GLOBALISATION AND THE DECLINE OF THE WELFARE STATE: A LEGAL ANALYSIS

by

Arjun Saini

&

Abhay Pundir

ABSTRACT

This research article is a critical analysis of globalization and the reasons for the decline of the welfare state. In this study, the changes and challenges of globalisation from Indian history till the present have been analysed. Major amendments are being made in Indian laws to measure the objectives and outcomes of those amendments. Moreover, the aim of conducting this study is to understand the condition of labourers on the scale of the welfare state and to contribute to effective labour policies for improving the ground reality of parliamentary laws. This study is doctrinal principle-based research. In this, based on previously determined facts and findings, the author will try to draw some effective outcomes by correctly corroborating all the factors as per his understanding.

1. Introduction:

Globalization and state welfare can effectively work together to a large extent, but where there is globalization, state welfare cannot be absolute; when one grows, it often harms the other. Therefore, they can only operate in balance. As globalization accelerates, the concept of the welfare state is also declining. Globalization is a process of internationalization where trade, cultural practices, and legal harmonization are established between countries. The idea of the state's welfare reflects the duty of the government to protect the social and economic rights of its citizens. This concept began spreading after World War II. Both are crucial aspects for a nation, but their relationship is complex.

The intensification of global economic integration is empirically evident in India's own trade trajectory. India's trade-to-GDP ratio, a standard measure of an economy's openness, rose from around fifteen per cent in 1990 to over fifty per cent by 2012, before settling at approximately forty-five per cent in 2024, reflecting the deepening exposure of the domestic economy to global market forces since liberalisation. This growing integration illustrates why questions about the welfare state's resilience have become increasingly pressing in the Indian context.[1]

In this research, I will examine how globalization affects welfare, highlighting the key factors behind its decline. I aim to clarify the complex relationship between these elements using facts and research, making it easy to understand. Finally, I will propose suitable policy recommendations or reforms to address the identified issues.

- **Research Objectives and Questions:**

In this research report, I will study the research objectives and questions.

1. Has globalisation negatively influenced the concept of the welfare state?

2. What are those legal challenges from an Indian perspective that affect globalisation and the decline of the welfare state?

3. How do international and national legal systems work to address these challenges?

[1] World Bank, 'Trade (% of GDP) - India' (World Bank Open Data, 2025); Statista, 'Trade Openness: Where India Stands Internationally' (Statista, 2025).

In this research, I will employ a doctrinal research methodology, in which I will thoroughly analyse previously studied texts and authentic sources, correlating them with the present scenario to arrive at the outcome. That observation is the ultimate purpose of the research.

2. Conceptual Structure:

- **<u>Globalisation:</u>**

Globalization is an old phenomenon; today's globalization may differ somewhat from earlier times, but it is not entirely different. The concept of globalization was initially used for conducting business. As business grew internationally and relationships expanded, people began to learn about each other's cultural activities; consequently, the exchange of culture and beliefs also increased, with impacts that are visible both positively and negatively. Besides trade and cultural exchange, international law is also a crucial part of globalization, which plays an important role in the current context. However, in ancient times, international law was also applied differently. At that point, most laws were used for conducting trade with other countries and preventing wars. When considering present-day globalization, nations tend to focus on their own benefits.

- **<u>The Welfare State:</u>**

The concept of the welfare state is not well defined, but throughout history, a historian named Asa Briggs has attempted to explain the essence of this idea.

A welfare state is a state where organized power is intentionally used (through politics and administration) to influence the functioning of market forces in at least three ways: first, by guaranteeing individuals and families a minimum income regardless of the market value of their work or property; second, by reducing insecurity by helping individuals and families handle certain "social contingencies" (such as sickness, old age, and unemployment) which would otherwise cause crises for them; and third, by making sure that all citizens, regardless of status or class, are provided the best standards available within a certain range of social services. [2]

- **<u>Different Models of Welfare State:</u>** There are several models of the welfare state. Some of them are as follows:

[2] Andersen, J. G. (2012). Welfare States and Welfare State Theory. Centre for Comparative Welfare Studies, Institut for Økonomi, Politik og Forvaltning, Aalborg Universitet. CCWS Working Paper

1. Nordic model of Welfare State:

The formation of the Nordic welfare state was first adopted by Sweden. 1945-73 is called the golden age for the formation of a Nordic welfare state. In the Nordic welfare model, social policies emphasize equal treatment and solidarity for all citizens. Denmark and Finland also follow the same model. Through this model, high-level standards are achieved through a low level of inequality on the tax base. In which services, such as health care and child benefits, are provided free of cost, irrespective of their employment history and individuality. The Nordic model is based on the principle of universalism, which does not categorize its citizens on any scale. [3]As a result, citizens do not hesitate to pay taxes because getting tax benefits in return creates a strong bond between the state and citizens.

This universalism carries a significant fiscal cost. Recent OECD data confirm that Nordic countries continue to record the highest tax-to-GDP ratios in the industrialised world, with Denmark's ratio nearing forty-five per cent in 2024 against an OECD average of about thirty-four per cent, funding correspondingly high levels of public social expenditure. Such figures illustrate why the Nordic model, while effective at reducing inequality, is difficult to replicate in economies with a narrower tax base or a large informal workforce, as is the case in India.[4]

2. Anglo-Saxon Model of Welfare State:

The Anglo-Saxon model is a capitalist type of model that highlights free markets, minimal government interference in the economy, and considers the private sector essential for wealth creation. It is more popular in the UK, the US, Canada, and Australia. Its key features include a low level of taxation and a high degree of economic freedom. Social welfare benefits are less generous in this model, and it leads to health care, education, and social security through the private sector only, due to a huge difference in the tax rates of this model and the Nordic model. The role of the government is very limited in this model, which only provides a regulatory framework for economic activities and is less focused on economic and social welfare.[5]

2. International Frameworks of Welfare and Globalisation:

[3] Jähme, 'The Nordic Welfare Model: A Nordic Success Story?' (Athens Journal of Law, 2017) 2,accessed 2024; The Nordic Model (Norden.org, 2023)

[4] OECD, Revenue Statistics 2025: Disentangling Personal Income Tax Revenue in OECD Countries (OECD Publishing 2025); 'Nordic Countries in the OECD Revenue Statistics 2025' (All Things Nordic, 11 December 2025).

[5] A. Glyn, Capitalism Unleashed: Finance, Globalization, and Welfare (Oxford University Press 2007) 15; 'Anglo-Saxon model' (Encyclopædia Britannica, 2023)

International law tries to maintain a balance between globalisation and the welfare state. But this is very difficult because, on one hand, the legal framework is promoting social justice and welfare, and on the other hand, the legal framework is prioritising economic activities in the form of globalisation. Let's understand this.

- **Human Rights:**

Every human being has some inherent rights by virtue of being a human being, and these rights should be inviolable. These rights are called human rights or fundamental, natural, basic rights. The Universal Declaration of Human Rights was adopted in 1948 by the UN General Assembly, after the consequences of the Second World War. Along with this, the International Covenant on Economic, Social, and Cultural Rights, 1966, was also adopted. Since then, some countries have accepted that human beings are rational beings and some rights should be guaranteed by virtue of humanity.[6]

- **ILO Convention:**

The International Labour Organisation is an international body that represents labour standards and social justice at the global level. The ILO aims to promote the social security and standards of workers, but the shift in the approach of standards due to globalisation is questionable and directly challenges the ILO. The ILO mainly outlined 5 principles that protect and regulate workers' social relations. Collective bargaining, eliminating forced labour, abolishing child labour, eliminating discrimination in occupational opportunity, and promoting a healthy work environment for workers.[7]

India's own engagement with these standards remains partial. Of the eight conventions the ILO designates as fundamental, India has ratified six but has not ratified Convention No. 87 on Freedom of Association or Convention No. 98 on the Right to Organise and Collective Bargaining, largely because of restrictions applicable to government employees. This gap between India's international commitments and its domestic legal framework is frequently cited

[6] P. Alston and R. Goodman, International Human Rights Law: Text, Cases and Materials (Oxford University Press 2013) 23; 'Universal Declaration of Human Rights' (United Nations, 2024)
[7] International Labour Organization, ILO Declaration on Fundamental Principles and Rights at Work, 18 June 1998, with amendments adopted 15 June 2022,

as a structural limitation on worker protection even as the country deepens its global economic ties.[8]

Example: The change of 1991 was quite drastic for India. That changed the situation of workers in India. Before 1991, India's focus was on planning for the safety of domestic businesses and workers. However, India had to make significant changes to its labour laws; consequently, India's focus shifted from worker protection to attracting foreign investors.[9] For this reason, India had to make its labour laws more flexible to attract foreign investors.

3. National Legal Frameworks of Welfare and Globalisation:

If we look at the national legal framework in India from the perspective of state welfare, then Part III of the Indian Constitution provides fundamental rights that ensure some basic rights to every citizen. This binds the state to ensure and protect them for every citizen of the country. Similarly, Part IV contains directive principles of state policy (DPSP), which guide the state to make policies on certain aspects, some of which are related to social welfare.[10] This reflects a progressive welfare state.

Article 38 provides a mandate for the State to 'secure a social order for the promotion of the welfare of the people'.

Article 39 lays down six Directive Principles. Some of these are to ensure means of equal livelihood to men and women, ownership and control of resources are distributed to serve the best interests of the people, there is no concentration of wealth, there is equal pay for equal work of men and women, etc.

Article 39A. Equal justice and free legal aid – The State shall secure that the operation of the legal system promotes justice, on a basis of equal opportunity, and shall, in particular, provide free legal aid, by suitable legislation or schemes or in any other way, to ensure that opportunities for securing justice are not denied to any citizen by reason of economic or other disabilities.[11]

[8] Press Information Bureau, 'ILO Fundamental Conventions: India Ratified Six out of the Eight Core Conventions' (Ministry of Labour and Employment, Government of India, 24 July 2017); International Labour Organization, 'International Labour Standards in South Asia' (ILO, 2024).
[9] Manmohan Singh, Budget 1991-92, Minister of Finance, Govt of India, 24 July 1991
[10] The Constitution of India, 1950, arts 12-35 (Fundamental Rights) and 36-51 (Directive Principles of State Policy); M. P. Jain, Indian Constitutional Law (8th edn, LexisNexis 2018) 789.
[11] The Constitution of India, 1950, art 38,39,39A, and 43.

Article 43: The provisions of Article 43 state that the government can ensure, through legislation and economic organisation, a living wage, working standards, working hours, and social security for all its workers employed in industry, agriculture, and elsewhere.

In India, these principles provide a legislative framework to ensure social justice through the enforcement of social policy. Some of these legislations are followed in this manner.

- **The Factories Act, 1948:**

The Factories Act, 1948, is an important law that establishes various regulations to secure the working environment for industrial workers on various aspects, like working conditions, proper facilities, canteen, sitting arrangements, etc. The primary objective of this act is to ensure the welfare of workers, including their health and safety. And prevent a disorganized factory at the time of creation of such. It also states that workers must work 48 hours a week. And if the worker works overtime, they will receive double the regular pay rate. For women workers, night shifts were completely prohibited. It also prohibits child labour below 14 years of age.[12]

- **The Industrial Disputes Act, 1947:**

The Industrial Disputes Act, 1947, primarily addresses conflicts between workers and employers and serves as a dispute-resolution mechanism. The objective of this Act is to resolve disputes, guide investigation proceedings, and establish remedial safeguards for workers to maintain industrial solidarity and harmony.[13]

- **The Minimum Wages Act, 1948:**

The Minimum Wages Act, 1948, mainly provides a minimum fixed wage rate for workers of the same grade. India has derived the concept of minimum wages from the International Labour Organization. The ILO established the concept of minimum wages in 1928, thereby maintaining equality of opportunity and protecting workers from monetary exploitation. The idea of minimum wages includes a special allowance linked to the consumer price index, which is revised twice a year. The Minimum Wages Act states that the state and central government

[12] The Factories Act 1948
[13] Industrial Disputes Act 1947

are empowered to fix the minimum rate of wages. The fixed rate of wages will be reviewed in 5 years, but it can also be done before that.[14]

The practical reach of such wage guarantees, however, remains limited by the scale of India's informal workforce. Government data placed before Parliament show that over thirty-one crore unorganised workers had registered on the e-Shram portal by December 2025, yet fewer than five lakh of them were specifically identified as gig and platform workers, a category that has historically fallen outside the traditional wage-fixing machinery. This gap illustrates why statutory minimum wage protections have struggled to reach large segments of India's non-standard workforce.[15]

4. Critical Analysis, Globalisation and Decline of the Welfare State:

One can directly identify the correlation between globalisation and the decline of the welfare state. Decline of the welfare state due to globalisation can be measured on many scales, but here, I will be striving to 'examine the decline of the welfare state' from the perspective of workers and the Indian labour law system, which is a concerning area.

During the British colonial era, all citizens were brutalised, and among them, the labourer section was also one. After Independence, when the government was implementing numerous reforms, labour reforms were a sensitive and crucial matter because the labour laws introduced by the Brit ish were designed in a way that favoured the interests of corporations and the British more. And now, the Indian government's approach was crystal clear: that they had to reform the labour laws in India in such a way that the rights of labourers were protected and the welfare of workers could be ensured by securing their jobs and ensuring social security. Another possible reason why this approach has been adopted is that during the colonial period, workers were subjected to excessive exploitation. The primary objective of the Indian government in reforming labour laws before 1991 was to protect labour rights. Because, after independence, India had committed to growing like a socialist-type economy. [16]As the power would lie in the hands of the government. With this assurance and intention, India established and changed various labour laws.

---

[14] Minimum Wages Act 1948

[15] 'Government Says 31 Crore Unorganised and 5 Lakh Gig Workers Now on e-Shram Portal' (All India Radio News, 1 December 2025).

[16] Manmohan Singh, Budget 1991-92, Minister of Finance, Govt of India, 24 July 1991

- **<u>1991 Reforms (Liberalization, Privatization, and Globalization):</u>**

The reforms of 1991 marked a new chapter in the Indian economy, bringing about significant changes. India was forced to adopt liberalisation, privatisation, and globalisation because, as soon as the Cold War between the US and the USSR ended, it had a direct impact on India, resulting in very high inflation. This was like an epiphany for the Indian government, as it understood that if it had to compete in the world economy, then significant steps would have to be taken, including policy reforms, creating space for foreign companies, and shifting laws from rigidity to flexibility.[17] These changes shifted the government's focus from labour protection to reducing the restrictions on employers to attract foreign investors. Globalisation brought foreign trade and foreign investment to India. India began discussing trade agreements, deals, and other matters with foreign countries; consequently, flows of technology, workers, capital, and so on started to enter India.

This shift is reflected in the scale of foreign capital that has since entered the economy. Annual foreign direct investment inflows rose from about 2.2 billion US dollars in 1999-2000 to more than 22 billion US dollars within less than a decade, and total FDI inflows reached approximately 81 billion US dollars in the 2024-25 financial year. This sustained rise in foreign capital underscores how thoroughly Indian labour markets have become exposed to global investment cycles since the pre-1991 regime of restricted foreign participation.[18]

Guy Brainbant had said that the process of globalisation not only includes opening up the World Trade, development, and advancement in the internationalisation of the financial market, but also the growing importance of MNCs, labour movement, as well as poverty, unemployment, and environmental problems.[19] Similarly, on the one hand, India was experiencing growth, and technological developments were taking place. On the other hand, workers were facing a mixed impact. Those who were skilled (a very low percentage of the workers) survived the impact of this LPG. However, those who were unskilled and illiterate were negatively impacted. Another reason was that technology was advanced in foreign countries, so many foreign companies replaced manual labour with machinery in India, which directly impacted the employment of those workers. Overall, everyone has their own

[17] Manmohan Singh, Budget 1991-92, Minister of Finance, Govt of India, 24 July 1991
[18] Visual Capitalist, 'Charted: India's FDI Inflows Over the Last 20+ Years' (Visual Capitalist, 17 December 2023); 'FDI Inflows Up 13% to $50 Bn in 2024-25; Decline 24.5% in Jan-Mar Quarter' (Deccan Herald, 2025).
[19] S. J. Burra, 'Globalisation and Its Impact on Labour: An Indian Perspective' (2007) 48 Indian Journal of Industrial Relations 23, 25.

perspective on the 1991 event; some perceive its positive aspects, while others perceive its negative aspects.

This was a huge shift in India, which many economists criticized. Jayati Ghosh, C.P. Chandrasekhar, and Prabhat Patnaik raised the question regarding the exacerbated inequality, suggesting that these reforms will benefit only a small portion of society, which belongs to the upper and middle classes, particularly those from urban areas. And the rest of the majority that belongs to the rural areas will always remain deprived of it. And all these will create a huge difference between rich and poor, where "the rich will become richer, and the poor will become poorer".[20]

This warning finds empirical support in subsequent data on wealth concentration. Oxfam India's 'Survival of the Richest' report found that the top one per cent of Indians owned more than forty per cent of the country's total wealth in 2021, while the bottom half of the population, roughly seven hundred million people, held only around three per cent. Such figures lend weight to the argument that the benefits of liberalisation have been distributed highly unevenly across Indian society.[21]

The reforms in labour laws did not stop here. The government recently reformed the labour laws, citing the reason that it is important to modernize our labour laws according to today's times. Therefore, several new codes were formed.

- Industrial Relations Code 2020
- Code on Wages 2019
- Occupational safety, health, and working conditions code 2020
- Code on social security 2020

Even after reforms in the old labour laws, many questions remain. And somewhere, the new labour laws also do not seem capable of creating a balance between workers' rights and sustainable business growth.

5. Case Study:

1. The Gig Economy and workers:

[20] CP Chandrasekhar and Jayati Ghosh, The Market that Failed: A Decade of Neoliberal Economic Reforms in India (LeftWord Books 2002)
[21] Oxfam India, 'Survival of the Richest: The India Story' (Oxfam India, 16 January 2023).

Following the 1991 LPG event, new developments began to emerge in India, and new start-ups started to launch. The gig economy was one of them. This can be considered a result of globalization. [22]The earnings of gig workers were unstable, and their social security benefits were a significant concern. The problem was that these workers did not even come under the umbrella of our labour laws. This entire industry comes under the category of unorganised industry, for which there was no provision in our labour laws till earlier. The exploitation of gig workers has been happening, and even after the new labour laws came into force, it has not stopped completely because income instability is a big problem for them. They have not yet got any special safety provisions for the travelling work they are involved in. Even now, no measures have been taken to maintain the health, safety, and psychological health of a gig worker. The employment of a gig worker should not be dependent only on customer ratings. This raises questions as to whether denying gig workers social security protection violates their right to life. Not treating gig workers like normal workers is not a violation of the right to equality. Gig workers in India face many difficulties. A news report stated that when 50 working gig workers across the country were asked, half of them said that they had been attacked during the job. Some customers refused to pay, and some because of their caste and religion. The Center for Internet and Society is a think tank that surveyed 1500 workers, and 1 out of 3 said that they fear getting robbed and physical assault during working hours. [23]As per the Niti Aayog, the public policy think tank of the Indian government, estimated that by 2030, there will be 23.5 million gig workers in the country. [24]

This legal vacuum has begun to narrow only recently. The Code on Social Security, 2020 was the first Indian statute to formally define gig and platform workers and to mandate a National Social Security Board for their welfare, and the Government of India brought this Code into force, together with the three other labour codes, with effect from 21 November 2025, more than five years after their original enactment. Industry commentary has nonetheless noted that the detailed central and state rules needed to operationalise these welfare provisions remained pending even after the Codes took effect, meaning that tangible benefits for gig workers depend heavily on the pace of subsequent rule-making.[25]

[22] Manmohan Singh, Budget 1991-92, Minister of Finance, Govt of India, 24 July 1991

[23] Centre for Internet and Society, Platforming the Pandemic: Perspectives of Women Workers on Digital Platform Work in India (Report, 2021)

[24] NITI Aayog, India's Booming Gig and Platform Economy (Report, June 2022)

[25] DLA Piper, 'New Labour Codes Usher in a New Era of Compliance' (DLA Piper Knowledge, 2025); EY India, 'New Labour Codes Implemented across the Country Effective 21 November 2025' (EY, 21 November 2025).

These types of incidents pose a challenge to Indian society and the government; on the other hand, they also highlight the employer's responsibility for the health and safety of their workers. Such incidents are a direct challenge to the government, as making laws will not achieve anything unless there is proper compliance and implementation on the ground; till then, these laws will remain ineffective.

2. TCS Lay Off 12000 Workers:

Tata Consultancy Services recently decided to lay off approximately 12,000 workers, a decision the company's own CEO attributed to a skills mismatch and redeployment challenges rather than to artificial intelligence directly. TCS announced in July that it is moving forward with advancements in the technology sector and will adopt new technological trends, developing AI for its clients and for its own use. Regarding TCS, before the layoff, there were 613,000 employees, and as technology advances, this number will likely decrease.[26] A 45-year-old Kolkata-based TCS employee who lost his job in the layoff says that “it is very difficult for me to get work at this age”. There is a concern about job stability in the IT sector due to AI technology.

Subsequent reporting indicates that the scale of these job losses expanded well beyond the figure initially announced. By October 2025, TCS's headcount had fallen by nearly twenty thousand in a single quarter, and independent reports placed cumulative exits at over thirty thousand, prompting employee unions to allege that the manner of the layoffs breached procedural safeguards for retrenchment. Such developments illustrate how a single corporate restructuring decision, driven by global competitive and technological pressures, can generate labour disputes that outlast the initial news cycle.[27]

These case studies clearly reflect the impact of globalization on the decline of the welfare state. 58.2% of India's population aged 15 years and above were employed, per the Worker Population Ratio recorded in the 2023-24 Periodic Labour Force Survey. This indicates that a majority of the working-age population, rather than the total population of the country, was engaged in employment. In this situation, how many of these 58.2% are getting exploited[28]And

[26] TOI Business Desk, 'TCS layoffs: 12,000 employees - what you should know' (The Times of India 28 July 2025)
[27] 'TCS Headcount Falls below 600,000 after Layoffs in July 2025' (Business Standard, 9 October 2025); ''Illegal Onslaught on IT Employees': Unions Accuse TCS of Violating Industrial Disputes Act over Layoffs' (Deccan Herald, 12 October 2025).
[28] A. Al-Rodhan, 'The Geopolitical and Social Impact of Globalisation' (Geneva Centre for Security Policy, 2015) 3; Press Information Bureau, Annual Report on India's Employment and Unemployment Status, 2023-24 (Government of India, 2024).

those who are safe, how is their mental health, and are they at risk of losing their job? These concerns remain unanswered.

6. Policy Recommendations:

The diversity of industries in India is different. Workers in every industry face different challenges. And if the policy is made keeping in mind the challenges that workers are facing on the ground level, then it would probably prove to be effective. Hence, a smart approach is required to address these challenges. It is important to identify the ground-level challenges; only then we can move ahead on it. The policy will be able to work effectively on the problem.

- **Occupational health monitoring:**

Occupational health monitoring refers to the establishment of such a body in the industry that monitors the health and safety of workers and can provide measures to workers in emergencies. And check from time to time whether the environment is health-friendly or not. Occupational health here includes both the physical and mental health of the workers.

- **Promote skills development institutions for new technology:**

AI is spreading across the globe and creating its own space in every sector, be it educational, industrial, or the IT sector. The result is that in a country like India, where there was already unemployment, AI is rapidly taking away the jobs of employees, which is a matter of concern for the Indian market. To deal with these issues, the government will have to financially facilitate skill development institutions, so that employees and new graduates can adapt to the changes in technology, and they become opportunity grabbers and not losers.

This concern is borne out by recent employability data. Mercer-Mettl's India's Graduate Skill Index 2025 found that overall graduate employability declined to 42.6 per cent in 2024 from 44.3 per cent in 2023, a fall attributed mainly to weaknesses in non-technical and soft skills even as technical employability, including in artificial intelligence and machine learning roles, improved. Such findings reinforce the case for the targeted, state-funded skilling institutions recommended above, since the employability gap appears concentrated precisely in the competencies that conventional technical curricula do not address.[29]

7. Conclusion:

[29] Mercer-Mettl, India's Graduate Skill Index 2025 (Mercer-Mettl, February 2025); 'Only 42.6% Indian Graduates Are Employable; Non-Technical Skills, Creativity Low' (The Print, 20 March 2025).

Globalisation has a complicated relationship with the welfare state. This can be identified through study and analysis. They can only be operated in a systematic balance. Globalization is a process of internationalization where trade, cultural practices, and legal harmonization are established between countries. The idea of the state's welfare reflects the duty of the government to protect the social and economic rights of its citizens. This concept began spreading after World War II. Both are crucial aspects for a nation. The welfare state governs through different models like the Nordic model, the Anglo-Saxon model, etc. In the Nordic model, the focus is on social policies and equal treatment for all citizens, and in the Anglo-Saxon model, government interference is very minimal in terms of the economy. The government only provides a regulatory framework for economic activities and is less focused on social welfare and economic development. International law tries to maintain a balance between globalization and the welfare state. The strange thing is legal framework is promoting social justice, and on the other hand, the legal framework is also prioritizing economic activities in the form of globalisation. The national legal framework for the welfare state in India is the constitutional provisions and legislative provisions that promote and regulate the welfare of the state in the form of legislation and enforcement of social policy. Liberalisation, privatisation, and globalisation were adopted in 1991. Due to this, there were many changes in India's labour laws. From these changes, we can identify India's changed approach. Earlier, India's approach was to protect the rights of workers; now that approach has become industry-friendly. Worker protection has shifted to a slightly secondary approach. If we talk about Labour Law reforms in India, then the first major reform came in 1947-48 after independence, when new laws were made by repealing the Britishers' laws. Then, no measure of reform was done for 72 years. After this, new labour laws were enacted in 2019-20 by changing the old laws. The aim of introducing them was to compile the old laws into one central law and remove the complexity of the old laws. And to include the sectors that have evolved during this time period.

Globalisation led to a boom in start-ups in India, and businesses based on foreign ideas started opening in India, like Ola and Uber, but the social security and income stability of the workers working in these are a big concern. And recently, TCS has laid off 12000 workers due to a lack of skills. It is also crucial for recent graduates and employees to adopt the new technological trends and skills. There should be job security for every worker; hence, by making an amendment in the FTC, fixing the minimum term for employees. And lastly, as the new technological trends and usage of AI are increasing so much and new developments are taking place, India should establish such institutions where new technology-based skill training is available, so that workers and newly graduated individuals can develop skills.

Bibliography and References

➢ **Journals and Articles:**

1. WIRED India and Pulitzer Center, 'Gig Workers Are Being Stabbed, Beaten, and Abused in India' (WIRED India 12 April 2023).

2. TOI Business Desk, 'TCS layoffs: 12,000 employees to lose their jobs; Tata Consultancy Services plans 2% workforce cut over the year - what you should know' (The Times of India, 28 July 2025).

3. ILE MULTIDISCIPLINARY JOURNAL [IF SCORE – 7.58] VOLUME 4 AND ISSUE 2 OF 2025 APIS – 3920 – 0007 | ISSN - 2583-7230, Published by Institute of Legal Education.

➢ **International Reports:**

1. International Labour Organization, Decent Work and the Informal Economy (Report, 2002).

2. International Labour Organization, Walk Free, and International Organization for Migration, Global Estimates of Modern Slavery: Forced Labour and Forced Marriage (Report, 2022).

- **Government Reports:**

1. NITI Aayog, India's Booming Gig and Platform Economy (Report, June 2022).

2. National Statistical Office, Periodic Labour Force Survey – Annual Report (July 2023 – June 2024) (Report, Ministry of Statistics and Programme Implementation, 2024).

- **Books:**

1. Chandrasekhar CP and Ghosh J, The Market that Failed: A Decade of Neoliberal Economic Reforms in India (LeftWord Books 2002).

2. I.L.N. Chandra Shekhar Rao, Globalization Impact on the Indian Economy, Society & Culture,

- **NGO/ Think Tank Reports:**

1. Centre for Internet and Society, Platforming the Pandemic: Perspectives of Women Workers on Digital Platform Work in India (Report, 2021).

2. Walk Free Foundation, Global Slavery Index 2018 (Report, 2018).

3. Mercer-Mettl, India's Graduate Skill Index 2025 (Report, February 2025).

- **Company Reports:**

1.McKinsey & Company, The state of AI in early 2024: Gen AI adoption spikes and starts to generate value (Report, 30 May 2024).

- **Press Releases:**

Telangana Gig and Platform Workers' Union, 'Press Release: Uber must take responsibility for drivers' safety: Driver in Hyderabad is attacked and his car severely damaged' (12 September 2022).

- **Legislations:**

1. The Constitution of India 1950.

2. Industrial Disputes Act 1947.

3. The Factories Act 1948.

4. Minimum Wages Act 1948.

5. Code on Wages 2019.

6. The Occupational Safety, Health, and Working Conditions Code 2020.

7. ILO Declaration on Fundamental Principles and Rights at Work and its Follow-up (adopted 18 June 1998).

8. Forced Labour Convention 1930 (No 29).