ABSTRACT

GLOBALIZATION, ECONOMIC DEVELOPMENT AND SOCIAL VULNERABILITY: A THEORETICAL ANALYSIS

It has been a common experience in developing countries that globalization has led to dichotomy within the agricultural sector. The nature of this dichotomy is that the agricultural sector is divided into the traditional agriculture and the modern agriculture. While the traditional agricultural sector is either import competing or non traded, the modern agricultural sector is export oriented. This agricultural dualism is the central theme of our thesis. It is around this theme that a set of general equilibrium models has been constructed to analyze effects of selective aspects of globalization, namely capital inflow and agricultural trade liberalization.

Since globalization may lead to discontent, we would focus on certain selective indicators of social vulnerability namely wage inequality, real wage measured in unit of food, unemployment and the incidence of child labour. The different chapters of the thesis are arranged accordingly. In the second chapter, our focus is on wage inequality while in the third chapter we examine effect on the real wage measured in unit of food which can be used as a proxy for food insecurity. In chapter 4, unemployment of both skilled and unskilled labour is considered. In chapter 5, we examine implications of globalization for the incidence of child labour. Except chapter 4, all other chapters include welfare analysis which is based on duality approach. The results in different chapters depend on factor intensity ranking, factor specificity and multiple cross effects embedded in a general equilibrium framework. Chapter 6 contains summary of findings of earlier chapters.