

# **Effect of Neo-Liberal Globalisation on Women in Garment Industries: A Third World Perspective**

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## **Abstract**

The garment industry has significantly contributed to the economic growth of many developing countries, with women constituting a large percentage of the labour force. However, gender inequality persists in this sector, manifesting in inadequate safety standards, wage disparities, and lack of maternity benefits and proper compensation packages. Despite efforts by international organizations to promote decent working conditions, the effectiveness of these initiatives has been limited due to a lack of understanding of the gendered aspects of these issues. This research aims to shed light on the consequences of patriarchal structures within organizations in comprehending the challenges faced by women in the garment sector and the development of appropriate policies. The study assumes that women's voices and concerns are insufficiently represented in policy-making processes, necessitating a gendered perspective on the development, implementation, and monitoring of policies related to the garment industry. This understanding will enhance awareness of the working conditions of women in the garment industry and highlight the impact of global policies on the female labour force. The study examines the historical aspects that contribute to globalisation, subsequent policies, and their impact on women, particularly in the context of export-oriented garment industries.

**Keywords: Female labour, Globalisation, Gender inequality**

## **Introduction**

The second five-year plan in India, implemented between 1956 and 1961, prioritised rapid industrialisation and adhered to the Mahalanobis model for the production of capital goods. This approach enabled capitalism to drive the country's development, which later merged with globalisation and revolutionised the world economy by connecting global markets. The transnational phenomenon facilitated the import of advanced technologies that are highly reliant on capital investment (Indira Hirway, 2012). Consequently, technological advancements and productivity increases were observed, accompanied by a decline in employment intensity. Unfortunately, this reduction in employment affected the often marginalized and discriminated group of women. Patriarchy was perpetuated in the organisational structure, which curtailed

women's growth and ensured their subjugation. Women in the lower strata of the industrial workforce confronted the challenge of wage disparities, while women in higher positions faced a glass ceiling, which prevented them from securing managerial roles. They also experienced the dual burden of work and household responsibilities, which negatively impacted the female labour force participation rate. In garment industries across developing countries, such as India, Pakistan, and Bangladesh, large-scale employment of women as formal and informal labourers has been observed to meet the demands of international buyers. This study, based on secondary research, aims to examine the historical aspects that contribute to globalisation, the subsequent policies, and the impact of these policies on women, particularly in the context of export-oriented garment industries, where women constitute the highest percentage of employed individuals.

### **Industrialisation and women**

The period following India's independence in 1947 was marked by significant industrial growth accompanied by a shift in employment from traditional agriculture. According to gender experts, the industrial labor force and employment of women were primarily based on gender. Few women were employed in factories and the support and protection they received were inferior to those of men. Policies designed to protect labour, such as the Factories Act (1948), the Minimum Wages Act (1948), and the Employees' State Insurance Act (1948), which appeared to be gender-neutral, were gender-blind. The subsequent era of globalisation, which challenged traditional market practices, also brought about changes in the perception of women's labour. As world markets opened up for exports, developing countries such as India were under pressure to keep up, and a viable solution was to employ women from the lower strata of society, mostly Dalits, to empower them. However, these women were merely a means to an end in the corporate world's culture, and governments failed to anticipate the consequences of unregulated markets and the dominance of capitalists.

As a part of the capitalist world, women were subject to both economic and emotional labour, which affected the female labor force participation rate, and the percentage of women in the informal sector became higher than that in the formal sector. However, there have been many studies on women employed in the informal sector, and time-use surveys have also been conducted in this regard. Women's labour in the formal sector has been consistently neglected because of the common belief that they enjoy the protection of an organized system. This may hold true to some extent, but in the case of garment or textile industries, which are a focus here, women are also the most penalised according to reports by the International Labour Organisation (ILO).

**Ministry of Labour and Employment, India  
– Statistics on Women Labour**

According to the data provided by the Office of Registrar General & Census Commissioner of India in the 2011 Census, the total number of female workers in India amounts to 149.8 million, of which 121.8 and 28.0 million were from rural and urban areas, respectively. Of the total 149.8 million female workers, 35.9 million females work as cultivators and another 61.5 million as agricultural labourers. Of the remaining female workers, 8.5 million remain in households, and 43.7 million are classified as other workers. As per the Census 2011, the



work participation rate for women was 25.51 per cent compared to 25.63 per cent in 2001. The female labour participation rate decreased marginally in 2011 but improved from 22.27 per cent in 1991 to 19.67 per cent in 1981. The work participation rate for women in rural areas was 30.02%, compared to 15.44 per cent in urban areas.



In the organised sector, 20.5% of the total employment was female workers in the country in March 2011. This was an increase of 0.1% from the previous year. As of March 2011, there were approximately 59.54 lakh women workers in the organised sector, both in the public and private sectors, according to the latest Employment Review by the Directorate General of Employment and Training (DGE&T). Additionally, approximately 32.14 lakh women were employed in the community, social, and personal service sectors.

### **Feminist Analysis of Existing Laws**

Labour laws in India have thoroughly focused on the idea of promoting growth along with social justice in tandem with the efforts of labor unions. However, despite the state and the unions' consistent efforts, the laws' ability to improve women's living and working conditions was negligible, as described in the landmark report published in 1971, "Towards Equality." It was an eye-opener to the dire circumstances in which women were surviving with patriarchy, clawing its way into not just the domestic sphere but the workplace as well. While acts like the Maternity Benefit Act of 1961 offer relief to women on some levels, there is a lack of legal awareness among female workers. This is a contributing factor for employers to take advantage of. An analysis of the allocation of Variable Dearness Allowance of Minimum Wages with effect from October 2022 has no separate mention of women's labour. The general labour classification in this regard has been Unskilled, Skilled/Clerical, Semi-Skilled and Highly skilled are the most probable categories in which women fall under unskilled due to a plethora of reasons. Despite the assumption that the New Labour Code provides relief to women's labor across the country, measures must be taken to understand its effective implementation in both public and private sector organisations.

### **Women in Garment Industries**

The garment industries in South Asian nations such as India and Bangladesh have been significant contributors to their economies and have increased the employment ratio of women in the labour force. "India's ready-made garment industry contributes around 16 per cent to total export earnings and is the largest foreign exchange earner in the country" (WTO,2019). Post-1980 saw unprecedented growth in the export industry, and the growth chart statistics show that from \$2 million in 1960-61 to \$696 million in 1980-81, it then increased sharply to \$2,236 million in 1990- 91 and to \$4,765 million in 1999-2000. The vast wage disparity was the driving force behind the globalisation of the garment industry. Studies have shown that the hourly wage of Indian labour is a meagre Rs.8 per hour, whereas a British worker performing the same work received around Rs.420. Thus, the capitalist tendency of the upper and lower classes is synonymous with the imperialist notion of civilised and barbaric groups pushing for cheap labour and higher production of goods.

The onus of cheap labour fell on women, mainly from marginalised communities who were desperate for jobs that promised a stable source of income. The Indian state firmly believed that this was a way to empower women and ensure financial freedom. However, the challenges were masked by the rosy nature of the benefits offered by employers. The actual reasons for the employment of women, which were different from the portrayed norms, were: i) the common notion that women in the developing regions were meek beings who would barely retort against any kind of discomfort and would

succumb to the system; ii) women will not question the wage disparity because they are fed the patriarchal notion of the superiority of men; and iii) the stable source of income will not let them rise in protest despite the atrocities meted out to them.

Here, I would like to discuss a study conducted in Bangalore, Karnataka, which houses more than 800 garment industries and has the largest female workforce. The exploitative nature of women's employment in the garment industry is well documented and requires no elaboration. Briefly, the large majority of women, whether working as skilled or unskilled helpers, do not even receive the legally stipulated minimum wage. Workers are frequently required to work overtime, but because this is set against production targets, they are not paid for overtime work. Work insecurity is one of the most widely reported problems, as employers frequently terminate a woman's service just before the completion of five years to avoid payment of gratuity. Harsh production targets, sexual and verbal abuse, lack of maternity and other leave, lack of accident insurance, and absence of toilets and creche facilities are some of the commonly stated and widely known features of female employment in garment manufacturing. This misery underpins the production of high-fashion garments sold in chic stores in the first world and worn by middle- and upper-class women who pay for a single dress at a price that exceeds several times the monthly income of a woman who produces it.

### **Challenges to women in the garment labour force due to Globalisation**

The post-1991 era in India saw a massive difference in the treatment of women as the labour force in industries, especially the textile sector. Female workers typically migrate from rural areas to work in the garment industry to meet financial needs. Women's labour in the garment industry mostly comes from households below the poverty line. Therefore, the proposition to empower women through employment in these capitalist industries was thought to pave the way for the emancipation of this vulnerable group. However, with the fashion industry boom and the convergence of interests among global consumers, there is still a constant need to consistently satiate consumer behaviour. The mass production of goods has become inevitable. This had adverse effects in that it created a hostile working environment, and reports suggest that it took a toll on women's physical and mental health.

**i) Impact on physical well-being:** The research study "Sewing shirts with injured fingers and tears: An exploration of the experiences of female garment workers' health problems in Bangladesh revealed that physical health issues included headaches, eye pain, musculoskeletal discomfort, and exhaustion. Moreover, it was found that garment work is so physically demanding that women cannot continue working



for more than a decade. These findings are in line with other studies that have revealed that the majority of female workers leave factory work before reaching the age of 40 years. Workers reported that getting sick and injured was common. Physicians believe that stressful conditions in factories prevent women from working for an extended period. The study also highlighted that due to male dominance in supervisory roles, it is challenging for women to voice their concerns, particularly those related to menstrual health. Furthermore, this gendered division of labor extends to their domestic life, where husbands expect them to fulfil their household duties despite working long, physically demanding hours.

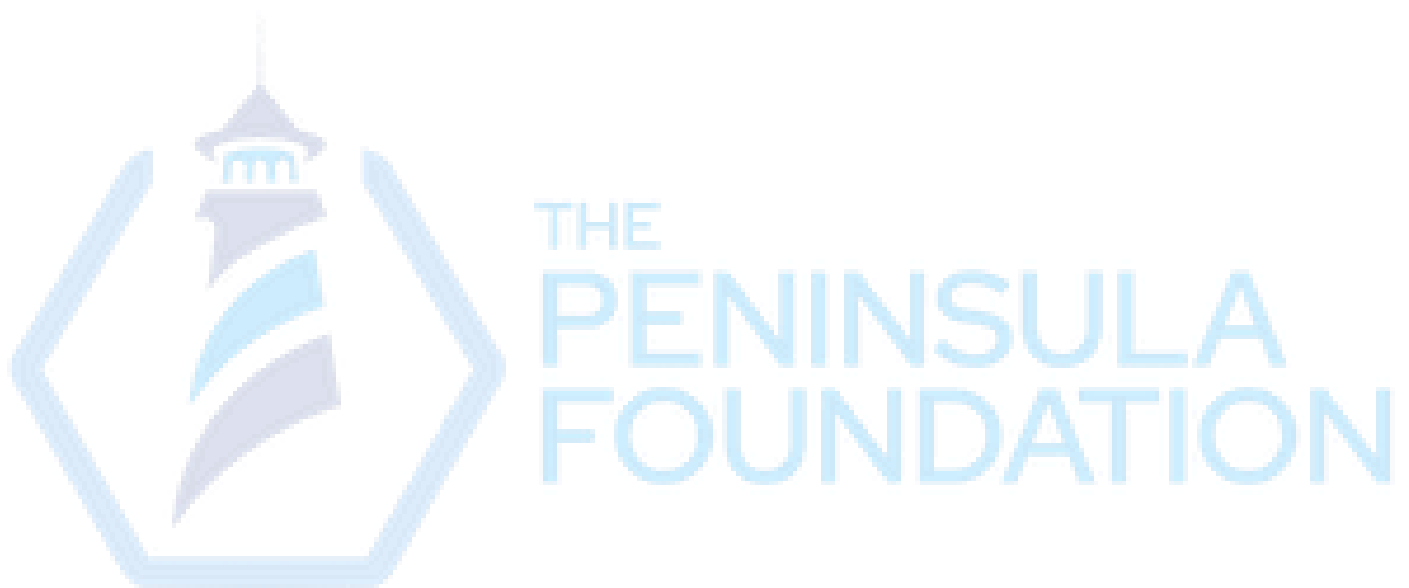
**ii) Impact on mental well-being:** The article "Mental Health Status of Female Workers in Private Apparel Manufacturing Industry in Bangalore City, Karnataka, India" brings to light the significance of mental health awareness and the need for a safe working environment for women in the garment factories. Depression and other mental health problems have become global health concerns, with socially disadvantaged individuals being more susceptible to these issues. In low- and middle-income countries, scarce human resources, limited access to mental health services, and high costs pose critical challenges. Separation from their children is a significant issue for these women, most of whom have left their children in their home villages due to a lack of time to care for them due to long work hours and financial constraints in providing for their children's living expenses in the city. They work tirelessly from morning until night and during weekends, with no one at home to look after their children. They only return home a few times a year, and the distance to their villages can be up to ten hours of travel time. Consequently, they have no choice but to leave their children in their villages to live with their grandparents. Nevertheless, reducing long working hours is not an option for them, as they need to earn money to support impoverished families.

To promote the physical and mental well-being of female workers in the garment industry, it is essential to devise health interventions that cater to their unique needs. These workers play a crucial role in the nation's economic growth, and their health needs should therefore be addressed with utmost importance.

### **Way Forward**

Although women are at a disadvantage, their participation in decision making is crucial. A developmental perspective based on male priorities and the male perspective of women's role in a patriarchal society like ours cannot alleviate the plight of women, who are already constrained by traditional gender role expectations. Stakeholder theory posits that firms are responsible for the consequences of their actions, and, based on this premise, women are considered normative stakeholders to whom the industry owes a moral obligation of stakeholder fairness.

Furthermore, emphasis should be placed on including women in the policymaking process to increase the accountability of the formulated policies. Illiteracy is a global issue that contributes to the deterioration of women's status and feminization of poverty. Lack of knowledge about their political, social, and economic rights leads to the exploitation of women and hinders their ability to form pressure groups. The relationship between grassroots women and activists should be utilized to build awareness and sensitize both men and women. Engaging men sensitive to women's issues is beneficial. It would be advantageous for women's causes if their struggle is perceived as a fight for human rights, rather than solely as a gender-based movement.



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