

The Impact of Industrial Decline on the Socio-Economic Status of the Labors: A Case Study of Gadoon Industrial Estate District Swabi, KPK



### ZAHOOR BAHADER

Department of Sociology Quaid-i-Azam University Islamabad 2014 The Impact of Industrial Decline on the Socio-Economic Status of the Labors: A Case Study of Gadoon Industrial Estate District Swabi, KPK



Thesis submitted to the Department of Sociology, Quaid-i-Azam University, Islamabad, for the partial fulfillment of the degree of Master of Sociology

By

Zahoor Bahader

Department of Sociology Quaid-i-Azam University, Islamabad

2014

### Quaid-i-Azam University, Islamabad (Department of Sociology)

#### FINAL APPROVAL OF THESIS

This is to certify that we have read the thesis submitted by Mr. Zahoor Bahadur, it is our judgment that this thesis is of sufficient standard to warrant its acceptance by the Quaid-i-Azam University, Islamabad for the award of the Degree of "M.Sc in Sociology".

**Committee** 

- 1. Mr. Sarfraz Khan Supervisor
- 2. Dr. Amber Ferdoos External Examiner
- 3. Dr. Muhammad Zaman In-charge Dept. of Sociology

# **DEDICATION**

То

My beloved and loving Parents My sister and brothers

"Who motivated, supported & encouraged me throughout my academic career to achieve the passion"

#### Acknowledgement

I humbly thank Almighty **Allah**, The most compassionate and merciful, who gave me health thoughts and co-operative people to enable me in achieving this goal. Words are inadequate to express my deepest sense of appreciation and devotion to my worthy supervisor Mr. Sarfraz Khan. I am extremely grateful to his scholastic and sympathetic attitude, affectionate supervision, inspiring guidance, dexterous assistance and words of inspiration from time to time, support and the valuable suggestions throughout the course of investigation and write of this manuscript.

I express my sincere thanks to Chairman Department of Sociology Dr. Zaman for his continuous guidance over the period of my degree. I must pay my deep gratitude to Sir Ikraam Badshah and Sir Farhan Ahmad Faiz and other supporting staff of the department for providing me their generous guiding.

I am also thankful to my friends and class fellows whose moral support has enabled me to complete this task.

Last but not least, I earnestly and sincerely express my love and thank to my parents they are symbol of strength and love for me in each and every aspect of my life.

May **Allah**, bless them all (Aamin).

Zahoor Bahader

#### Abstract

With the growing modernization the process of industrial development is gaining its quantum day by day. Nations having ample productivity used to generate enormous revenue through the industrial output. So industrial progress imparts a remarkable hype in the economy of a state. Whereas in the case of under developing countries due to lack of appropriate infrastructure industries are decelerating towards the ground. Within this declination on one side the economic loss is prevalent but on the other side there exists a vibrant and consistent hard work of the working labors which are incorporating their ultimate skills to get the quality products through which millions of rupees are earned by the state. The tragedy lies in the fact that these industrial workers are neither given weight age nor their problems are being highlighted. Focused on the industrial workers of the Gadoon industrial estate this study ponders to evaluate and stage the problems faced by these workers upon the industrial declination. In this Cause their social and cultural aspect is analyzed. 150 respondents are being surveyed through structured questionnaires by utilizing the purposive sampling technique. The data is analyzed by utilizing the advanced SPSS software version 16.0. Such that the results depict that the industry labors are facing severe crisis regarding their social life, their purchasing power has decelerated, their child socializing avenue is crippled and more

importantly the hygiene condition of the workers is negligible in the industry.

## **Table of Contents**

# **Chapter No 1**

## Introduction

1.1: Industrialization in a World view with focus on Asian perspective	2
1.2: The Dilemma of Deindustrialization in Global Scenario	4
1.3: The Industrialization with reference to KPK province Pakistan	6
1.3.1: Causes of Decelerated Industrialization in KPK	8
1.4: The Dilemma of Gadoon Industrial estate in KPK	12
1.5: Scope of the Study	13
1.6: Significance of the Study	13
1.7: Statement of the Problem	14
1.8: Objectives of the Study	14

# Chapter No. 2

# REVIEW OF THE RELEVANT LITERATURE \_\_\_\_\_15

# Chapter No. 3

THEORETICAL FRAMEWORK	22
3.1: The Labour Theory of Value (1681)	23
3.2: Hypothesis	24
3.3: Independent Variables	
3.4: Dependent Variables	25
3.5: Propositions	25

# Chapter No. 4

CONCEPTUALIZATION AND OPERATIONALIZATION	26
4.1: Conceptualization	27
4.1.1: Deindustrialization	27
4.1.2: Living Standard	27
4.2: Operationalization	28

# Chapter No. 5

Research Methodology	30
5.1: Universe	31
5.2: Target Population	31
5.3: Sampling Design	31
5.4: Research Technique	31
5.5: Sample Size	31
5.6: Tools for the Data Collection	32
5.7: Techniques for the Data Collection	32
5.8: Pre-testing	32
5.9: Data Analysis	32
5.10: Opportunities and Limitation of the Study	32
5.11: Ethical Concerns and Techniques	33

# Chapter No. 6

RESULTS	34
6.1: Frequency Tables	35
6.2: Cross Tabulation and Hypothesis Testing	52
Chapter No. 7	
DISCUSSION AND CONCLUSION	64

7.1: Discussion and Conclusion	65
7.2: Suggestions	66
References	
Dictionary Sources	70
Questionnaire	71

# List of Tables

6.1 Frequency Tables	35
6.1.1: Age of the Respondent	35
6.1.2: Marital Status of the Respondent	36
6.1.3: Educational Status of Respondent	36
6.1.4: Family Type	37

6.1.5: Monthly Income of the Respondent	37
6.1.6: Number of Family Members	38
6.1.7: Satisfied with Current Job	38
6.1.8: Environment of Worksite	39
6.1.9: Other incentives than Salary	40
6.1.10: Promotion Criterion	40
6.1.11: Management Behaviour toward Workers	41
6.1.12: Employment Status of Respondent	42
6.1.13: Industrial job Force Respondent towards work on Holy and Sacred days	42
6.1.14: Factory Provides Standard and Healthy food	43
6.1.15: Studying Children of the Responded	43
6.1.1: Industrial Economy Improved Purchasing Power	44
6.1.17: Respondent able to fulfil his Material Desires through Current Salary	44
6.1.18: On end of Money Responded take Money for Expenses	45
6.1.19: Industry has raised the Living Standard	46
6.1.20: Socio Culture affairs are affected due to your Industrial job	46
6.1.21: Major Problems Respondent face at Home due to busy Schedule of your job	47
6.1.22: Long working hours Influence your Recreational Activities	47
6.1.23: Family Satisfied from job	48
6.1.24: Industrial Workers are molded towards Materialistic Attitudes	48
6.1.25: Your Routine work Influenced your Kinship System	49
6.1.26: Overall Impact of Industry on the Community	49
6.1.27: Time for your Family Medication or Hospital Concerns	50
6.1.28: Industrial job also Impact on your Religious activities and Rituals	50
6.1.29: Overall impact Industry on the Community	51
6.2: Cross Tabulation and Hypothesis Testing	52
6.2.1: Current Operational State of Industry	52

6.2.2: Current Operational State of the industry * Improve Purchasing	55
6.2.3: Current Operational State of Industry * Socio Culture affairs	58
6.2.4: Current Operational State of Industry * Family affair	61

### **CHAPTER NO. 1**

### INTRODUCTION

It is a prevalent fact that the society has survived through successive changes within its internal morphology by the dire effect of external agents. These agents of change are arbitrary for every span of time whenever there occurred a change. Yet its presence is never challenged i.e. the phenomena of change has always occurred. Human being has institutionalized the notion of progress and modernization in order to explore the world and to make the life standards easier and soothing. With this pretext the human race has started its journey towards progress through minor inventions, discoveries. But these maneuvers didn't prove to be much revolutionary; ultimately human has set a landmark in the history of its progress by entrenching the chain of industrial revolution in 16<sup>th</sup> and 17<sup>th</sup> century. Afterwards the concept of human progress has attained global recognition and with this progress of globalization.

#### 1.1. Industrialization in a World view with focus on Asian Perspective

If we trace back to the origin of human race from where the immortal has started its journey towards the social change, it was in the middle and near east where today Iraq is located, around 3,500 B.C. With this baseline the human started blooming its marvels and ultimately emerged as founders of marvelous cultures, initially as Maya Culture in Mexico then in the river basins of China and India. Therefore setting a benchmark, human race has evolved through minor developments. In this discourse the population explosion also had a remarkable role i.e. in 13<sup>th</sup> century it was the Chinese city Chang' an (Xi'an today) and Hangzhou which had one million of population and were considered as largest cities. Later on in 1700s United Kingdom reached up to this statistic of one million population, which later proved the ample availability of skilled men power ultimately leading to industrial revolution (Clark 1998).

Initially the clouds of industrial progress roamed around the world in the form of urbanization. It was the era of 1850-1950, when there occurred a prevalent shift in rural/urban balance. So in the first half of 20<sup>th</sup> century which was the advent period of urbanization, the areas of Europe, America and, Australia manifested as the trend setters (Timberlake 1987). According to Lowery (1990) it was not the increase in population density only but it constitutes the growth rates also. At that particular era the urban growth rates were two to five times above than the rural growth rates. This trend has triggered to such a highest level that till 1950 the toll of largest cities in the world raised to 964, and a quarter of world's total population used to live in urban places (Davis 1965).

According to a report published by Government office for science UK under the title as world trade week UK (2009) it was basically the availability of natural resources and willingness of global organizations to

3

co-ordinate their actions has accelerated the world trade. In this scenario the countries where the resources are either scarce or yet undiscovered the quantum of trade or industrialization is in creepy condition there.

Heading the legacy ahead the urbanization in its full quantum globalized in 1995 by extending its wider practices around the world especially across the America, most of the Europe, parts of western Asia and Australia. Moreover 40% of china's 1.2 billion people and 29% of Indian population became urban dwellers. In 2008 it was alarmingly revealed that half of the people in the world used to live in urban areas and ultimately through this transition the industrialization process has gained the ultimate height. If the pace is maintained 75% of the world will become urbanized by 2050 (Peng, Chen and Cheng 2011).

The entire elaborated account of urbanization in the world, actually determines the successive industrialization process in the world. Industrialization is impossible without the urbanization, as urbanization is the building block of industrial elevation. So wherever the urbanization pattern entrenched its clamps the progress bloomed there.

#### 1.2. The Dilemma of Deindustrialization in Global Scenario

With reference to the discussed splendid network of urbanization and it's widely speeded clouds over the continents, there occurred a side by decline

in the progress due to the scarcity of resources availability and low growth rates. This recession in the growth rate has decelerated the employment level during the past 25 years, it has affected even world's most advanced economies, and in the global scenario this phenomenon is extensively denoted as "deindustrialization." This downturn is being evidenced in the United States and Europe largely, while it also remained ostensible in Japan and recently it is being witnessed in the four emerging economies of East Asia i.e. Hong Kong, China, Korea, Singapore, and Taiwan. The most manifested and clear picture of deindustrialization appears in the form of unemployment in a country. If a thorough analysis of the world economies is being carried out, it will evidently portray that the out of the 23 most advanced economies of the world, employment rate has declined from about 28 % to 18% percent in 1994 (Rowthorn and Ramaswamy 1997).

Deindustrialization has affected the internal structure of economies with such a vigorous effect that it led the status of many of the nations from developing to under developed nation. Another dimension of the gigantic deindustrialization is the widening of income inequality in the grand economies especially in United States and high unemployment in the sustained Europe. While another prime dimension explaining the declining of industries lies among the widely operated globalization of markets which has been fostered by the rapid growth of North-South trade (trade between the advanced economies and the developing world). Due to this spread of market economies the labor-intensive manufacturing industries in the developing world is displacing the jobs of workers in the entrenched and sustained industries of advanced economies.

Deindustrialization got its heights form the United States, according to the reported statistics the employment rate of US has fallen from 28 percent (in 1965) to only 16 percent in 1994. In the 15 countries of the European Union, deindustrialization has decelerated the employment from 30 percent (in 1970) to only 20 percent by 1994. While this declination reached Japan and fostered unemployment from 27 percent (in 1973) to about 23 percent in 1994 (Rowthorn and Ramaswamy 1997). This drastic declination will surely foster the socio economic problems in the society. The elevation in the poverty level and inflation are the sure outcomes of this colossal turn shift.

#### 1.3. The Industrialization with reference to KPK Province Pakistan

The Khyber Pakhtunkhwa (KPK) of Pakistan extends to an area of 69,521 sq. km, to the eastern side of Pakistan with population above 17 million. Compactness of population is 236 people per square kilometer. Although this province is imparted with ample natural resources, a meticulous populace and enormous prospects for investment. On the other hand,

industrially the province is diffident and its share in the total installed industrial units is just 7.5 percent therefore the industries in KPK could not subsidize significantly to the economic development of the country. Most of the industrial units are not currently operationalizing due to unavailability of resources.

In the current situation total number of registered installed Industrial units in the province is 1848 (Directorate of Industries Department), out of which 1145 units are closed which comprise of the 62% of the provincial industries.

Name of	Installed	Operation	Present	Closed	Retrenched
Industrial	/units	al	Employment	units	Workers
Estate		Units			
Hayatabad	212	132	17865	80	3564
Peshawar					
Gadoon	228	30	650	198	15750
Amazai					
Hattar	192	58	8392	134	418
Nowshewra	14	11	479	3	164
Total	646	231	27,386	415	19,896

Source: Causes of industrial failure and its implications in NWFP by Muhammad Tariq and Jahangir shah.

Above tabulated statistics displays the standing of medium and large-scale industries in 2003 in the Industrial Estate administered by the Sarhad Development Authority NWFP. Total installed units were 646 as per the statistics of 2003, out of which 415 units are closed, rendering 19,896 workers jobless. The percentage of closed units in these Industrial Estates is thus 64%.

If the industrial era in KPK is thoroughly analyzed it will become evident that fourteen industrial units were established in the Federally Administered Tribal Areas during Bhutto's era, but now these are non-functioning. In this tragic state the earliest revival of industrial units in FATA can only mend the situation (Tariq and Shah 2003).

#### 1.3.1. Causes of Decelerated Industrialization in KPK

If the declining condition of the industries in KPK is glanced through discourse analysis, ample factors will be tinged which contribute a large in diminishing the economically active sector. The prime reasons are reported as:

- a) Industries of the KPK are largely based upon the imported raw materials. Which equates the profit with that of import expenses.
- b) Industries are broadly based on the less value-added products.
- c) Government is devoid of dispensing skill training to the locals so that they can enhance their business skills.
- d) Despite the prevalence of ample resources the infrastructure to make the resources more efficient is scad.

- e) Since a decade long the clouds of extremism and terrorism are continuously roaring over the territory, ultimately the law and order situation is much dispersed.
- f) Locational Disadvantage, distance from the Seaport.
- g) Mushroom-growth of one type of industry members (e.g. flour mills). Therefore it is dire necessity to entrench the industries in KPK.
- h) Non-availability of skilled labor due to unavailability of diverse facilities.
- i) Smuggling of foreign goods due to the nearby tribal belt.
- j) Imposition of different types of taxes by the govt. agencies/depts.
   While on the other side not providing even the basic facilities for the industrialists.
- k) Unreliable strategies of the Government.

There is also another side of the picture where the Federal Government in 1988 provided the following incentives for encouraging industrial investment in NWFP:

i. Income Tax holiday for 8 years

- ii. Exemption from sales-tax for 5 years
- iii. Exemption from custom duty on imported machinery.

The following additional inducements were also provided by the Federal Government for Gadoon Industrial Estate, which was set up to abolish poppy cultivation in the area, by providing alternative job opportunities to the locals which include Duty-free import of raw materials, 50% concession in electricity tariff, Provision of loan at 3% mark up.

Due to the provision of these incentives the pace of the Industrial Development in the province has stimulated, resulting in establishing of 192 industrial units in Hatter Estate, with a total investment of Rs. 18.798 billion and employment opportunities for about 17522 workers. Likewise, 228 units were established in Gadoon Amazai Industrial Estate, with a total investment of Rs. 9.123 billion and employment provided to about 16762 workers. In this scenario a vital question arises that despite these all progressive maneuvers how the industrial throne of KPK has declined. The answer of this question lies in the fact that progression of mechanization in the province suffered a setback when the above incentives were either stood expired, or pre-maturely withdrawn by the government during the period 1991-95. Eventually, the industrial units started shutting down and currently, 1145 units out of 1848 are lying closed. After the successive experiments of operations of the industries of KPK, it became evident to conclude that, whenever the incentives were being provided by the

Government, the pace of industrialization enhanced in this region, of which Industrial Estate Gadoon and Industrial Estate Hattar are the examples.

When the Government takes out the enticements or these expired, the industrial units started closing down in the above industrial estates. In this scenario the law and order situation is very much responsible itself for the foreign investment. (Survey on annual report of small industries development 2002)

Due to Afghan war, the NWFP (now Khyber Pakhtunkhwa) particularly suffered greatly in terms of law and order and trafficking of foreign goods. This has critically stunned the Stakeholders poise and ultimately they become unwilling to invest in the province. An unwise ploy of the Federal Government has led the industries to face a drastic result i.e. the abolishment of the NOC requirement for establishing of Industrial units, except for a few categories. Taking advantage of the situation most of the investors set up Flour Mills in the Province, without considering the supply and demand level. Ultimately, due to lifting of ban on the movement of wheat and flour by the Federal Government almost all the Flour Mills have closed down. The closure of these industrial units in the province has given birth to too many social vices, like extraordinary upsurge in trafficking, narco-trade and indulgence of jobless youth in illegal commercial schemes to earn money. So the industrial decline brings ample social problems besides the economic downfall. The poverty level gets hype, education of the children is affected, the hygienic conditions are also badly affected. (Survey Sarhad rural development 2002)

#### 1.4. The Dilemma of Gadoon Industrial Estate in KPK

Gadoon Industrial Estate, which was established to restrict the poppy cultivation in the region has faced drastic issues which led to its downfall ultimately alienating it from the mainstream operational industry. The continuous load shedding of electricity and gas has forced the industrial units in the Gadoon Amazai Industrial Estate to close one shift during their daily operation, affecting the only source of income of many laborers.

According to the Dawn News edition of 15th January (2008)

"The laborers said that after the prolonged load shedding of electricity, the Sui Northern Gas Pipelines (SNGPL) stopped the gas supply on Friday evening, which was not restored till Monday. Waqar Ahmad, director administration of Gadoon Textile Mills, told the researcher that during the past three weeks they had suffered a loss of Rs. 60 million. "The great problem is that we are competing with India and China in the international market. If we don't meet the orders placed by the European counties on time, they would divert to the other countries," The then official of Gadoon Industrial Estate asserted that they are losing Rs1.4 million rupees daily due to electricity and gas load shedding, but the whole deferment of the latter strapped them to closing of the industry (Dawn 2008).

#### 1.5. Scope of the Study

The study encompasses on the most challenging issue regarding the industrial development in the society. Within it the numerous human factors responsible for fostering the socio-economic crisis through deindustrialization are discussed. The study envisages the labors which are direly effected by the industrial declination. While it strives to dig out the key social problems which they are presently facing due to the industrial downfall.

#### 1.6. Significance of the Study

The study holds an anomalous attribution of dealing with the preliterate class of the society who are dispensing their ultimate skill for the acceleration of industrial progress but on the reward they are being given low wages and social problems. In this study the livelihood of the labors of an industry is being analyzed deeply. the social aspect of labors working in the industries is seldom ignored rather an ample debate over the industry issues is being carried out, but the building blocks of industry are ignored therefore this is s maneuver to look the arena from the eyes of being social.

#### 1.7. Statement of the Problem

The society is progressing day by day with its full quantum yet the ground exploitation of the labor class which used to assemble and manufacture the products of industries are in calamity. The social life of this working class is facing severe socio-economic recessions. Therefore there is dire need for the excavation of the social problems driven by industrial declination. In this maneuver the life standard of the effected labor class is demanding a dire attention towards which this study is aimed to.

#### 1.8. Objectives of the Study

In order to quantify the ground realities of the deindustrialization and their impacts on the socio-economic problems of the working labors this study is focused to:

- To enumerate the demographic profile of the respondents
- To probe the existing level of industrial declination.
- To analyze the economic conditions of the respondents in post-deindustrialization time.
- To find the social problems being faced by the factory workers.

CHAPTER NO. 2

### **REVIEW OF THE RELEVANT LITERATURE**

The phenomena of industrial declination is multidimensional in nature as well as it is a chain process which is occurring in the global arena since last many decades. Therefore ample studies have been conducted to dig out its consequences in the societal setup, especially upon the livelihood of the labors. In this portion few of the studies are being discussed as a reference and comparative study of the Gadoon industrial estate declination with that of the other national and international industrial downfall.

Lawrence (1983) asserts the connotation of deindustrialization as it is based on the share of manufacturing in total employment. Further he asserts that share of manufacturing employment is a prevalent indicator of the level of industrialization and economic development.

Previous studies have manifested that basically Crises are instigated by two interacting sets of failures. Inside organizations there exists plentiful set of communicating and interacting departments. These departments keep the industrial environment in a compact form thus sustaining the network of organization as a single entity. Within this network the human factors are most influential which comprise of the operator and managerial decisions. Organizational factors comprise of strategy fiascos, insufficient resource allocations for safety, strategic pressures which allow managers to overlook hazardous practices and conditions. Moreover the communication failures, misunderstandings of the extent and nature of hazards, inadequate emergency plans, and cost pressures which curtail safety (Miller arid Freisen 1980). While at the third stage the technological systemic factors include faulty design, defective equipment, contaminated or defective materials and supplies, and faulty technical procedures (Perrow1984).

Shrivastava (1987) asserts that the organizational environment also imparts a vital role in accelerating the crisis cart. It operates in triggering vigorous and burning events to worsen the industrial structure into full-blown crises. Regulatory failures allow hazardous technologies to enter communities prepared to handle them. Weak infrastructure characterized by a lack of monitoring and surveillance capacity, and by inadequate essential services allow hazardous conditions to bloom within, and fails to anticipate and prevent triggering events from occurring. Preparedness failures in the form of inadequate on- and off-site emergency plans, lack of emergency medical capacity, and ill-prepared civil defense authorities, leads to propagation of harm from the triggering events. In the absence of emergency preparation, even small incidents have grave effects, and major accidents become catastrophic.

Multiple stakeholders within the administrative structure of industry is inevitably involved in causing, communicating, and mitigating the effects of industrial crises. Involvement of several operating entities creates abundant conflicts over the responsibility and accountability. Key stakeholders are corporations, both private and public, which own or manage the facilities in which the crises are triggered. They are legally liable for damages. In some countries, such as the USA, liability can extend beyond the corporation to equipment manufacturers, design and engineering consultants, raw material suppliers, and state agencies (Gephart1984).

State or government agencies in charge of industrial, social, regulatory, and public health infrastructure are stakeholders in two ways. They help in mitigating the effects of the crises, and they provide regulatory and monitoring services to prevent similar crises from recurring. State agencies also bear the political burden of these crises (Lagadec1982).However, voluntary organizations represent a diverse set of public interest stakes in crises. They provide relief services and create public pressure on other organizations to aid victims in recovering from damages (Kreps1984).The most profoundly affected stakeholders are, of course, the victims who suffer damage to life and property. These include workers in production facilities, consumers, and communities in which hazardous facilities are located. Even unborn children become victims because of genetic effects or delayed medical effects. Sometimes even remote observers of crisis events suffer deeply. For example, children who watched the space shuttle Challenger blow up on the TV were found to have suffered psychological trauma (Goleman1986).

Nordhaus (2006) conducted a study in the American context and linked the phenomena of deindustrialization with the rising unemployment level. He asserts that the technology used by ample industries ultimately replacing the men power are on the other hand elevating the unemployment ratio. Therefore a significant level of decline in the service sector occurs. This case is prevalent among all the countries if the world especially in the contemporary scenario where the mechanization in the industries is taking heights and replacing the labor therefore unemployment rises significantly.

Sachs and Shatz (1995) provide a pragmatic debate over the issue of wage of labors which effects the industrial productivity. They proclaim that lower wages and tough conditions for the industrial skilled employees create a significant downfall in the productivity ultimately leading the industrial structure to weaken.

Saeger (1996) conducted a study upon the changing industrial structures in the developed economies and deduced a tentative proposition that the issue of industrial decline fosters much whenever there arises the scarcity of natural endowments. These natural resources provide ample raw materials to the industry ultimately contributing in the production of the industry and hence any deficiency in the provision of raw materials the production capacity will be decelerated and the industry will move towards stagflation. Therefore it is a predominant fact that the countries with ample natural resources enjoy fostered industrial grooming.

Lawrence (1991) extends an anomalous factor in deindustrialization i.e. the impact of domestic factor in effecting the proper functioning of industries. Within this domain the racial clashes between the workers which create destabilization and division among the skilled workers.

In the case of industrial downfall in Pakistan the prime element of this dilemma is the electricity shortfall especially due to which the Gadoon industrial estate has faced its closer. In Pakistan the number of electricity consumers has increased from the 7.9 million in 1992 to 19.9 million in 2008.Despite such a sharp rise in consumer's number, still only 60% of the total population is connected to the national grid. Although while a major proportion of population still remains deprived of the national grid, those who are connected to it have hardly enjoyed a secure supply of electricity. For the last ten years, the generation capacity has not been enhanced in response to swallowing electricity requirements (Asif 2011).

Encompassing the above presented debate on the issue of deindustrialization and its dire impact on the social and economic settings of the labor class, following pragmatic assumptions are being drawn:

- The environment of an industry is itself a whole world where, if the working class is properly provided with all possible facilities the output may be more elevated than the estimated.
- Deindustrialization not only annotates the deceleration in the industrial output and efficiency rather it also causes to rise in the toll of unemployment and vice versa.
- The prime component within the industrial management which is responsible for the wellbeing of the labors is the wage structure.
- The working class being employed in the industries have their no vibrant social life or ties in the society.
- The socialization of the children of the labors of industry is often imperfect due to the long hours working duty of their sole head.

### CHAPTER NO. 3

### THEORETICAL FRAMEWORK

#### 3.1 The Labor Theory of Value (1681)

This theory was presented by John Locke (1681) of his famous book"*Second Treatise of Government*". The theory is based upon the pretext of explaining the worth of labors working in the industries and that their due rights should be extended. In this theory Locke contends that,

"God left the earth for mankind to enjoy in common, yet individuals had a title, first, to their own bodies and persons, and in consequence, secondly, to whatever they removed from the common stock by their own labors: 'Whatsoever then he removes out of the State that Nature hath provided, and left it in, he hath mixed his Labor with, and joined to it something that is his own, and thereby makes it his Property."

Locke assumed that all the resources that were found in nature had been provided by God and therefore were common property, he argued that when people took things that had been present in a natural state and reshaped them into products of use for human beings, they mixed their labor with the raw materials, and thus had the right to personal ownership of the resulting products. Indeed, the products that a worker produced became an extension of that worker. Locke employed the labor theory of value to justify private ownership of property, the cornerstone principle of capitalism. He planted the seeds of the ideas that human labor is the unique factor that creates value in commodities, and that the value of any product is approximately determined by the amount of labor that is necessary to produce it. So he lays importance on the labor rights further and annotates that the labors which are the sole producers of these precious things should have their rights and they should be well dispensed with their due deserving.

#### **3.2 Hypothesis**

#### Alternate Hypothesis "H<sub>I</sub>"

"The greater the level of declination in industrial work the more drastic decline will be in the life standard"

#### Null Hypothesis "H<sub>o</sub>"

"The greater the level of declination in industrial work the higher will be the life standard"

#### 3.3 Independent Variables

The phenomena of deindustrialization is employed as the independent variable which imparts multiple changes on the labors. Although this phenomena is world-wide and encompassing immense diversity within itself, so the study of its implications digs out the ground realities behind the gigantic industrial process.

#### **3.4 Dependent Variables**

The socio-economic status of the working Labors is taken as the dependent variable. As the industry utilizes the skills of the labors and also takes much of their time in assembling the raw materials. So, ultimately what the labors take from the industry after dispensing their precious input. In this course the purchasing power of the labors is primarily measured by investigating their monthly income. Moreover the health status of the labors as well as the role of industry in dispensing the proper hygienic conditions for the labors are also analyzed. The child socialization is also measured.

#### **3.5 Propositions**

- The labors are surely the asset of a country especially in making the industry to flourish and to utilize the natural impediments in efficient way. It is the labor which works in the baseline on the area of operation and successfully provides their output.
- The input provided by the labors in the industrialization process is sure way to increase the productivity, but the in return the due right of making their social life more empowered is still unentertained.

CHAPTER NO. 4

# CONCEPTUALIZATION AND OPERATIONALIZATION

#### 4.1. Conceptualization

#### 4.1.1. Deindustrialization

According to the Sociology dictionary (2014)

"The loss of industrial production, usually to peripheral and semi-peripheral nations where the costs are lower"

De-industrialization is the process through which manufacturing declines in a society or region as a proportion of total economic activity. This happens, for example, when corporations close production facilities under pressure from foreign competition

According to Encyclopedia (2014)

"The diminishing proportion of either national production or the labor-force of the richest Western nations engaged in the primary and secondary industrial sectors. The extent of, and reasons for, deindustrialization are a matter of controversy. Though some such trend is evident in all the major Western economies, in only a few (notably Britain) has it coincided with falling investment, and an absolute decline in manufacturing capacity.

#### 4.1.2. Living Standard

According to the Concise Encyclopedia dictionary (2014)

"Level of material comfort that an individual or group aspires to or may achieve. This includes not only privately purchased goods and services but collectively consumed goods and services such as those provided by public utilities and governments. A standard of living determined for a group such as a country must be examined critically in terms of its constituent values. If the mean value increases over time, but at the same time the rich become richer and the poor poorer, the group may not be collectively better off. Various quantitative indicators can be used as measuring rods, including life expectancy, access to nutritious food and a safe water supply, and availability of medical care."

#### According to the Merriam Webster Dictionary (2014)

"A minimum of necessities, comforts, or luxuries held essential to maintaining a person or group in customary or proper status or circumstances."

#### 4.2. Operationalization

With the laps of time as the nations grow and dig their natural impediments they make their way towards the modernization and later due to some mismanaged or abrupt harmful changes in the industry drive it towards its deceleration ultimately the industrial structure not only falls down but also it badly effects the ample number of workers attached with its correct operation. This study ponders this dimension of study and maneuvers to stage the key causes and consequences of this industrial degradation. In this coarse the work of Lawrence (1983) is taken as a model where he describes the issue of deindustrialization as the hype in the unemployment level.

While the other indicator which is focused in this study is the living standard of the workers which are being effected by the industrial declination. The health conditions of the worker as well as change in their children's education and health status are focused. The living standard of the effected labors from the industrial collapse is also operationalized as their current purchasing power while the current financial state of the labors.

### **CHAPTER NO. 5**

## **RESEARCH METHODOLOGY**

#### 5.1. Universe

Gadoon Industrial Estate is taken as the study Locale due to the focal target in socio-economic problems of the effected employees of it.

#### 5.2. Target Population

The employees of the Industrial estate which are being effected either by closure of their respective units or working in the degraded conditions are solely targeted.

#### 5.3. Sampling Design

There are ample number of employees been working in the Gadoon Industrial Estate which are equally effected by the closing of their job. So purposive sampling is being utilized to probe the respondent views.

#### 5.4. Research Technique

The technique of this research was quantitative. The statistical figures and analysis were plotted in quantitative way.

#### 5.5. Sample Size

A significant as well as representative sample of 170 respondents were used for this research study.

#### 5.6. Tools for the Data Collection:

As much of the respondents were illiterate or unable to communicate in English, therefore, the interview schedule method was employed to probe the respondents view.

#### 5.7. Techniques for the Data Collection

The survey research technique was being used in this research study.

#### 5.8. Pre-testing

In order to make a bird eye view of the study settings and the people perception. A pretesting was being carried out by having meeting with 10 respondents.

#### 5.9. Data Analysis

The data was analyzed by utilizing the advanced software SPSS 16.0 version for results and conclusion. By the help of this software, data was analyzed and accurately, Chi-Square test, Cross-Tabulation and Frequency chart were been plotted.

#### 5.10. Opportunities and Limitation of the Study

This study is remarkable in elevating the social problems of the industrial workers. In the Pakistani context the declination in the industries is very prevalent therefore this study will can be set as a benchmark to study the problems of industrial workers. While a prominent limitation of the study was that this study was restricted to the only segregation of industrial workers i.e. one cannot generalize the results of this study over the entire unemployment issue.

#### 5.11. Ethical Concerns and Techniques

As much of the employees of Gadoon Industrial estate are unemployed presently and they are in their home. So the researcher managed to meet with the respondents at day time. While it is also considered not to disturb the respondents on early times, because might be the respondent is in his job searching process. The respondents are being encouraged whilst they are not being disheartened by discussing the state of other industries in the country.

# CHAPTER NO. 6

## RESULTS

#### **6.1 Frequency Tables**

Age Intervals	Frequency	Percent
less than 20	31	20.7
20-25	38	25.3
26-31	30	20.0
32-37	22	14.7
38-43	15	10.0
more than 43 years	14	9.3
Total	150	100.0

Table 6.1.1. Age of the Respondents

The above drawn table depicts the age profile of respondents. The results portray that 25% respondents with a frequency of 38 are reported to fall within the age group of 20-25, while 14% of the respondents fall within the age group of 32-37. Moreover, 20% of the respondents fall within the age group of 26-31. Only 20% respondents were less than 20. Whereas, 9% of the respondents were aged greater than 43 years.

Marital Status	Frequency	Percent
Married	79	52.7
Single	56	37.3
widow/widower	15	10.0
Total	150	100.0

Table 6.1.2. Marital Status of the Respondents

Out of the noted frequencies regarding marital status of the respondents, the married respondents have the largest percentage of 52.7% with a frequency of 79 respondents while only 15 respondents were observed as widower. Moreover only 37% of the respondents were single.

Table 6.1.3. Educational Status of Respondent

Educational Categories	Frequency	Percent
Primary	48	32.0
Middle	25	16.7
Matriculation	12	8.0
Graduation	4	2.7
Uneducated	61	40.7
Total	150	100.0

The reported results depict that 40% of the respondents were uneducated while 32% of the respondents have education up to primary level and 16% of the respondents have education level up to middle level.

Categories	Frequency	Percent
Nuclear	33	22.0%
Joint	86	57.3%
Extended	31	20.7%
Total	150	100.0%

Table 6.1.4. Family Type

The reported results regarding the family structure of respondents' shows that 57% of the targeted population adheres joint family system, 22% exhibit nuclear family system and 20% represent extended family system.

Table 6.1.5. Monthly income of the Respondents

Monthly Income	Frequency	Percent
Rs.5000	24	16.0%
Rs.6000-10000	56	37.3%
more than Rs.10000	70	46.7%
Total	150	100.0%

The above tabulated results state that 46% of the reported respondents get more than 10.000 PKR salaries while 37% have the salary ranging from 6000-10000 PKR and only 16% have 5000 PKR salary.

Table 6.1.6. Number of Family Members

Number of Family Members	Frequency	Percent
1-3	51	34.0%
4-6	76	50.7%
more than 6	23	15.3%
Total	150	100.0%

The above given table represents the number of the family members of the respondents. 50% of the respondents have 4-6 family members, while 34% have 1-3 members. Only 15% respondents exhibited that they have more than 6 family members.

Table 6.1.7. Degree of Satisfaction

Responses	Frequency	Percent
Yes	10	6.7%
No	100	66.7%
To some extent	40	26.7%
Total	150	100.0%

The above given table shows the degree of satisfaction of respondents with their job. 6% of the respondents said that they were satisfied from the current job. This level of satisfaction is due to the absence of any other job opportunity, therefore the respondents falling in this category feel much satisfied that rather to be unemployed this hectic job is better. 66% of the respondents were unsatisfied with this job because of the tough conditions of job. 26% of the respondents showed their willingness to some extent that they are satisfied.

Responses	Frequency	Percent
Healthy	50	33.3%
Hazardous	66	44.0%
Vulnerable to risk	34	22.7%
Total	150	100.0%

 Table 6.1.8. Environment of Workplace

As the industries cause many environmental hazards so the views of the employees working in it were also very much critical. 44% of the respondents were of the view that the working environment within the factory premises was hazardous for their health, while 22% also holds a negative view regarding the industry that it is vulnerable to risk. Only 33% of the respondents annotated that the worksite conditions were healthy.

Nature of Incentives	Frequency	Percent
Health and Education	25	16.7%
None	125	83.3%
Total	150	100.0%

Table 6.1.9	. Incentives	other	than	Salary
-------------	--------------	-------	------	--------

The factory labors are seldom provided with incentives. 83% of the respondents hold the view that they are not given any incentives during their job. While only 16% hold the view that they are given with somewhat incentives in health and education of their children. This assistance to some particular employees is on their dire request to industry higher management and the management allocates any bonus or other incentive for one time period.

A MORE OTTOTAL TOTAL OTTOTAL CETTOR	Table	6.1.10	. Promotion	Criterion
-------------------------------------	-------	--------	-------------	-----------

Nature of promotion	Frequency	Percent
On merit	87	58.0%
Nepotism	41	27.3%
Other	22	14.7%
Total	150	100.0%

Respondents were being asked regarding the promotion criteria in their organizational structure. 58% of them exhibited the view that promotion was based on merit system. 27% of the respondents hold the view that promotion was based on nepotism and 14% of the respondents replied that promotion is done under other circumstances

Table 6.1.11. Management Behavior toward Workers

Responses	Frequency	Percent
Professional	49	32.7%
Biased	67	44.7%
Friendly	34	22.7%
Total	150	100.0%

44 % of the respondents told that the behavior of management with them is much biased, 32% have their say that they have professional behavior while only 22% of the respondents term the behavior of the management as friendly.

Employment status categories	Frequency	Percent
Permanent	25	16.7%
Contract	85	56.7%
Full time	40	26.7%
Total	150	100.0%

56% of the respondents attributed themselves as contract employee of the industry. 16% are permanent employees while 26% are full time employees. **Table 6.1.13. Industrial job Force Respondent towards Work on Holy and Sacred days** 

Responses	Frequency	Percent	
Yes	58	38.7%	
No	74	49.3%	
Up to some extent	18	12.0%	
Total	150	100.0%	

38% of the respondents reported that they have to do work even on their holy and sacred days to earn bread for their family. While 49% nullified the view and expressed that they do not work on the holy and sacred days to

fulfill household requirements. Only 12% of the respondents said that to some extent they are tended to work on sacred days.

 Table 6.1.14. Factory Provides Standard and Healthy Food

Responses	Frequency	Percent
Yes	36	24.0%
No	114	76.0%
Total	150	100.0%

76% of the respondents are of the view that they are not being provided with healthy and standard food in the worksite while only 24% say yes that they are provided with well hygienic food.

Table 6.1.15. Studying Children of the Respondent

Children number	Frequency	Percent
1-3	88	58.7%
4-6	5	3.3%
More than 6	4	2.7%
None	53	35.3%
Total	150	100.0%

58% of the respondents have 1-3 children enrolled in any class, 35% of the respondents have no children studying in school. 3% have 4-6 children

studying at school. Only 2% respondents have more than 6 children enrolled at school.

Responses	Frequency	Percent
Yes	29	19.3%
No	121	80.7%
Total	150	100.0%

Table 6.1.16. Industrial Economy Improved purchasing power

80% of the reported respondents hold the view that their purchasing power is not elevated rather decelerated due to industrial wages provided to them. While 19% of respondents nodded that there purchasing power is raised. This is because earlier either they are unemployed working in lower wages than the current wage.

Table 6.1.17.	Ability of	Respondent	to fulfil	Material	Desires	through
current Salar	'y					

Frequency	Percent	
33	22.0%	
95	63.3%	
22	14.7%	
150	100.0%	
	33 95 22	

63% of the respondents reported that they are unable to fulfill their needs from the current wage provided to them by the job. While 22% of the respondents nodded that they are able to fulfill their material needs through the current salary. 14% of respondents replied that up to some extent they can cater their expenses.

Responses	Frequency	Percent	
Yes	42	28.0%	
No	91	60.7%	
Sometimes	17	11.3%	
Total	150	100.0%	

Table 6.1.18. On end of Month Respondent take Money for Expenses

60% of the respondents fell this disgrace to take loan at the end of every month to fulfill their household needs so they nullified that they don't take money. 28% of respondents have accepted the notion that they used to take money seldom at the end of the month to fulfill their expenses. While 11% respondents replied that they take money sometimes on necessity basis.

Responses	Frequency	Percent
Yes	29	19.3%
No	121	80.7%
Total	150	100.0%

 Table 6.1.19. Industry has Raised the living Standard

80% of the working labors reported that industry hasn't elevated their life standard. While only 19% nodded that their life standard has raised.

Responses	Frequency	Percent
Yes	104	69.3%
No	27	18.0%
To some extent	19	12.7%
Total	150	100.0%

 Table 6.1.20. Effects of job on Socio-Cultural Affairs

69% of the respondents' socio-cultural affairs are affected by the factory working schedule. 18% have not experienced any effect on their socio-cultural affairs. Whereas only 12% of the respondents have expressed that their affairs are affected to some extent.

Table 6.1.21. Major	Problems	Respondent	face at	t Home	due to	busy
Schedule of your Job	,					

Problems	Frequency	Percent
Socialization of children and look after	43	28.7%
No proper timing for wife,	107	71.3%
Total	150	100.0%

The above table represents the major problems faced by the respondents due to the working schedule of the industry. 71% of the reported respondents face no proper timing for their wife, parents and friends therefore their social life is affected much. 28% of the respondents face the severe problems of their child socialization of child and their nourishment related problems.

Table 6.1.22. Long working hours Influence your Recreational

#### activities

Responses	Frequency	Percent
Yes	103	68.7%
No	29	19.3%
To some extent	18	12.0%
Total	150	100.0%

68% of the respondents have reported that the long working hours of their job affect their recreational activities. While 19% respondents have nullified this notion. Only 12% of the entire respondents responded that to some extent their recreational activities are being affected.

Table 6.1.23. Family Satisfied	d from your job
--------------------------------	-----------------

Responses	Frequency	Percent
Yes	75	50.0%
No	75	50.0%
Total	150	100.0%

The families of 50% of the respondents are satisfied from their job while

50% of the respondents' families are not satisfied from their job.

#### Table 6.1.24. Industrial Workers are molded towards Materialistic

#### Attitudes because

Responses	Frequency	Percent
For better standard of life	38	25.3%
For higher social status in society	77	51.3%
Desire for competition and outstrip others	35	23.3%
Total	150	100.0%

The industrial workers area although much deprived of the basic rights so they tend towards the materialistic attitudes to get these rights and facilities. 25% of the respondents explain the reason that they are tended towards materialism because to get a better standard of life. 51% of them asserted that they adopted the materialistic way to get higher social status in their social circle. While 23% of the reported respondents have propounded that they desire for a competition and want to outstrip others.

Table 6.1.25.	Your Routine	work influenced	your Kinship system
---------------	--------------	-----------------	---------------------

Responses	Frequency	Percent
Yes	137	91.3%
No	13	8.7%
Total	150	100.0%

91% of the respondents stated that the routine work has influenced their kinship system while only 8 % respondents have nullified that their kinship system is not being influenced by their job.

 Table 6.1.26. Overall Impact of Industry on the Community

Responses	Frequency	Percent
Good	6	4.0%
Bad	144	96.0%
Total	150	100.0%

The above inserted table shows that 96% of the targeted respondents have proclaimed that the industry has a bad impact on the society. While only 4% of minute level of respondents have said that it imparts good effect on society. This response of the impact of bad effect on society by the industry is based upon the bad wages, hygienic conditions and excess exploitation of labor.

ResponsesFrequencyPercentYes149.3%No13690.7%Total150100.0%

Table 6.1.27. Time for your Family Medication or Hospital Concerns

The tabulated results depict that 90% of the respondents have no time for their family medication and for the hospital concerns. While only 9% respondents have annotated to have time for their family medication.

 Table 6.1.28. Impact of job on Religious Activities

Responses	Frequency	Percent
Yes	69	46.0%
No	81	54.0%
Total	150	100.0%

The given table depicts the impact of the industrial job in the religious activities and rituals. 54% respondents annotated that their religious rituals are not being effected by the industrial job. While 46% respondents had their say that their religious ceroms were being effected by the industrial job.

Responses	Frequency	Percent
Good	6	4.0%
Bad	144	96.0%
Total	150	100.0%

Table 6.1.29. Overall Impact of Industry on the Community

The above tabulated statistics portray the view of respondents about the overall impact of industry on community, such that 96% of the respondents the view that the impact of industry on the community workers is not good, while only 4% nodded on the contrary.

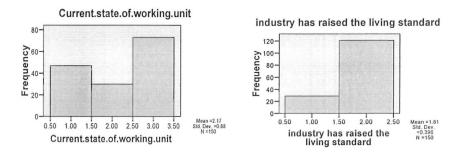
#### 6.2 Cross Tabulation and Hypothesis Testing

6.2.1. Current Operational State of the Industry * Either Current	
Industrial State Raised the Living Standard Cross Tabulation	

		industry has raised		
		the living standard		Total
		Yes	No	Yes
Operational	Running over the			
state of the	availability of electricity	16	42	58
industry				
	Closed	3	39	42
Total		19	81	100

The above tabulated results depicts the comparative relation between the current condition of the industrial unit and the life standard of the respondent. The results depict that 38 respondents asserted that their workign unit is going to shut in some time and the oout of these respondents 32 asserted that their life standards is not elevated rather declined by the prevailing condition of industry. 20 respondents are those whose working unit is running in intervals i.e. over the availability of electricity out of these set of respondents 10 asserted that their life standard is raised to some extent because earlier they

were unemployed and through this job they are getting somewhat money. Working unit of 42 respondents has closed, out of these respondents 3 have asserted that there life standard has improved their life standard because when they were working in the factory they were earning good wages, while 39 have asserted that their life standard has declined. The work of Shrivastava (1987) testifies this notion that with the larger level of declination the living standard of the respondents becomes more drastic.



The above charts are the histograms for the variables which are being tested through using Chi-square analysis. The histograms represent the skeweness of the data. In the above graphs the data of both the variables is either positively or negatively skewed. Therefore considering the statistical rules non-parametric chi-square tests has been employed for the analysis.

#### **Chi-Square Test Analysis**

		Either current
	Current operational state	industrialstate raised the
	of the industry	living standard
Chi-Square (a,b)	8.240	17.640
Df	2	1
Asymp. Sig.	.016	.000

A 0 cells (.0%) have expected frequencies less than 5. The minimum expected cell frequency is 33.3.

B 0 cells (.0%) have expected frequencies less than 5. The minimum expected cell frequency is 50.0.

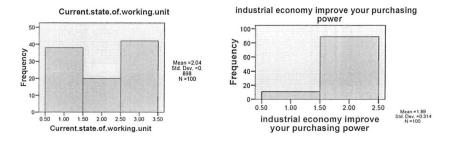
The relationship between the current operational state of industry and either current industrial state raised the living standard is significant. Pearson Chi-square for the independent variable current operational state of industry and dependent variable either current industrial state raised the living standard is 8.240 and 17.640 while  $D_f$  is 2 and 1 respectively, p value is 0.000 for both which is less than 0.05. Therefore the alternate hypothesis is validated.

6.2.2. Current Operational State of the Industry * Industrial Economy
Improve Your Purchasing Power Cross Tabulation

		industrial		
		improv		
		purchasii		
		Yes	No	Total
Current	Running over the			
operational	availability of	7	52	58
state of the	electricity			
industry	Closed	4	38	42
Total		11	89	100

The above given table exhibits the relational analysis of the variables current operational state of the industry and the improvement in purchasing power of respondent due to industrial economy. The reported statistics reveal that 58 respondents have asserted that their working unit is going to shut in some time and the industrial unit is running over availability of electricity, within these groups of respondents 52 have asserted that their purchasing power is not improved. While 42 respondents propounded that their working unit is being closed due to severe crisis, out of these respondents 38 have asserted that no improvement in their purchasing

power has occurred. These outcomes are coincided with the wok of Sachs and Shatz (1995) in which they asserted the problem of labor wage which creates a prime hurdle in their purchasing power. While they further proclaim that the industrial decline effects the employment of the labor and untimely lowers their purchasing power through which they get deprived of from their customary needs.



The above charts are the histograms for the variables which are being tested through using Chi-square analysis. The histograms represent the skeweness of the data. In the above graphs the data of both the variables is either positively or negatively skewed. Therefore considering the statistical rules non-parametric chi-square tests will be employed for the analysis.

#### **Chi-Square Test Statistics**

	current	
	operational state	industrial economy improved
	of industry	purchasing power
Chi-Square(a,b)	8.240	60.840
Df	2	1
Asymp. Sig.	.016	.000

a 0 cells (.0%) have expected frequencies less than 5. The minimum expected cell frequency is 33.3.

b 0 cells (.0%) have expected frequencies less than 5. The minimum expected cell frequency is 50.0.

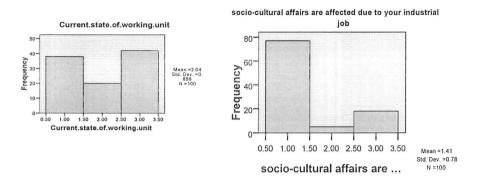
The relationship between the current operational state of industry and industrial economy has improved the purchasing power is significant. Pearson Chi-square for the independent variable current operational state of industry and dependent variable industrial economy improved purchasing power is 8.240 and 60.840 while  $D_f$  is 2 and 1 respectively, p value is 0.000 for both which is less than 0.05. Therefore the alternate hypothesis is validated.

# 6.2.3. Current Operational State of the Industry\* Socio-Cultural Affairs are Affected Due to Current Operational State of Industry cross Tabulation

		Socio-cultural affairs are			
		affected due to your industrial			
			job		
		To some			
		Yes	No	extent	Total
Current	Running over the				
operational	availability of	42	0	16	58
state of the	electricity	42	U	10	50
industry					
	Closed	35	5	2	42
Total		77	5	18	100

The above tabulated statistics represent the comparative analysis of the variables of current operational state of the industry with that of the state of socio-cultural affairs being affected by the industrial downfall. 58 respondents have stated that their workplace is running over the availability of electricity and remains close much of the time. While 16 of them told that their social and cultural affairs are effected to some extent while 42

have responded that their affairs are effected severely. In the other set of response 42 respondents told that their worksite is closed now due to crisis. While within these group of respondents the majority of the respondents with frequency of 35 asserted to have severely been effected by the industrial downfall. The work of Lawrence (1987) has also validated that the impact of industrial downfall and its consequences as racial clashes between labors due to the cultural contradictions while the social aspect of the labors life is also becomes panic.



The above charts are the histograms for the variables which are being tested through using Chi-square analysis. The histograms represent the skeweness of the data. In the above graphs the data of both the variables is either positively or negatively skewed. Therefore considering the statistical rules non-parametric chi-square tests will be employed for the analysis.

		socio-cultural affairs are
	Current operational state	affected due to your
	of industry industrial jo	
Chi-Square(a)	8.240	88.340
Df	2	2
Asymp. Sig.	.016	.000

#### **Chi-Square Test Statistics**

a 0 cells (.0%) have expected frequencies less than 5. The minimum expected cell frequency is 33.3.

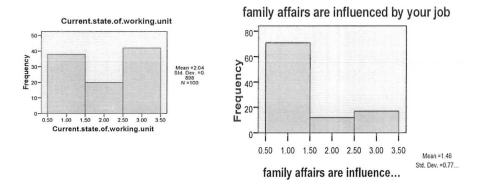
The relationship between the current operational state of industry and sociocultural affairs are affected due to industrial job is significant. Pearson Chisquare for the independent variable current operational state of industry and dependent variable socio-cultural affairs are affected due to your industrial job is 8.240 and 88.340 while  $D_f$  is 2 for both variables, p value is 0.016 for independent and 0.000 for the dependent variable which is less than 0.05. Therefore the alternate hypothesis is validated.

#### 6.2.4. Current Operational State of Industry \* Family Affairs are

Influenced	By the	Current	Declining	State of Job
------------	--------	---------	-----------	--------------

	Family affairs are				
			influenced by your job		
				То	
				some	
		Yes	No	extent	Total
Current	Running over the				
operational	availability of	30	5	13	58
state of	electricity			<u>.</u>	
industry	Closed	31	7	4	42
Total		71	12	17	100

The given table exhibits the current working state of the industry of respondent and its influence on the family affairs of respondent. The results depict that the 58 respondents are working in a condition where their work is relied upon the availability of electricity and soon it is near to shut. Out of these 58 respondents 43 have their family affairs disrupted. While 42 respondents worksite is closed due to crisis and 35 of them are severely been effected by facing disruption in their family structure.



The above charts are the histograms for the variables which are being tested through using Chi-square analysis. The histograms represent the skeweness of the data. In the above graphs the data of both the variables is either positively or negatively skewed. Therefore considering the statistical rules non-parametric chi-square tests will be employed for the analysis.

**Chi-Square Test Statistics** 

	Current.state.of.working	family affairs are	
	.unit	influenced by job	
Chi-Square(a)	8.240	64.220	
Df	2	2	
Asymp. Sig.	.016	.000	

a 0 cells (.0%) have expected frequencies less than 5. The minimum expected cell frequency is 33.3.

The relationship between the current operational state of industry and family affairs are influenced by job is significant. Pearson Chi-square for the independent variable current operational state of industry and dependent variable family affairs are influenced due to industrial job is 8.240 and 64.220 while  $D_f$  is 2 for both variables, p value is 0.016 for independent and 0.000 for the dependent variable which is less than 0.05. Therefore the alternate hypothesis is validated.

Chapter No. 7

# DISCUSSION AND CONCLUSION

### 7.1. Discussion and Conclusion

The phenomena of deindustrialization with its socio-cultural aspect are thoroughly analyzed through focusing the anomalous area of operation i.e. the labor workface and their problems. Basically the raw materials being assembled and converted to precious elements though which ample revenue is generate. Upon the contract of a minor sum of money the labors are being exploited by even not dispensing them with the hygienic food and environment. Therefore one of the key reasons of low productivity and improper industrial growth is due to the unavailability of quality labor and the quality labor is hired by the foreign multinational organizations. While the industrial downfall is not only lowering the productivity and the progress of a country but also it imparts a social problem of unemployment which often leads to poverty. In this way, the society is destabilized though mutating the socio-cultural mark of the labors. Industrial downfall is primarily linked with hype in unemployment rather the ground realities of the decline in the purchasing power, unhygienic health and food conditions, as well as the socio-cultural practices are being entirely ignored. Within this cycle of exploitation the labor class is suppressed as the Karl Marx proclaimed that the labor class is exploited and through their precious input the bourgeoisie class gets their benefits. The theory of John Locke (1681) in which he propounds the dispensing of labor rights is worth mentioning here

in this context. Therefore under this pretext the rights and problems of the labors are much focused in this study.

Mustering up the entire debate, it becomes evident that although industrial progress has a remarkable impact on the progress of a nation. But the exploitation of the labor class in this industrialization process needs dire attention. It is the efficiency of the labor class which sustains the production of an industry in a progressive manner. Therefore strive for the empowerment of this labor class is basically strive for empowering the industrial structure. A healthy and skilled labor can only generate a productive element and vice versa.

### 7.2. Suggestions

- The issues of the labors in the declining industries especially their health issues within the premises of industry should be highlighted.
- The state of education of the children of the labors should be tentatively studied, because much of the rural folk is working in the industries and they are unable to socialize their siblings for education.
- Tentative studies on the labor rights must be carried out.
- Pragmatic work should be done to aware the factory labors about their due rights and the hygienic conditions especially.

References

## 1. References

- Clark, D. 1998. Interdependent Urbanization in an Urban World: an Historical Overview. *The geographical journal* 164(1):85-95.
- Davis, K. 1965. The urbanization of the human population. Scientific American 213(4):40-53.
- Gephart, R P. (1984). Making sense of organizationally based environment disasters. *Journal of management* 10(2): 25-205.
- Goleman, D. 1986. Openness is key in solacing young. New York Times, 30 January.
- Kreps, G A. 1984. Sociological inquiry and disaster research. *Annual Review of Sociology*, 10:309-30.
- 7. Lagadec, P. 1982. Major Technological Risk. New York: Pergamon.
- Lawrence, R Z. 1983. Is trade deindustrializing America? A medium Term Perspective. Brookings papers on economic activity (1):129-171.
- Lawrence, R Z. 1991. Deindustrialization: Concepts and evidence. Mimeo, Harvard University. Prepared for ford foundation-Colombia University conference on deindustrialization, Nov, 15-16, 1991.
- 10. Lowry, I S. 1990. World Urbanization in perspective. *Population* and development Review 16:148-176.

- Millerd and H Freisenp. 1980. Momentum and revolution in organizational adaptation. *Academy* of *Management Journal* 25:589-613.
- 12. Muhammad, Asif. 2011. Energy crisis in Pakistan origins challenges and sustainable Solutions, Karachi: Oxford University Press.
- Nordhaus, William D. 2006. "Baumol's Diseases: A Macroeconomic Perspective." Working paper no.12, 218. National Bureau of Economic Research, Cambridge, Mass.
- 14. Perrow, C. 1984. Normal Accidents: Living with High Risk Technologies. US, New York: Basic Books.
- Rowthorn, R. and R Ramaswamy. 1997. Deindustrialization: Causes and Implications. IMF Working Paper. Washington, DC: International Monetary Fund.
- 16. Sachs, J D. and H J Shatz. 1995. International trade and wage inequality in United States: Some new results. Paper prepared for Brooking institution project on imports, exports and the American worker. Mimeo, Harvard University, December.
- Saeger, S S. 1996. Globalization and the Economic structure in the OECD. Unpublished Ph.D. dissertation.

- Shrivastava, P. 1987. *Bhopal: Anatomy* of *a Crisis*. Cambridge, MA: Ballinger.
- Survey 2002, Annual report of Sarhad Development Authority NWFP 2002.
- 20. Survey 2002. Annual report of Small Industries Development Board Kohat Road Industrial Estate Peshawar.
- 21. Tariq, Muhammad, Jahangir Shah. 2003. Causes of industrial failure and its implications in NWFP. *Quarterly science vision*8 (3 and 4): 42-45.
- 22. Timberlake, M. 1987. *World system theory and the study of comparative Urbanization*. U.K Oxford: Blackwell Publishers.
- 23. Xizhe, Peng., Xiangming Chen., Yuan Cheng. 2011. Urbanization and its consequences. *Demography* 2: 1-16.

#### **Dictionary sources:**

Sociology dictionary (2014

(http://sociologydictionary.org/deindustrialization/

Concise Encyclopedia dictionary

(2014)http://www.encyclopedia.com/doc/1O88-deindustrialization.html)

Merriam Webster Dictionary (2014)

Questionnaire

# Questionnaire

# Part # 1

# Demographic profile

1: Name of the res	spondent:		
2: Age of the resp	ondents:		
3: Marital status of	the respondents:		
(a) Single	(b) Marri	ed	(c) engaged
4: Your educationa	ıl status:		
(a) Primary	(b) Middle	(c) high	(d) University
(e) Uneducated			
5: Family type of	the respondent:		
(a) Nuclear	(b) Joint		(c) Extended
6: Your family inco	ome from all source	es:	
7: Number of fam	ily members?		
(a) Male	(b) F	emale	(c)
total			

Part A			
Information on the in	udustry from the v	worker	
8: Respondent's job po	osition:		
9: Your income or sala	ary:		
10: Are you satisfied v	vith your current jo	ob?	
(a) Yes	(b) No	(c) to some extent	
11: Environment of w	orksite inside indu	istry premises:	
(a) Good for healt	h (b) not g	good (c) vulnerable to ris	sk
(d) safe			
12: Current state of yo	ur working unit in	the industry	
(a) Running over elec	tricity availability	(b) Unit closed	
13: Does factory provi	de you pension?		
(a) Yes	(b) No		
14: What is the Promo	tion criterion of fac	ctory?	
(a) On merit	(b) on Nepotism	(c) other:	
15: Management behav	vior toward worker	rs:	
(a) Professional	(b) Biased	(c) friendly	

16: In case of any accident factory provide you any health facility?

(a) Yes	(b) No	(c) to some extent
17: Worker cooperat	ion level with fellow worke	er:
(a) Good	(b) Not Good	(c) Average
18: Employment stat	us:	
(a) Permanent	(b) contract	(c) Part Time
(d) Full time		
19: Average working	hours of the worker:	
20: Annual leaves all	ow to worker:	
21: Is industrial job g	iving you technical skills a	nd intellectuality?
(a) Yes	(b) No	(c) To some extent
22: do you accept that	t interaction with other wo	rkers gives you new ideas or
knowledge?		
(a) Yes	(b) No	(c) I don't know
(d) To some extent		
23: Does your indu	strial job force you toward	ds work on holy and sacred
days?		
(a) Yes (d) No		

24: Do you know about your basic right which is stated in labor laws of Pakistan?

(a) Yes (b) no (c) to some extent

25: does factory provide you standard and healthy food?

(a) Yes (b) no (c) to some extent

Part # 2

### Information on socio-economic impact of industry

26: Number of your children:

(a) Total \_\_\_\_\_ (b) Male \_\_\_\_\_ (c) Female \_\_\_\_\_

27: How many of them are studying:

(a) Total Male\_\_\_\_\_ (b) Female\_\_\_\_\_ (c) none of them

28: How much you spend on educational activities from your monthly salary?

(a) Self\_\_\_\_\_ (b) family and children \_\_\_\_\_ (c) no expenditures

29: Do you accept that your current fertility rate due to sufficient industrial economy?

(a) Yes (b) no (c) culturally and religiously

(d) to some extent

30: Does industrial economy improve your purchasing power?

(a) Yes (b) No (c) to some extent

31: Do you able to fulfill your material desires through current income as:

(a) Electronic tools(b) costumes and vehicles(c) rehabilitation of house and new constructions

32: Do you saving or left some money from your salary for your extra ordinary assignments

(a) Yes (b) no (c) to some extent

33: Do you realize that overtime in factory generate more capital for workers?

(a) Yes (b) no (c) to some extent

34: On the end of month compellingly you borrow some amount of loan for economic essentials?

(a) Yes (b) No (c) whenever

35: Do you able to help others financially on the behalf of current income?

(a) Yes (b) No (c) not experience

36: There is other member of your family in an industry to generate income except you?

(a) Yes	(b) No
(a) Yes	(b) N

37: Do you accept that industrial job has tended you towards modernity or social change?

(a) Yes (b) No (c) to some extent

38: Do you consider that industry has raised the living standard of the workers of the area?

(a) Yes (b) No (c) to some extent

39: Do you borrow some cultural traits from other co-workers?

(a) Yes (b) No (c) to some extent

:If yes then notify:-

(a) dressing, food, shelter (b) non-material (c) any other

40: Do you think that, your socio-cultural affairs are affected due to your industrial job?

(a) Yes (b) No (c) to some extent

41: Your family affairs are influenced by your job:

(a) Yes (b) No (c) to some extent

42: What's the major problem which you face at home due to busy schedule of your job?

(a) Socialization of children and look after.

(b) No proper timing for wife, parents and friends.			
(c) Any other			
43: Do you realize that long working hours destabilized your liberty?			
(a) Yes	(b) No	(c) to some extent	
44: Is long working hours influence your recreational activities?			
(a) Yes	(b) No	(c) to some extent	
45: Do you go for outing with your family and friends?			
(a) Yes (b) No			
46: Do you have a sufficient time for your children socialization?			
(a) Yes	(b) no, because busy jo	b (c) to some extent	
(d) my wife fulfill this reduction			
47: Is your family satisfied from your job?			
(a) Yes	(b) No		
48: Has existing industry changed the structure and function of the worker			
family?			
	(a) From joint to extended		
	(b) From joint to nuclear		
	(c) Permission of parents for adu	lts to work outside the	
home.			
	(d) Tendencies toward education of	both genders	

(e) Autonomy in the selection of life partner

(f) Above all

49: Does your industrial job effect or alter your role within family as?

- (a) More influential and responsible as socially and economically
- (b) No responsibilities and duties
- (c) No
- (d) To some extent

50: Do you accept that industrial workers are molded towards materialistic attitudes because?

(a) For better standard of life

(b) For higher social status in society

(c) Desire for competition and outstrip others

(d) Love for money as power

(e) Any other

51: Do you have relations with your female co-workers such as?

(a) Friendly	(b) professional	(c) love and marriage
--------------	------------------	-----------------------

(d) no relations

52: Do you realize that your routine work influenced your kinship system?

(a) Yes(b) No(c) To some extent53: Do you accept that industrial job influence your social activities in hujra?