

# CONDITION IN VARIOUS SECTORS AFTER GLOBALISATION

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## ABSTRACT

*Globalization has changes the scenario of all the sector either it be formal sector or informal sector. As Globalization has emerged as a ray of hope in all the sectors of the country by enlarging their ambit to grow more and prosper more. Both the sectors i.e. both formal and informal have witnessed significant change after the globalization in 1990's at the time of heavy recession.*

Keyword: Globalization, Formal Sector, Informal Sector.

## INTRODUCTION

Globalizations somewhere or the other affecting the employment situation through trade liberalization, through boosting exports and imports and through increasing incentives for investment and innovation. FDI has also boosted up which supplements domestic investment and leads to higher growth of the economy. Globalization mostly combined with domestic liberalization, which also results in reducing the power of trade unions and boosting informal contractualisation and lock outs. The advocates of globalization have always been of the strong and determinants view that globalization would result in significant increases in labor intensive exports thereby promoting employment and income generation in developing countries.[1]

## CONDITION IN VARIOUS SECTORS

### INFORMAL SECTOR

After the emergence of globalization there was tremendous growth in the informal sector people got engage in the own self-employment Following are the various areas where we can see the scenario of informal sector after globalization:

Great Increase in Self-employment:

The table show an analysis of employment data into status classes from 1993-94 to 2004-05 throws significant light on changes in the nature of employment during this period. First, unlike during 1993-94 to 1999-00 when the number of casual labor had increased rapidly in both the rural and urban areas, it is self-employed who have registered a big increase during 1999-00 to 2004-05. This analysis reflects that there is increase in self-employment by the globalization.[2]

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Table 7  
Incremental Workers, 1999-00 to 2004-05 (In Million)

Employment category	1999-00 over 1993-94			2004-05 over 1999-00			Urban	
	R+U person	Male	Female	Person	Male	Female	Person	R+U person
Self-employed	4.54	18.51	18.37	36.88	9.31	3.56	12.87	49.75
Primary	-4.76	9.95	15.10	25.06	0.95	1.09	2.04	27.10
Secondary	3.81	2.71	2.19	4.90	2.30	2.01	4.30	9.20
Tertiary	5.5	5.85	1.07	6.93	6.06	0.46	6.52	13.45
Regular employment	7.35	2.00	1.25	3.25	5.37	2.68	8.05	11.30
Primary	0.05	-0.52	-0.16	-0.67	0.01	0.02	0.03	-0.64
Secondary	1.15	0.81	0.24	1.04	2.56	0.34	2.90	3.95
Tertiary	6.16	1.71	1.17	2.88	2.80	2.31	5.11	8.00
Casual worker	12.28	-0.47	-1.56	-2.03	0.21	0.19	0.40	-1.63
Primary	6.16	-5.54	-2.59	-8.13	-0.35	0.05	-0.30	-8.43
Secondary	3.69	5.56	1.08	6.64	1.54	0.55	1.90	8.54
Tertiary	2.67	-0.38	-0.09	-0.47	-0.87	-0.19	-1.06	-1.52
All workers	24.17	20.04	18.06	38.10	14.89	6.42	21.31	59.41
Primary	1.65	3.79	12.29	16.08	0.61	1.16	1.77	17.85
Secondary	8.01	9.09	3.62	12.71	6.34	2.69	9.03	21.74
Tertiary	14.5	7.16	2.15	9.31	7.93	2.57	10.51	19.82

Source: NSSO, Employment and Unemployment Situation in India, 61st Round.

(ii) Remunerations of Self-employed Workers

There was no Data on earnings of self-employed is collected by the NSS. But after collecting the data during the 61st round there arises a question, whether the earnings by self-employed were considered adequate or not by the respondent households? Only a little over 50 per cent of the rural and nearly 60 per cent of the urban self-employed reported that their employment was remunerative. That the expectations of self-employed are not so high also came out for the fact that about 40 per cent of the self-employed in rural areas felt that their income of less than Rs. 1,500 per month was remunerative enough. About 30 per cent of the urban self-employed felt that less than Rs. 2,000 per month was remunerative employment. The minimal income on which the self-employed survive and their low levels of expectation come out harshly even using this rough indicator of income.[3]

**FORMAL SECTOR**

We all are aware of what had happened in the year 1991 before the implementation of LPG. India was left with almost nothing and no one was ready to give assistance to India even IMF refused to lend assistance. Such was the situation of our country. Then came this concept of Globalization which opened up doors and has indeed created jobs in India. Today many people work for prestigious company which is not an Indian company works. So, this means that it was because of

Globalization today everyone getting jobs in India. There are several Companies like Oracle, Ernst and Young, KPMG, Deloitte, PWC, HP and many companies are hiring Indian employees not because we are low cost, but because we are hard workers and efficient enough. In India people don't mind working for 6 days in a week and don't mind to work extra time and don't mind to get paid less salary. They are always seen as the hard workers and this is the reason why many MNC'S and TNC'S have outsourced their functions in India. During the period 1999-00 to 2004-05, 8.5 million jobs were created in the organized sector.[4]

In India there were many people who were highly educated but still they had been remain jobless because of the lack of companies and employment opportunities ,So the process of globalization become boon to the formal sector by the creation of lots an lot of jobs and providing opportunity of the employment to the people of India.

## CONCLUSION

In formal sector due to globalization the MNC'S came to India which created competitive environment in the domestic market of India. Indian companies started to cut their labor cost by decreasing their number of employee in their company and started looking for more skilled persons by which employment opportunity for skilled laborer increased.

On the other hand in informal sector there is also growth of employment but those were the self-employed people not a general employed one but they were in short of funds because of the poor connectivity of banks in rural area due to which their failed and back to their work which were not remunerative. So researcher concludes that with this that the employment opportunities changes with the skills of labors.

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