

# [Welfare the basic issue sociology essay](https://assignbuster.com/welfare-the-basic-issue-sociology-essay/)

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CHAPTER 1INTRODUCTION –: Welfare, the basic issue in the theory of economics, is largely a function of distribution, given the size of income and wealth. Welfare economics[1], framed on the classical ‘ laissez faire’[2]economic philosophy, postulates that in a perfectively competitive set up the operation of market forces would take care of the well being of the individuals which, in turn, would result in the welfare of the society as a whole. But experience have shown that market tends to be unfriendly to people. Wherever markets are dominant there is inequality, and large scale unemployment. Therefore, government intervention is needed for the improvement in the distribution of welfare. After the introduction of globalisation[3]the issue of welfare has become a challenge to welfare State. The exposure to globalisation has increased the need for higher social security by workers. The term social security generally, refers to formal schemes which cover core contingencies which were laid down by the International Labour Organisation (ILO) in 1952 as the social security (minimum standards) convention No. 102: health care; incapacity for work due to illness; disability through work; unemployment; maternity; child maintenance; invalidity; old age, and death of the breadwinner. Access to these forms of social security can be through a mixture of contributions between workers themselves, employers and governments. Within the general rubric of ‘ social security’, the distinction is made between social insurance, which usually has contributions from beneficiaries and employers and/ or the state, and social assistance, which does not have the insurance principle – i. e. governments decide that certain groups of citizens need assistance, and that government should pay, using different taxation mechanisms. Hence, the term social security denotes public provision for the economic security and social welfare of individual and his family as such, through social assistance or insurance. As the market alone is insufficient to provide social security to workers, therefore, from welfare economics perspective government intervention is needed and become more significant in the provision of social security during globalisation. Thus, social security has become a major instrument to improve welfare and to deal with negative economic consequences of globalisation such as reduction of employment and income. Though globalisation influence is worldwide, it is much more significant in a transforming economy like India. After the adoption of the new economic policy of liberalisation, privatisation and globalisation (LPG) by the Government of India in 1991, the social security programmes are needed to be restructured to protect the workers from the negative impact of globalisation. Thus, Defence personnel as a part of organised workforce are also affected by globalisation and seek redesigning of social security programmes for them after the retirement. Hence, this study tries to analyze the impact of globalization on social security system especially in terms of income and employment for the retired army personnel below officer rank (PBOR)[4]from Southern Command, Pune. 1. 1 BACKGROUND OF THE STUDY -The concept of social security has developed in the course of a historical process.[5]Social security as a system evolved first in the Western countries in response to the sociopolitical consciousness developed during the industrial revolution. Chancellor Bismarck introduced social insurance measure on national scale. Accident Insurance bill introduced in 1881 and enacted in 1884, Sickness Insurance Act, 1883, Old Age and Invalidity Insurance Act, 1889 were the three measures adopted by Bismarck. These three laws were finally integrated in Workmen’s Insurance Code of 1911. It was in 1925 that an unemployment insurance programme was provided in Germany. It covered nearly the entire industrial population of Germany. Austria and Hungry soon followed the example of social security scheme in Germany. By the beginning of the 20th century, social security programmes were favoured by most of the European countries. In the USA., social security measures, as conscious and concerted effort, came in 1935 through the Social Security Act, 1935. In New Zealand, the Social security Act, 1938 provided all social security benefits. In Britain, social insurance was started with Workmen’s Compensation Act, 1897. In 1908, Old Age Pension Act and in 1911, National Health Insurance Act was passed. However, the social security in its present forms is mainly a post-war development. In Great Britian, Sir William Beveridge was appointed in 1941 to prepare a unified scheme of social security for the reconstruction of a better Britain in the post-war period. The Beveridge report on ‘ Social Insurance and Allied Services’ was published in 1942 and the governmnet in 1943 accepted the basic principles of Beveridge plan. From the above discussion, the two models under which most prevalent social security systems can be classified are the German model (Bismarckian model or social insurance) and the British model (Beveridgean model or the social assistance). The Bismarckian model focused on maintenance of living standard and the benefits were earnings-related, whereas the Beveridgean model guaranteed only a subsistence income to all older people at a flat, universal rate. Countries like Italy, France, and Japan followed the Bismarckian model based on contributory social insurance, while Australia, Switzerland and the Scandinavian countries followed the Beveridgean model. Since the 1970s, there has, however, been greater convergence in the social security policy. The modern system of social security has taken its present shape after a long period of metamorphosis. The ILO has categorized the historical growth of social security system in the advanced countries into three stages. In the first stage, the system was Paternalistic, where private charity and poor relief was provided for the indigent but with hard eligibility conditions. In the second phase, social insurance schemes were developed based on compulsory premia to be borne by the participants. In the third stage, the concepts of prevention and universality were introduced with the aim of maintaining and enhancing quality of life. Social security system started operating in the Third World countries like India during the Colonial period. This was in the wake of the British rule which introduced social security for their people in the colonies.

## 1. 1. 1 Growth and Development of Social Security in India -

As in the case of most of the developing countries, modern India also does not have a universal social security system to protect the elderly against economic deprivation. Perhaps, higher levels of poverty and unemployment act as deterrents to institute a pay-roll tax[6]financed State pension arrangement for each and every citizen attaining old age. Instead, India has adopted a social insurance policy that largely hinges on financing through employer and employee participation and restricting the coverage to the organised sector workers. The existing social security schemes in India can be classified into three categories. The upper tier consists of statutory pension schemes and provident funds for the organised sector employees; the middle tier comprises of voluntary retirement saving schemes for the self-employed and unorganised sector workers; while the lower tier consists of targeted means tested[7]social assistance schemes and welfare funds for the poor. In India, the institutional form of social security began with the Workmen’s Compensation Act, 1923 which provides for the payment by certain classes of employers to their workmen of compensation for injury by accident. The act was based on the principle of employer’s liability. Social insurance came later with the enactment of the Employer’s State Insurance (ESI) Act, 1948. The ESI Act was followed by the Coal Mines Provident Fund and Bonus Schemes in 1948 and the Employees Provident Fund and Miscellaneous Provisions Act in 1952. In 1954 the Industrial Disputes Act was amended to provide for payment of unemployment relief in case of retrenchment and lay off. Further, the Maternity Benefit Act, 1961 was enacted. The next statutory measure in the field of social security was the Payment of Gratuity Act, 1971. Subsequent developments in so far as these acts (laws) are concerned were mainly in the nature of the extension of their coverage in terms of the number of persons covered and the quantum of benefits. Most of these provisions of social security benefits are applicable to organized/formal sector employees, which constitute only 8 percent of total workforce in India.

## 1. 1. 2 Defence forces and Social Security system in India –

The Central government employees and the Defence forces personnel, as a part of organized sector/formal sector is also covered by the same type of above mentioned social security acts/laws. Generally, these social security benefits aim at economic security to workers in India. Economic security includes continuous employment with assured source of income adequate for meeting basic needs. Therefore, these benefits are also aiming economic security of retired army PBOR. Thus, the social security needs of Defence forces are also being covered by the same ‘ Umbrella Law’, which covers the employees in the Central government[8]. It is a normal belief that social security measures, resettlement management and welfare measures of Defence services are satisfactory and effective but real experiences are different. Further, globalisation is affecting social security needs of retired army PBOR namely, employment and income. Therefore, it requires empirical analysis for its understanding. In the light of above, there is an immediate need to review the existing social security system meant for the Defence personnel in general and specially for retired army PBOR. They are more vulnerable to the shocks after the retirement in young age due to unfinished family and other social responsibilities which necessitate them for taking up a second occupation. Their social security and resettlement measures are not sufficient and they face adverse impacts of globalisation on employment and income due to the problem of low marketable skills, inexperience to civilian trades etc.

## 1. 2 STATEMENT OF THE PROBLEM -:

The Armed forces (Ex-servicemen) are required to maintain a youthful profile to optimize their operational efficiency. To achieve this objective, their personnel are retired at a comparatively young age. The Service Officers are retired between the ages of 50 and 60 years depending on rank, Junior Commissioned Officers (JCOs) and Non-Commissioned Officers (NCOs) retire between the ages of 47 and 52 years. Other ranks (ORs) retire between the ages of 35 and 40 years. Consequently, a large number of the Armed Forces personnel retire in the age group of 35-47 years. Approximately, every year about 60, 000 service personnel are retired[9]or released from army, navy and air force. The total number of ex-servicemen (ESM) and their dependents go on increasing every year. As per statistics maintained by Ministry of Defence (MOD), there are about 19. 50 lakhs ESM and about 4 lakhs widows registered as on 30th June, 2005. The ESM population is mainly concentrated in the states of Punjab, Uttar Pradesh, Uttaranchal, Haryana, Maharashtra, Kerala, Rajasthan and Tamil Nadu. The situation gets further complicated due to various other factors which are at play simultaneously. The social and family commitments of the personnel separating from service are the highest in this age bracket when the children are yet to be settled and the parents are old and require care and attention. This generates a sense of insecurity, years before the individually actually retires. They are in the prime of their life at the time of their retirement and have maximum financial and domestic responsibilities. From their own point of view, they themselves need an alternative career and from country’s point of view, non-utilisation of this dedicated and disciplined is a waste of talent that can be gainfully used to the nation’s advantage. Taking into consideration the fact of early retirement from service, Armed forces personnel are granted pension at a scale which is liberal as compared to their civilian counterparts. Government also recognizes their social, domestic and personal commitments at their comparatively young age of retirement. The matter of resettlement for army PBOR is a compensation for the deprivations (working away from their family, early retirement, inadequate income, socio-economic obligations such as education, marriage and employment of children etc.) incurred throughout the occupational career. The need for such compensation may be explicitly recognized by the state. Therefore, in recognition of their needs, government has taken a number of measures like resettlement training programs as a compensatory measure to protect them from the negative impact of globalisation (low employment opportunities and low income) in civil life in the form of providing re-employment as well as self-employment opportunities. Government has also undertaken various steps for the welfare like reservation of seats in educational institutes, scholarship for meritorious students etc. for ESM[10]and their families. But, these measures are proving insufficient due to globalisation especially for retired army PBOR and thus, they require more social security. The researcher confined the study on the social security, welfare and resettlement problem of retired army PBOR because in comparison to army Officers they are less educated, low skilled, low level of awareness about the civilian situations and very few job opportunities exists for them after the retirement. On the other hand, the navy and air force personnel in the same strata possess more technical, academic skills and abilities. So, comparatively within the organisation as well as outside, the army PBOR are ill-equipped to adjust them and to find a suitable job for them in the rapid changing competitive market after the retirement. They are left with less job opportunities, fewer choices and will be affected most by the globalisation after the retirement, which requires immediate attention. Hence, resettlement assistance as a social security tool is necessary for maintaining high level of morale in the services and to attract right type of men in the Armed forces. This area of research is not being analysed on account of lack of published data, information and therefore a few studies are being carried on the social security, resettlement management and welfare measures of retired army PBOR. Therefore, the said research work will contribute in this field. The retired army PBOR of Southern Command, Pune is focused in the present study as it is the largest command in the country and the number of retired army PBOR is also maximum in this region.

## 1. 3 REVIEW OF LITERATURE -:

There are few studies based on the exact relationship between globalization and social security. Most of the studies analysed globalisation in relation to its impact on welfare state. Studies related to globalisation and social security confirms that globalisation is affecting the social security system. Employment and wages are the most important potential channels through which the impact of globalisation can be felt. Therefore, it requires redesigning of social security (Dutt, Amitava Krishna and J. Mohan Rao, 2001). However, on the issue of how globalisation impacts on the welfare state there is a wide divergence of views. Bowles, Paul and Barnet Wagman (1997), Rudra, Nita (2004), Deacon, Bob (2000), analysed the relationship between globalisation and welfare state. Stefanie Walter (2010), Ming-Chang Tsai (2007), Burgoon, Brain (2001), discussed the need for compensation due to globalisation. The academic literature on social security is uneven. There are very few studies on social security system. The issues in developing countries, where the social security is yet to become full fledged, are however, entirely different. Midgley, James (1984), Jutting, Johannes (1999), Atkinson, A. B. and John Hills (1999), studied the kinds of social security System in place in developed and developing countries. Dreze, Jean and Amartya Sen (1999), Burges, Robin and Nicholas Stern (1999), defined social security in the context of protective and promotional for developing countries. Agarwal, Bina (1999), Datta, Rakesh (1998) suggested public action to achieve social security benefits. The National Commission on Labour (2002), Jetli, N. K. (2004) reviewed the variety of social security schemes, plans and programmes for organised as well as for unorganised sectors and recommended that it should be tailored to the needs of the diverse sections of the people, especially those who are vulnerable. Whereas, Subrahmanya, R. K. A. (1995), Dev, S Mahendra (1996), Parthasarthy, G (1996), reviewed the Social Security schemes available to the unorganized workers. Vijay (2001), Unni, Jeemol and Uma Rani (2001), Wardhan, S. K. (1992), addressed the need for social protection in informal economy for informal workers especially in the post-liberalisation period. Guhan, S (1992), Dev, S Mahendra (1994), Prabhu, K Seeta (2001) studied Social Security initiatives and expenditures in States for Unorganised workers. All the available Indian studies have been incorporated in the works of Ginneken, N. V. (1998) and Dev, S Mahendra (2001). Some of the major problems pertaining to the existing measures of social protection as revealed by these studies include following aspects –Inadequacy of coverage and benefits of social securityExistence of wide variations in standards of social security, eligibility criteria and scale of benefits among the different states; andSignificant variations in the efficiency level of implementationThere are studies carried out on the problems faced by Defence personnel after retirement. Parmar, Leena (1999), Kishore, Satyendra (1991), Singh, M. K. (1985) carried out study on resettlement of ESM and the socialisation problems faced by them within society as well as at family level. Singh, M. K. (1985), Mahajan, R. N. (2001), Kapoor, S. B. L. (2002), analysed the insecurity faced by ESM in civilian life with respect to resettlement and welfare of ESM in India. These studies concluded that the present engagement of serving periods extending periods extending on an average to 17-35 years result in the least conducive system for reasonable resettlement and rehabilitation of ESM Anbarasu, V., Bisht, B. S. (2008), Balaram, K (1999), examined the existing structure of resettlement and welfare agencies and suggested changes to provide effective welfare to ESM. The details of these studies are given in chapter-2.

## 1. 3. 1 GAPS IN THE EXISTING RESEARCH -

It can be seen from the literature review that, there are several empirical studies on social security system in the context of developed countries. But they are lacking in developing countries. The Indian studies are mostly related to the social security provisions for the unorganized workers. The issue of social security of labour in the context of globalisation is not adequately addressed in the Indian studies. There are studies on Defence sector focusing on resettlement and welfare policy which is a part of social security benefits for the ESM. But, even though studies have been done on social security benefits for ESM but there are certain issues which have remained untouched. There is no specific work has been done to understand the Defence and social security programmes in the context of globalisation. This is a major research gap which has not been analysed till so far which may be due to inadequate data. The issues of social security, re-settlement management and welfare policy requires attention for retired Defence personnel in general and army PBOR in particular. After initiating the new economic policy of 1991, this issue has not been analysed from the perspective of globalisation. The change in economic policies has affected the workforce. The retired Defence personnel are no exception to this. It has been generally felt that the retired army PBOR is not vulnerable to globalisation and they have adequate social security which is not true. Therefore, the study focuses on globalisation and social security of retired army PBOR. Hence, this work is an attempt to study and to bridge the gap in research in this field. 1. 4 NEED FOR THE PRESENT STUDY-: The issue of social security, resettlement management and welfare of army PBOR requires a separate attention. Most of the army PBOR retires at a time when they themselves are young and enthusiastic, capable of channeling their energies toward the development of society, and when their family commitments are heavy. At the time of retirement, majority of service personnel are at an age of 35-40 years where they have numerous unfinished family and other social responsibilities. Meeting their personal commitments, particularly the education of their children, within their meager pension is not easy. Inevitable then is the need for an alternative career, which in that age group is not easy to find. To overcome these post-retirement problems related to social security, the army PBOR is given resettlement training and welfare benefits. The resettlement training before retirement, not only endevaours at smooth second – career transition but also attempts to bear the jerks of transition itself by way of institutional counseling, guidance, training and liasioning. There is separate mechanism for resettlement and welfare of Defence personnel in India (discussed in detail in chapter-4, section 4. 3. 2) which operates under MOD. The Department of Ex-Servicemen Welfare in the Ministry of Defence is the apex wing of the Government in the Ministry of Defence to formulate   various policies for the welfare and resettlement of ESM in the country. The Directorate General of Resettlement (DGR) under the Ministry of Defence looks after all matters connected with the resettlement of ESM. At the Central level, the Kendriya Sainik Board (KSB) under the Chairmanship of the Raksha Mantri lays down general policies for the welfare of PBOR and their dependents. Similarly, at the State level, the Rajya Sainik Boards (RSBs) and at the district level the Zila Sainik Boards (ZSBs) have been established to look after re-settlement and welfare of PBOR. The researcher felt that in spite of necessary Government bodies at Central and State level namely the MOD, Department of Ex-Servicemen Welfare under MOD, DGR, KSB, RSB and ZSB, the contribution of these bodies preparing army PBOR for resettlement and helping them in their post-retirement life is not satisfactory. MOD has some non - planned budget allocations of resources for social security (especially for pensions, gratuity and other retirement benefits) from its budget for PBOR. But, that is not the sufficient tool to deal with the problem of resettlement. The present resettlement policy and social security measures requires a change in the new economic environment because the skills, training and education of army PBOR has become itself a cause of worry and reason of economic insecurity to them.

## 1. 5 OBJECTIVES OF THE STUDY -:

## PRIMARY OBJECTIVE –

To examine the impact of globalisation on Social Security and welfare policies in India with special focus on retired army Personnel Below Officer Ranks. To understand the process and policy of resettlement management for the retired army Personnel Below Officer Rank. To study the social security and welfare policy for the retired army Personnel Below Officer Ranks since 1991.

## SECONDARY OBJECTIVE–

To study the trends in the countries UK, USA, Canada, Australia and New Zealand regarding the resettlement management and welfare policy for retired Defence personnel. To identify the second career options available and sectors best suiting to retired army PBORTo suggest measures to develop appropriate social security, resettlement and welfare policy in changed economic environment.

## 1. 6 HYPOTHESIS -:

The policy of globalization is influencing different types of labour in a different manner. The impact varies according to the age, education, level of awareness, skill / training, the social security and welfare benefits provided. All this is reflected in terms of resettlement after retirement which is determined from the level post-retirement employment and income. Thus in the present study, the impact of globalization is hypothesized as positive (+), negative (-) or open-ended (+/-) in the following manner: H1 -The relationship of the retirement age and the status at the time of retirement is hypothesized as negative with post-retirement employment and open-ended with income. H2 -The relationship of education and re-settlement training with post-retirement employment and income is positive. H3 –There is a positive relationship of social security and welfare benefits and in-service skill with employment and income. H4 - The image as an army personnel have positive relationship with employment and income.

## 1. 7 RESEARCH METHODOLOGY-:

The present study is confined to Southern Command. It’s headquarter (HQ) is located in Pune but its geographical area comprises of its two Corps located at Jodhpur and Bhopal. Besides, Maharashtra, Gujarat and Goa Area, with its HQ at Mumbai and the Andhra, Tamilnadu, Karnataka and Kerala Area with its HQ at Chennai also come within its ambit. Pune has also three army cantonment boards namely, Pune Cantonment Board, Khadki Cantonment Board and Dehuroad Cantonment Board. It has a training centre for Engineers (Bombay Engineering Group and Centre) and Doctors (Armed Forces Medical College). Important and prestigious institutions are located in Pune like Research & Development, National Defence Academy, College of Military Engineering, Army Physical Training Centre, Intelligence School and the Institute of Armament Technology. Further, it has two big hospitals, Military Hospital, Kirkee and Command Hospital, Pune. With such a large Defence set up, a large number of Defence personnel are getting an opportunity to complete their tenure here. At the time of retirement, it is natural for them to settle down in Pune due to availability of private jobs for themselves and educational and medical facilities for their dependents. As mentioned earlier, most of the retirees are army PBOR, therefore, the number of PBOR applying for re-employment to Zila Sainik Welfare Office (ZSWO), Pune will be high. It will justify our sample selection of Southern Command, Pune.

## RESEARCH DESIGN –

Research design can be grouped into following methods for the present study –Exploratory – For this study exploratory research design has been taken for the presenting information and discussion. Research problem has been explored in the area of Southern Command, Pune for more depth and intense research analysis. Descriptive – It includes surveys and fact finding enquiries of different kinds. Survey method is used in the present research to collect the primary data from retired army PBOR through the means of structured questionnaire. Experimental – The present study is a data-based research. The primary data collected through questionnaire from retired army PBOR are capable of being verified by experiment. The researcher has used the data to test the hypothesis related to impact of globalisation on social security.

## 1. 7. 2 SAMPLING DESIGN/ TECHNIQUES -:

Universe/Population: The study takes into consideration only the retired army PBOR. Therefore, all the army retired PBOR of the country becomes the population of the study. Sample: The sample selected for the study is from Southern Command, Pune. It is the largest command in the country. Therefore, the retired army PBOR from Southern Command, Pune is also high. The main official data source on retired army PBOR in Southern Command, Pune HQ is the ZSWO, Pune. As the study is focused on the social security, re-settlement management, and welfare aspects related to army PBOR, therefore, the retired army PBOR registered for re-employment assistance at ZSWO, Southern Command, Pune forms the sample for the study. A list of 1, 385 retired army PBOR registered with ZSWO for re-employment is available who retired from 1991-2011. Sample size: The sample was selected with the help of list available on retired army PBOR registered for re-employment with ZSWO, Pune. Out of the 1, 385 army PBOR, 250 (appx. 20%) respondents were contacted. Of this 225 returned questionnaires, 25 were unusable. Hence, the randomly selected 200 respondents (more than10%) formed the sample for the research. The description of randomly selected sample on the basis of retirement rank is given in table 1. 1 below –Table 1. 1 Distribution of sample

## Ranks

SepoyLance NaikNaikHavaldarNaib SubedarSubedarSubedar MajorHonorary Captain

## Total

## No. of Respondents

277288121144200Source - Filed survey

## SAMPLING PROCEDURE -

Sampling method / design: Probability sampling method is used as it relates to random selection of the respondents i. e., army PBOR. Sampling technique/procedure: The researcher has used convenience and purposive sampling technique to collect the primary data.

## METHODS OF DATA COLLECTION -

The following methods of data collection were used -Questionnaires: Questionnaire is an organized attempt to collect information and to analyse, interpret and reports about the present status of said group. In the present study, data was collected through the use of fully structured questionnaires. The questionnaire first developed in English was translated into Hindi. In order to simplify the filling of questionnaire, respondents were required to just tick mark the appropriate choices. The questionnaire was divided into 7 sections and consists of 37 questions. I-Respondent’s Profile; II- Status at the time of joining Army, III – Status at the time of retirement, IV – Status after retirement; V – Career after retirement, VI – Social security programmes, resettlement management and welfare, VII – Impact of Globalisation. Interview: To supplement the data, the primary data is also collected through interviews. In this study, both structured and unstructured interview techniques are adopted to collect information. The researcher conducted personal interviews with officers of the Re-settlement Board of Southern Command, Pune, RSB, Pune, ZSWO, Pune. Discussions: The researcher had discussions with officers of the Resettlement Board of Southern Command, Pune, RSB, and ZSWO officers. These discussions are helpful in gaining an insight into the thought process of research.

## SOURCES OF DATA COLLECTION-:

## Primary data -

The data on retired PBOR in Southern Command, Pune region is available from the ZSWO, Pune. As per the data from the ZSWO there are 23, 873 ESM registered from all the three services (Army, Navy and Air Force) for the assistance after the retirement with the ZSWO, Pune in October 2011. Out of these about 21, 415 are army PBOR. Among them, total 3, 071 army PBOR is registered with the ZSWO for re-employment. A list of 1, 385 army PBOR is available with ZSWO.

## Secondary data -

Secondary data for research is collected through annual reports of MOD, standing committee reports, Ministry of Finance, Government of India budget documents, Economic survey, publications of ILO, Books, magazines, journals, Websites etc. to enhance the conceptual knowledge and to get a better understanding of the topic of the study.

## Processing & analysis of data –

The primary data was edited, coded and classified on the basis of rank, retirement age, education, trade, duration of retirement, pension, current occupation and current income. These variables were converted into tables. To simplify the data for presentation, it has been shown in percentage.

## Statistical Techniques:

The major seven variables used in the study for statistical analysis are - age of retirement, rank, status at the time of retirement, increase in education level during service, training acquired during service, social security and welfare benefits, in-service skill developed, and image as an army personnel. These variables were analysed through cross tabulation and Chi-square techniques. To build the model for the study, these seven variables are linked with employment and income. Researcher denoted the relationship of these seven independent variables with two dependent variables like employment and income through positive (+), negative (-) or open ended (+/-) signs. The hypothesis on impact of globalisation on social security is tested with multiple regression analysis by using statistical package for social sciences (SPSS). Multiple regression analysis is adopted for the study as it is concerned with the study of how one dependent variable affect changes in another two or more independent variable. R2 was also calculated as it provides more useful information on the extent of relationship between the factors under study.

## 1. 8 SIGNIFICANCE OF THE STUDY -:

The importance of social security can be best judged from its underlying socio-economic goals like redistribution of income in order to reduce disparities between the poor and the rich; maintenance of income to a reasonable extent during certain contingencies or unforeseen in future of vulnerable masses. On psychological point of view, social security seeks to offer to the mankind the dignity, self-confidence, belief in the new social order and new means for moral and material improvement. On the other hand at macro level, social security serves an instrument of economic development, industrial peace, equitable income distribution, securing a contended as well as committed labour force, socio-economic justice and finally a stable socio-economic order. At the same time, at the micro level, it increases the productivity and efficiency of a worker, accords him his due status and credible extent in certain unknown, unforeseen and unpredictable risks happened to their lives. Thus, the importance of social security is well establishes and widely recognized by every society. In the Indian context, with the implementation of New Industrial Policy of 1991 (Liberalisation, Privatisation and Globalisation) adopted under the changed economic conditions in India, the issue of social security has assumed greater significance than ever before. Changing economic policy is making Indian economy more competitive and more open than before. It can be realized that economic adjustment could adversely affect the levels of employment, income for labor. This affects social security needs of workforce and their perspectives. In this changed scenario the retired army PBOR cannot escape and remain isolated. Therefore, the issue of impact of globalisation on social security needs of army PBOR has become more significant which is given as under -1. The driving force of globalisation has created an impact on the Indian economy and made it very competitive. The Defence personnel enter in the mainstream of the economy after their retirement after the prolonged years of isolation. They come from the close military environment. In the open and competitive civilian environment, it becomes difficult for them to adjust themselves and search the employment opportunities in the competitive economy. Therefore, it’s become difficult for the retired army PBOR to go for a second career. 2. There is a general belief that after the retirement, the retired PBOR are protected by adequate social security measures. However, the existing Social Security measures are proving inadequate in the new economic environment especially the resettlement management. Therefore, there is a need to redesign the existing social security system and its resettlement management for the Defence Personnel. 3. The economically developed countries are spending up to 40% of their Gross Domestic Product (GDP) for social security, developing countries generally and India in particular, are lagging behind in their area as well. According to the World Labour Report, 2000, the public expenditure on Social Security in India is only 1. 8% of GDP against 4. 7% in Sri Lanka and 3. 6% in China. In the light of the inadequate expenditure on social security in India, it is necessary that plans and programmes be devised to address the needs of diverse vulnerable sections of the people, comprising the total population of India. The study highlights the meager expenditure in India for social security measures. The analysis will help in the budget formulation policy for social security. 4. The Defence personnel not only protect the boundaries of the nation but also the economy. None of the economic activities can flourish in the economy without safeguarding the borders. The Defence personnel spare their life, time, sacrifice their family responsibilities, and contribute in the development of the economy. After retirement, the nation is benefited further in the form of availability of skilled and trained manpower which is needed and can be utilised in the industrial and service sector. The provision of adequate social security measures will attract people towards Defence forces. Uncertainty of social security measures after the retirement will affect the morale of working and new entrants joining Defence services. The Department of Ex-servicemen welfare under MOD is ensuring social security of retired army PBOR but with the forces of globalisation proves the current system insufficient. Therefore, issue of social security and resettlement of army PBOR becomes important in the globalised world. Researcher is attempting to highlight this problem and impact of globalisation on it. 5. As mentioned, the public expenditure on social security in India is only 1. 8% of GDP. The MOD has non-planned allocation of resources for social security of ESM/PBOR[11](pension and other retirement benefits) from its budget. The allocated budget is not sufficient and planned. It is necessary to analyse Defence budget expenditure and changing trends in budget expenditure on the social security and resettlement programme. Such types of studies are rare in India. The study highlights the budgetary allocation for social security by MOD since 1991. It may be noted that, however, the problem of social security had been severe even before the new economic policy was introduced in the country in 1991. It is true that new economic policy may create some new problems relating to social security and may necessitates some modifications in the existing programmes especially resettlement programmes for retired army PBOR and introduction of new programmes for them. Thus, the new risks as a result of globalisation process in the country need to be studied for offering a special package or improving the existing benefits to PBOR. Therefore, the researcher has undertaken the present study.

## 1. 9 LIMITATIONS OF THE STUDY -:

The proposed study considers only the retired Army PBOR of Southern Command, Pune registered with ZSWO, Pune for re-employment assistance from 1991 to 2011. Hence, the results of the study are only applicable to retired army PBOR. The study treats the Defence pension expenditure and retirement expenditure as social security expenditure as no classification of data with the heading social security is used by Ministry of Defence. Further, the bifurcated data for social security benefits of army PBOR is not separately available for Southern Command, Pune. The study considers impact of globalisation on social security of retired army PBOR with respect to employment and income only.

## 1. 10 ORGANISATION OF THE STUDY -:

This study is divided into six chapters, which are as follows –Chapter One: This chapter deals with introduction of topic, background of the study, need for the study, significance of the study, objectives of the study, hypothesis, research methodology & sampling techniques, limitations of the study, organization of the study. Chapter Two: It undertakes review of literature on impact of globalisation on social security, resettlement and welfare of retired army PBOR. Chapter Three: This chapter provides conceptual framework and definitions pertaining to the globalisation, social security, welfare economics and globalisation. It also details with theoretical framework to find the effects of globalisation on social security system and on resettlement and welfare of army PBOR in India. Chapter Four: This chapter deals with the budgetary allocations and government expenditure details on social security in India as well as for ESM and army PBOR of Southern Command, Pune. It also deals with the present resettlement management system, social security programmes and welfare polices of government of India for PBOR. This chapter also takes comparative study of resettlement process in USA, UK, Canada and other developed countries. Chapter Five: This chapter analyse the information and data collected from questionnaire about retired army PBOR by using statistical tools. Chapter Six: This chapter deals with summary, conclusions, and suggestions of the study on retired army PBOR.

## 1. 11 CONCLUSION -

Considering the fact that labour is a significant component in all economic activities, the changes that take place in the economic field will also have an impact on labour. The retired army PBOR as a part of organised sector is not an exception to this. This work mainly concentrates on impact of globalisation on social security of retired army PBOR. Globalisation presents formidable challenges to social security because it gives rise to increased uncertainty and risk with respect to employment and income to retired army PBOR. This analysis includes the efficacy of present resettlement mechanism and welfare policies for retired army PBOR in the changed economic scenario. Therefore, the social security measures, resettlement management and welfare policies for retired army PBOR needs re-designing in the neo-liberal scenario. The chapter-2 undertakes the review of literature to bring out the issues related to globalisation and social security.