy would be greater than the number of protected jobs in the regulated system. The study suggests that the protectionist clause in the chapter V-B of Industrial Disputes Act appears to be outdated in the liberalised environment as there are various laws to prevent the victimization of unionism. Further, the dishonest employers have come to use political connections to circumvent the protectionist measures of the chapter by indefinite lockouts, bogus transfer deeds, non-payment of electricity charges etc.

Goldar and Banga\textsuperscript{51} while analyzing the wage–productivity relationship in the organised manufacturing in India and across states for the period 1981 to 1999-2000 finds that during 1975-76 to 1999-00, labour productivity in organised manufacturing grew at the trend rate of 5.8 percent per annum. The trend growth rate of real wage during this period was much lower at about 3.1 percent per annum. Since the 1980s, wage growth has been lagging behind the productivity growth which may be attributed to weakening of the bargaining strength of labour. The decline of the public sector may have been a contributing factor since the wage settings in this sector plays an important role on the wage settings in the private sector. The observed gap between growth rate in productivity and wage at the all India level is also found for different states e.g. Gujarat, H.P., Maharashtra and Utter Pradesh. Across states, there is a significant positive correlation (r=0.5) between productivity and real wage indicating that labour productivity exerts an important influence in wage settings. However the regression coefficient is found to be 0.25 implying that a hike in labour productivity would lead to much less than proportional hike in real wage. Thus only a small part of gain in labour productivity, therefore, gets translated into wage increase. Besides, the labour market conditions matter a lot in wage settings. The stronger the trade union, the higher the wage earned
by the industrial workers. Greater labour flexibility tends to push wages down. On the other hand, a good investment climate raises the industrial wage.

*Hanumantha Rao, et al.* study covers a wide range of themes, viz. population, secularism, macro models, trade liberalisation, agriculture and environment. The analysis on macro models provide a backdrop within which issues pertaining to sectoral growth performance has been examined. The study highlights the positive impact of the reform process on growth of firms and total factor productivity. The conventional variables such as size, outward orientation, capital intensity etc, which initially had a negative impact on growth of firms, subsequently turned out with positive impact.

*Himanshu* surveys all the available sources and estimates of agricultural wages in rural India over the period 1980-81 to 1999-2000. There are five estimates of wage data for rural labourers i.e. Agricultural Wages in India (AWI), Rural Labour Enquiry (RLE), National Sample Survey, Cost of Cultivation Studies (CACP), and Wage rates in Rural India (WRRI). Of these, NSS and RLE wage data are from the NSS quinquennial surveys on employment and unemployment. The author reveals that these wage sources not only differ from each other in the concepts and definitions used, but also in methodology and survey design to arrive at wage rates. This not only results in differences in magnitudes of wage rates reported by such agencies but also differences in gender differentials in wage rates and growth rates for different time periods considered. The evidence suggests that the probability of the NSS wage data is closer to the reality since NSS provides wage data for the activity status for casual labour and since bulk of casual labour is from rural labour households, there is a consistency between the RLE at household levels and the NSS wage data according to activity irrespective of the status.

*Shyam Sunder* comprehensively studied the issues in the labour market flexibility in India in the context of the globalisation. He reveals that it is essential to have some balance between flexibility and security and neither is to be given exclusive importance. Both trade unions and employers do not serve either their sectional interests or social interests by sticking to their ideology. Reckless and relentless pursuit of flexibility by employers could prove to be
counter-productive as it at best becomes an ideological battle rather than constituting rational business decisions. Similarly, the trade unions ought to realise that flexible jobs are not bad ones and they are necessary for some category of workers so as to enable the unfortunately placed workers to enter into the labour market. Both government (via its macroeconomic policies) and employers by their social vision should boost the confidence of the working class.

Srivastava and Richa Singh focus on agricultural wage and growth rate of real wages based on RLE and RLHH data and reveals that for all India and states, the growth rate of real agricultural wages has declined in the 1990s for each and every major states.

In an influential study, Sundaram focuses principally on the changes in the size and structure of workforce, and changes in labour productivity, wages and poverty in India in the first quinquennium of the 21st century. The study reveals that the beginning of this century has seen a sharp acceleration of workforce especially of females relatively in both the 1980s and the 1990s. On the other side, the study finds that during 2000 to 2005, there has been a slow down in the rate of growth of labour productivity across most sectors and in the economy as a whole accompanied by a decline in real wage growth in rural and urban India. Consistent with the trends in labour productivity and real wages, this period also saw a small rise in the number of working poor and a substantial rise in the number of self-employed and regular wage/salaried workers in the 'above poverty' line households. The study concludes that despite diversification, India still remains a country of farmers, fishermen, hunters and loggers, with marginal gain in the share of professionals and technical workers and administrators, executives and managerial workers.

A case study by McMillin on the working conditions in the BPO and six call centres in the Bangalore City reveals that BPOs, particularly the call centres although have achieved phenomenal success in offering English speaking college graduates' quick employment with comparatively high wages, but have transformed Indian urban labour into a global proletariat. On the basis of an in depth interview of 40 employees from six call centres in Bangalore City,
the author has concluded that working during the night and attending their daily chores during the day is the most glaring drawback of the job. Working conditions in the call centres resembled those of sweat shop labour. The workers also complained of abusive conversation from callers and many of them suffer from an identity crisis due to verbal contact with an American client.

*Mahendra Dev* study mentioned that the experience of the last 15 years has been that GDP growth has not been accompanied by a commensurate increase in employment. On the employment front, the study reveals that the reform process has caused dualism in labour market resulting in gradual transfer of workforce mainly in the unorganised sector; casualisation of workers; increase in self-employment and underemployment; and increase in the rural non-farm employment. It found that the biggest failure of the post-reform period has been inadequate public investment in infrastructure. Private investment is concentrated in rich states and therefore there is a need for promoting of public investment in the poor states. The need for the development and growth of non-farm sector is essential to remove the poverty of agriculture sector. It emphasised on cluster approach, training and skill improvement, credit flows, technology upgradation and social security for improving productivity and reducing vulnerability of the low productivity informal sector workforce.

*Alakh N. Sharma* while focusing on the flexibility, employment and labour market reforms in India argues that in the absence of restrictive labour laws that create inflexibility in the labour market would have resulted in higher growth of employment. However, on the other hand, this view is vehemently contested by the trade unions and many other economists. The study shows that Indian labour market is still quite flexible despite so called restrictive labour laws, but at the same time, Indian labour laws are so numerous, complex and even ambiguous that they promote litigation rather than the resolution of problems related to industrial relations. A comprehensive view on labour market reforms is required, the one that addresses the needs of both employers and workers. The author recommends simplifying and rationalizing the complex and ambiguous extant pieces of labour legislation into a simple
code that allows for labour adjustment with adequate social and income security for the workers. The challenge before the Indian industrial relations system, therefore, is to devise a framework, which combines the efficiency of the enterprise with the interests of the working class.

Pallavi Chavan, et al.\textsuperscript{60} examines the trends in agricultural wages in India from 1964-65 to 1999-2000 using the data from Agricultural Wage In India (AWI) and the Rural Labour Enquiry, and highlighted the limitations of the AWI data. The trends show that earlier there has been a striking rise in the growth of daily earnings across all states between 1983 and 1987-88, but between 1987-88 and 1993-94, and further between 1993-94 and 1999-2000, there was a distinct slowdown in the growth of real earnings for both male and female agricultural labourers across majority of states. Second, there was a rising trends in real wages across districts in the 1990s. Third, the difference between the average wage of male and female agricultural labourers have widened over the years. Further the daily wages of male agricultural labourers exceeded the minimum wage levels in most states, while those of women were below the minimum in most states. This fact, combined with the rising male-female earnings ratio indicates that the gender disparities in wages in the Indian countryside are widening.

Srivastava and Richa Singh\textsuperscript{61} analysed the issues of rural wage rates from three NSS rounds for 1983, 1993-94 and 1999-2000 for 15 major states and reveals that a major promise of economic reforms was the trickle of stimulus to the agriculture sector so as to raise demand for labour in rural areas. However, the recent studies have given conflicting results regarding the trends in wages. The result shows that the growth rate of manual casual agricultural wages declined during the 1990s with some differences across the states. In the case of wages of all casual (manual and non-manual) wage labour, a decline was registered by both agricultural and non-agricultural wages in the 1990s. Analysis of the determination of agricultural wages revealed that in general, agricultural productivity, rural diversification, investment per hectare in agriculture, and the percentage of agricultural labourers in the workforce
were the key factors, but the impact of latter two recorded lower in 1999-2000 compared to the earlier periods.

Arup Mitra\textsuperscript{62} while examining the wage-employment relationship in the organised manufacturing sector in India for the pre and post-reform period found that productivity and employment are negatively associated with each other and this relationship worsened during the post-1993 period. Employment grew at much slower pace as compared to value added in various segments of organised industrial sector due to which labour productivity growth appears to be phenomenal. The study advocated the state support for improving the wages, productivity and the quality of employment in the informal sector. The author argues that without disturbing the wage, employment can be increased. Besides, the labour intensive technological process can raise both productivity growth and employment growth.

Chandrasekhar and Ghosh\textsuperscript{63} discusses the changes in employment and unemployment in India as per the 61\textsuperscript{st} round on employment. The study reveals that there have been notable changes in the employment pattern and conditions of work in India over the first half of this decade. The late 1990s was a period of quite dramatic deceleration of aggregate employment generation which touched the lowest rate ever recorded. The recovery during 61\textsuperscript{st} round has been most marked in rural areas where the earlier slowdown had been sharper. This in turn reflects an increase in labour force participation rates for men and women according to both usual status and daily status perspectives. During this period, there has been a shift in the type of employment against wage employment in general and a very significant increase in the self-employment among all categories of workers in India. The increase has been sharpest among the rural India especially for the females.

Chandrasekhar and Ghosh\textsuperscript{64} in another study have examined the trends of real wages by categories at 1993-94 prices and found that for most categories of regular workers, the post-reform period (1993-94 to 2004-05) has not been favourable for real wages. While real wages have increased slightly for rural male regular employees but the rate of increase has decelerated compared to the pre-reform period. For all other categories of regular workers,
the real wages in 2004-05 were actually lower than in 1999-2000. The economy has, therefore, experienced a peculiar tendency of falling real wages along with relatively low levels of regular employment for majority of the workers. The authors conclude that a large part of the increase in self-employment and in employment as a whole is a distress driven phenomenon led by non-availability of gainful employment. Therefore, this shift towards self-employment has become a part of the survival strategies of the working people. Regarding the trends in labour productivity, the study reveals that the labour productivity at constant prices tripled between 1981-82 and 2003-04 from 0.7 to 2.1 percent. However, the benefits of this sharp increase were largely appropriated in the form of rent, interest and profit income by propertied class, but workers share in value added declined from 0.3 percent to 0.15 percent during 1981-82 to 2003-04.

Suresh Aggarwal\textsuperscript{65} made an attempt to establish an empirical relationship between the real wage rates and employment levels in the Indian public enterprises for the pre-reform period (1975-76 to 1989-90) and the post-reform period (1990-91 to 2004-05) on the basis of the data of Public Enterprises Survey. Investigation has shown that due to labour inflexibility as a result of policy regimes in place and strong trade unions, there was no hypothetical negative relationship between the real wage rates and the employment level till 1990-91, but since then, due to the LPG process, the negative relationship between these two variables began to emerge. While the real wages grew rapidly in both the periods but more so in the post-reform period, while employment level actually declined in the post-reform period.

Rajarshi Majumdar\textsuperscript{66} while attempting to outline the trends in employment and earnings in the Indian manufacturing sector over the nineties observed that during the 1990s most of the employment expansion has been in the unorganised sector. This has been accompanied by a fall in real wage in the organised sector in the post-reform period and in the smallest size class of units – the OAMEs. The SAP has affected different industries differently, at least for the larger units, while the regional differences have narrowed down.
The association between wage growth and productivity growth has turned negative in this period.

Another significant work undertaken by Mathew dealing with the problem of providing adequate gainful employment confirming to ILO’s vision of decent work reveals overall deceleration employment scenario in the 1990s along with a sharp increase in unemployment rates except in case of urban females. Due to the declining organised sector employment, the workforce is moving to unorganised sector and hence there is a rise in casualisation, informalisation and feminisation of the workforce in the reform period although in some cases the trend had been visible even earlier. The author asserts that information technology and the IT-enabled services have the huge potential for employment generation in India despite of its small employment base in relation to the total size of the economy. BPOs are said to be the business tool of 21st century, and India has emerged as a major centre for global software outsourcing due to relative advantage in terms of educated young workforce.

S.P. Gupta work is a critique of the reform process but characterised it a phase of high growth rate of GDP unaccompanied by a corresponding rising growth of employment. At the same time he presents an alternative strategy for sustainable employment generation promoting equity and poverty reduction by promoting gradual shift from the quantity of employment to the quality of employment over time. He reveals that nearly 92 percent of India’s employment and 60 percent of GDP is generated in the unorganised sector. Although the corporate sector is still producing more than 42 percent of GDP and growing at more than 7 percent, its contribution to employment has hardly been around 7 percent and moreover, its contribution to incremental employment has, over time become zero or even negative over time. Therefore, the growth and reform process initiated in the mid-1980s and 1990s created greater regional inequality, more rural-urban imbalances, higher poverty and more unemployment. As an alternative strategy, the author stresses the use of labour use and capital saving appropriate technologies, by reviewing many of the prevailing indigenous technologies in the small and medium sectors and a
healthy ancillarisation between large and small units to promote employment as has undertaken in certain areas of China.

Ruddar Datt critics examined the nature of the nexus between poverty and employment in the pre and post-reform periods. After analyzing the experience of Indian economy in the pre and post-reform periods, the study observed that reforms and high growth themselves have not ensured reduction in poverty and unemployment. It is argued that the welfare of common man (Aam Aadmi) would be improved only when unemployment is reduced and poverty is alleviated and that some new initiatives for promoting pro-poor growth and for enhancing employment opportunities in the economy are urgently pursued. There is an urgent need for adopting pro-poor and pro-employment strategies.

Papola and Jesim Pais highlights the main issues that have emerged thus far in debate in the labour market reforms in India. After briefly discussing the important labour regulations in the country including their coverage, the authors assert that the most contentious issue in the arena of labour market reform debate today is the inflexibility in the labour market caused by the labour regulations. There is however enough evidence of increased labour market flexibility since the 1980s, though no significant changes in labour regulations took place in this period. The authors argue that a change in the system of labour regulations in the Indian industry is needed not only to facilitate a smooth process of labour use and adjustments to meet the requirements of competitive efficiency in the wake of economic liberalisation and globalisation, but primarily because many of the premises underlying the existing regulations have changed, as a result of sweeping changes in technologies and production systems and character and composition of entrepreneurial and working class.

Rangarajan, et al. analysed the data generated by the 61st round of NSSO on employment and unemployment in India. The study shows a reversal of the declining trends of employment growth rate which increased from an annual 0.98 percent during the 1990s to 2.89 percent in the period 2004-05. Interestingly along with this increase in employment, there was a sharp acceleration in the growth of labour force from 1.03 percent to 2.93 percent,
which was above the population growth. The unadjusted employment elasticity for the period 1999-00 to 2004-05 was estimated at 0.48 percent. Economic growth has been a major driving force in achieving higher level of employment. However, a close perusal of data indicates that bulk of increase in employment in this period has been in the informal sector, while agriculture still account for a large percentage of the workforce. The trend is a cause of concern as the relatively low wages and lack of social security have translated into the phenomenon of working poor.

In a recent study, Sheila Bhalla\textsuperscript{72} analysed the impact of economic liberalisation and structural adjustment programmes on employment and poverty in the country in the pre-reform and post-reform period (1993-94 to 2004-05) based on the 61\textsuperscript{st} round figures on employment and unemployment. The study reveals that India achieved a substantial improvement in the employment situation between 1999-00 to 2004-05, but at the same time, 2004-05 employment survey revealed a distinct worsening of the employment situation. The employment growth rate has been more than doubled between 1993-94 to 1999-00 and 1999-00 to 2004-05 from 1.02 percent to 2.85 percent per annum along with the workers population ratio. The hitherto unrelenting rise in the share of casual workers in the total workforce had ceased, with the self-employed group growing fastest and the regular wage and salaried set also expanding instead of contracting for the first time in these years. The study reveals that despite the surge of successful entrants into the 'employed' category, the share of labour force which was unemployed but seeking work rose from 6.1 percent in 1993-94 to 12.3 percent in 1999-00 and then to a record level of 15.3 percent in 2004-05. The 1983 to 1993-94 is the only period in which the backlog of CDS unemployed was reduced in India. Regarding the improvement in productivity during the 1999-00 to 2004-05 period, The study reveals that much of the additional employment generated was of poor quality and located in informal unconventional settings. The real wage growth decelerated significantly for rural and urban areas, for agricultural and non-agricultural workers, for males and females and for all levels of education. In urban areas, the average daily earnings of regular workers declined for the first time in these decades. Lastly, author suggests a proportionate shift in the
workers out of agriculture into non-farm employment for alleviating poverty and unemployment.

*Biswajit Ghosh*\(^7^3\) examined the responses from trade unions with respect to changing industrial scenario in the wake of ongoing economic reforms. Author argues that economic liberalisation has subdued industrial unrest by putting several constraints before labour. Today unions are defensive, less militant and more pragmatic about the productivity and efficiency of their organisation. The need to expand the horizons of trade union struggle beyond the so called citadel and incorporate the general socio-economic and political issues in trade union’s agenda have initiated a new beginning the history of working class movement. Today trade unions can sustain themselves only through a pragmatic approach that compels them to develop wider networks in association with other civil society organisations.

*Mehrotra*\(^7^4\) study argues that India needs a comprehensive social insurance system of old age pension, death/disability insurance, health insurance and maternity benefits for the workers in the unorganised sector. After discussing some of the social security measures available for the unorganised workers the author suggests that in the first phase, social insurance system should be confined to those below the poverty line which will keep fiscal costs down. Keeping fiscal costs down initially would be politically perceptible, as it would help in limiting the opposition to such social insurance on fiscal grounds. Over time it should incorporate those situated in the above the poverty line in the unorganised sector. The paper also laid out the case for financing of such BPL-focused social insurance system from Gross Budgetary Support and the Social Insurance Cess as surcharge on income tax on the line of education cess.

In an influential study, *Sodhi*\(^7^5\) analysed India's development before and after globalisation especially in terms of poverty, inequality, employment and unemployment. The author reveals that while India did lay the foundation of growth in the fifties and sixties but remained limited to certain sectors. However the overall growth rate remained modest, the public sector did not deliver the goods and the anti-poverty and unemployment alleviating programmes had a
lackluster performance. The period after globalisation, as a whole, has been seen with higher growth rate, increase in GDP and a robust foreign exchange situation with a record high FIIs and FDI. The benefits though have been asymmetrical with unorganised sector and agriculture remaining out of the orbit of globalised development. The fruits of globalisation have thus been reaped by the already affluent class of the society.

*Jeemol Unni and Uma Rani* have provided an empirical study of enterprises and workers belonging to the unorganised sector, in the context of technology transfer, productivity, value added, growth of employment, informalisation, industrialisation, labour flexibility and emoluments since the initiation of the economic reforms. The study found that there has been improvement in almost all aspects except that earning differential between the skilled and unskilled workers that has changed adversely for the unskilled workers. The new technology is all about deskillling. The author asserts that employability of an individual is of course a function of the skill he/she possesses. Hence in training for employment, skill formation must be given a due place.

*Ghose* takes a stock of the employment effects of globalisation in the emerging countries. Globalisation has not had a positive systematic effect on
the formal sector employment in the emerging countries as it has affected employment in the modern sector governed either by altering output structure or by altering technology. In the first case, labour productivity showed decline but employment growth accelerated because of increasing share of labour intensive product. While in the second case, labour productivity growth accelerated accompanied by employment decline because the share of both-capital and skill intensive products increased in all industrial products. Further, across all emerging countries, the effect of globalisation on the labour productivity and the employment as well has systematically followed negative path in the traditional sector.

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