



Panel's title : The changing role of skills and social networks in labour and mobility in India: Evidence from original quantitative and qualitative surveys

Coordinator: Sébastien Michiels (post-doctoral fellow at IRD, UMR Dial, France; French Institute of Pondicherry, India)

Language : English

Topics : Social Networks, Skills, Labour Market, Mixed Methods Approach, India

Panel presentation :

Economic, political, and social changes occurring in South Asia over the past decades have led to the reorganization of labour structures. In India for instance, a rapid urbanization characterized by increased linkages between urban and rural areas, an on-going shift from agriculture towards industry and services and significant increases in educational attainment have reshaped the traditional rural labour market and created new forms of labour relationships. Still, the individual remains embedded in traditional societal structures, institutions and norms which affect labour outcomes and mobilities, oftentimes by constraining them. Social networks, the social structure of individuals and organisations that are tied together through interdependencies, such as kinship, friendship, values or beliefs, encompass a much broader group of connections and can hence be the missing piece to explain societal change and mobilities.

Thus, in this panel, we aim to explore how the formation of skills and social networks influences the characteristics of individual and collective trajectories in terms of social status, employment, and rural-rural and rural-urban migrations. What is the effect of social networks on labour market outcomes? Do social networks enable individuals to overcome societal constraints and traditional structures or do they reinforce the traditional system? What is the role of individuals' skills versus traditional structures and networks in determining labour outcomes? Do social networks hinder or reinforce social, geographical and intergenerational mobilities? To what degree do networks and mobilities interact to change rural hierarchies?

This panel focus on *survey data analysis* with mixed methods to look at the linkages between skills, labour outcomes, social networks, and mobilities in rural areas in India. This includes using *quantitative survey data* as well as *qualitative survey approaches*.

Key words: Labour ; Mobilities ; Social Networks ; Skills ; India



Participants :

1) **Name:** **Peter Lanjouw** (Professor of Development Economics at VU Amsterdam University, Holland)

Communication's title : **Non-farm Diversification, Inequality and Mobility in Palanpur**

Language : English :

Presentation :

Panel data, tracking the economic circumstances of the entire population of the north Indian village of Palanpur across seven decades, provide insights into the changing nature of the village economy. The period over which development in Palanpur is studied covers extraordinary change in India as a whole, including zamindari abolition, the green revolution, improved education levels, changing economic, social and demographic structures, transformation in communications and accelerating economic growth. Starting as a predominantly agrarian economy, Palanpur has seen non-farm employment via a tightening of links to urban centers in the vicinity, emerge as a major driver of growth and poverty reduction in the village economy. But this process has also been accompanied by increasing income inequality within the village. There is evidence of greater income mobility among the disadvantaged in Palanpur, although this positive development is tempered by indications that mobility across generations appears to have declined. Quantitative and qualitative analysis suggests that the nature of non-farm activities has become increasingly casual and informal, thereby more accessible to households at the bottom of the distribution, but still significantly influenced by access to networks and family ties, particularly for the more remunerative and stable non-farm jobs.

Key words : Social Mobility ; Agrarian Change ; Social Networks ; Gujarat

2) **Names:** **Youna Lanos** (Research Assistant at French Institute of Pondicherry, India) and **Sébastien Michiels** (post-doctoral fellow at IRD, UMR Dial, France; French Institute of Pondicherry, India)

Communication's title : **Social networks, job assignment and social hierarchy. A case study from rural Tamil Nadu.**

Language : English :

Presentation :

Almost three decades of liberalisation in rural South India, characterized by a growth of rural non-farm employment, a significant increase in educational attainment and a development of transport and communication, have called into question traditional labour organisation based on employer protection and caste-based work, and has promoted new forms of employment and labour relations. We propose to reassess the role of social networks in this changing context using a mixed method: quantitative and qualitative data newly collected in rural Eastern Tamil Nadu. We examine if social networks dynamics is critical to explain individual and collective employment trajectories. We explore simultaneously the characteristics of social networks of individuals, households or communities who have climbed the professional and economic ladder and alienating social networks which rather reinforce the traditional system of job assignment. We also assess the evolution of social networks over time in relation to caste, class and religious background, considering the development of new levels of integration beyond village level, through migration, in a post-liberalization environment. Indeed, we assume that an increasing complexity of social networks and levels of integration, especially through employment and migration processes, goes hand in hand with a reorganisation of social hierarchy in rural Tamil Nadu.

Key words : Social Networks ; Labour ; Social Mobility ; Tamil Nadu



3) **Names:** **Geert De Neve** (Professor of Social Anthropology & South Asian Studies at the Sussex Centre for Migration Research, United Kingdom) and **Grace Carswell** (Senior Lecturer in Human Geography at the Sussex Centre for Migration Research, United Kingdom)

Communication's title : **Towards a Political Economy of Skill under Liberalisation: The case of the Tiruppur garment cluster in South India**

Language : English :

Presentation :

Our paper explores how skills are acquired and how skill acquisition is experienced in the garment manufacturing region of Tiruppur in Tamil Nadu. The paper examines the processes of labour market inclusion/exclusion, and shows how an absence of skills is rarely the main reason why certain social groups are excluded from particular labour markets. Instead factors such as gender, age and caste play a key role, while social networks are critical too. Skill acquisition by contrast is rarely an issue in itself – once workers get to Tiruppur there are multiple ways for them to acquire new skills. Labour market segmentation, however, is what keeps people in certain jobs and out of others. Such segmentation is in turn shaped by age and life course, gender, and caste. The paper argues that a narrow focus on skills training, while not altogether irrelevant, might ignore the complex social relations through which skills are acquired and translated into viable and sustainable employment outcomes. It argues for a political economy approach to skill that accounts for the dynamic of social relations in the acquisition and application of skill.

Key words : Social Networks ; Skills ; Labour Market ; Tamil Nadu

4) **Names:** **Anne Hilger** (PhD student at Paris School of Economics, France) and **Christophe Jalil Nordman** (research fellow at IRD, UMR DIAL, France; French Institute of Pondicherry, India)

Communication's title : **Cognitive and non-cognitive skills in network formation and labour activities: Evidence from rural villages in Tamil Nadu**

Language : English :

Presentation :

Skills have long been understood to be a critical component of a person's endowment. They play an important role in social inclusion, through educational attainment, aspirations, occupational choices, earnings, and formation and use of social networks. While skills are inherently a multidimensional concept, only recently have economists started to look beyond formal education and to focus on other factors such as cognitive (numeracy and literacy) and non-cognitive skills (motivation, leadership, openness to experience, self-esteem, social skills, etc.). Exploring the role of cognitive and non-cognitive skills in the rural Indian context is especially interesting due to the predominance of a societal system, which is guiding economic and social interactions. Up to now, the role of non-cognitive skills has been evaluated in isolation of the external environment by purely focusing on their effects on individual choices and preferences, thereby neglecting the social structures in which the individuals evolve. In this presentation, from a newly collected household survey in rural Tamil Nadu, which measures what one usually neglects in the case of a developing country such as India, we will present original evidence of the role of cognitive and non-cognitive skills in labour market outcomes and social network formation and use.

Key words : Social Networks ; Cognitive and Non-Cognitive Skills ; Labour market ; Tamil Nadu