

RELATION BETWEEN GLOBALISATION AND EMPLOYMENT

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ABSTRACT

Globalization has direct impact on the economy of the country, as by the increase in economy there increase in the employment rate of the country. More and more people get engaged in the industrial sector as the employment opportunities expanded provide employment to every person. So it can be said that Globalization is the representation of the global integration of international trade, investment, information technology and cultures. Government policies designed to open economies domestically and internationally to boost development in poorer countries and raise standards of living for their people are what drive globalization. However, these policies have created an international free market that has mainly benefited multinational corporations in the Western world to the detriment of smaller businesses, cultures and common people.

Keyword: Globalization, Economy, Employment.

INTRODUCTION

Globalization means steady combination of economies through free movement of goods, services and capital. In the nineteenth century i.e. the first era of globalization was the rapid growth of international trade between the European imperial powers, the European colonies, and the United States. The process of globalization accelerated after World War II, subsequent to the formation of Bretton Woods's institutions and the regeneration of Western Europe through the Marshall Plan. Globalization has proceeded with great speed since the beginning of the 1980s and most of the countries of the world have been more closely integrated with one another since then. [1] The process of amalgamation has been greatly helped because of declining transport costs and the advent of Information and Communication Technologies (ICTs). With this amalgamation there is

significant changes in these sectors like gross trade, foreign direct investment (FDI), capital flows and technology transfers. There is a significant impacts on the economies of both developed and developing countries after the Globalization and closer integration of economies.[2]

RELATION BETWEEN GLOBALISATION AND EMPLOYMENT

There had been a very important role played by Globalization in the generation of employment in India. The wake of globalization was first felt in the 1990s when India become deficit of money then the finance minister, Dr Manmohan Singh initiated the economic liberalization plan .Since then, India has slowly become one of the economic giants in the world. Today, it has become one of the fastest growing economies in the world with an average growth rate of around 6-7 %. There has also been a significant rise in the per capita income and the standard of living. Poverty has also reduced by around 10 %. The service industry has a share of around 54% of the annual Gross Domestic Product while the industrial and agricultural sectors share around 29% and 17% respectively. The exports have also improved significantly by the process of globalization. Since the economic liberalization policies in the 1990s, there is numerous change in the employment scenario. After conducting analysis of the impact of globalization on employment in India will bring out a number of factors.

1) LIBERISATION POLICES OF MARKET AND EMPLOYMENT

The need of globalization was felt in India in the early 1990s when Manmohan Singh was the then Finance Minister who initiated the open market policies. This led to a numerous changes in the gross domestic product of the country and the export system. There was noteworthy rise in the customer base and it gradually gave rise to the consumer market where the market changes were dependent on the demand supply chains. In fact, the growth in demand brought a promising changes and the supply too started increasing. As, supply is directly proportional to employment, more supply led to more production which led to more employment to the skilled laborers only but somewhere it's been curse to the unskilled laborers because there is of the advancement of technology after globalization.[3]

2) EVOLUTION OF NEW FRAGMENTS IN THE MARKET

After the globalization there was tremendous growth of the consumer market which leads to heavy rise in the rate of demand and supply. In the recent years there are number of industry segments such as information technology, agro products, personal and beauty care, health care and other sectors have come into the market. Leads to the introduction of an extensive range of sectors have led to the auspicious growth of the economy in the country but was only in the favors of skilled and qualified labors. As there was auspicious growth of the economy simultaneously there was growth in the technology which reduces the worth of human workforce. So the unskilled labors suffers a lot by the emergence of process of globalization.[4]

3) STANDARD OF LIVING BEING IMPROVEMENT

As globalization has put a promising impact in the economy of the country, there has been an improvement in the standard of living of the people but that was not in the favor of unskilled labors because this new process had led to the growth in the technology as well and that is not in the favor of skilled labors.

Conclusion

So in a nutshell it is concluded that globalization has tremendously effects the employment in every sector of the country by expanding the more employment opportunities.

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