

Global Production Networks and Decent Work: Recent Experience in India and Global Trends

Since the mid-1990s, with the opening up of the Indian economy, many production units and processes in India have become integrated into global production networks (GPNs). Sectors linked with Information Technology (IT) and Information Technology Enabled Services (ITES) have received perhaps the greatest attention, as examples of knowledge-intensive Indian integration into global production networks, where international outsourcing has been harnessed to develop an IT services and production industry, but other sectors, such as automobile components and motorcycles, pharmaceuticals, not to mention textiles, garments, leather goods, handicrafts and various agricultural products, are also included as part of global production networks.

The term "global production networks" (GPNs) does not refer broadly to all products that are internationally traded. Rather, it refers to those products and services in which the production chain is extended over several (two or more) countries. GPNs are typically characterized by transnational corporations which tend to retain their knowledge-intensive, design-intensive activities and marketing associated with proprietary know-how and higher value-added activities in their company headquarters and rely upon international outsourcing to conduct more labour-intensive manufacturing and provision of services. However, there are increasingly examples where higher value-added activities may be conducted overseas.

Global sourcing of production raises important implications for the scale and quality of employment, what we may call decent work, for those workers engaged in the production of goods and services sold on global markets. Systems of global production involve the creation and relocation of jobs, and the fragmentation of the production process into tasks performed in numerous firms, based in countries across the globe. Crucial issues involve the creation of more skill-intensive and knowledge-intensive work and where it is located in the global value chain, versus the creation of labour-intensive, routine work, with special attention given to the nature of the employment relationship between global buyers and the workers engaged in producing goods and services to be consumed in global markets.

Objectives

The objective of this workshop is three-fold: to take stock of existing analyses of the above issues; to jointly publish a collected volume of papers presented at this workshop; and to identify key research issues arising from this discussion.

The goal of this exercise would be to inform policy of government, employers and trade unions, such that employment and work standards could be improved, in order to further the attainment of decent work in the context of global production networks.