SOCIAL SECURITY THROUGH AGES: AN OVERVIEW

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ABSTRACT

The issue of social security has received attention from various fields including sociology, economics, law, public policy, etc, especially in a developing country such as India. The idea of social security has developed through ages. The paper explores the origin of social security especially in the Indian context. India has a history of foreign invasions which transformed the socio-economic structure of the Indian society. Against this backdrop the paper seeks to study the evolution of social security. It also explores the problems and issues of social security with respect to India in the present day context of globalization. Social security is more of a social construct and social security crisis is created by the society through inequality and unequal distribution of wealth in the society.

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I. Introduction

Throughout human history people have faced uncertainties related to their economic well-being, health and old age, these led to the rise of the idea of social security. In short, human beings always have to deal with insecurities and risks. Social security in all probabilities, has originated in Western Europe, developed by Abraham Epstein to differentiate it from economic security[1]. The concept of social security is very old; but the process of institutionalising the concept is of recent origin, i.e. the laws built around it to institutionalise it[2] are new. The non-instutionalized agencies such as family, caste group, guilds existed from time immemorial and they are the backbone of social security. For example, India has a traditional joint family system which protects its member from all hardships such as illness, economic insecurity, widowhood, old- age. But with industrialisation and migration the joint family system broke down and the need for formal institutions or agencies to protect individuals from adverse situations increased[3]. The development of liberalism and individualism influenced by the westernization of the Indian society transformed India from a caste-based to a class-based society. Industrialisation formed new classes which needed support from the formal agencies as the traditional form of security system broke down. In primitive societies people sought security in different kinds of safety nets such as kinship or friendship networks.[4]

Forms of security differ according to the types of society. For example, in medieval Europe the feudal system was the basis of economic security.[5] The feudal lord had economic security as long as the serfs served him and the serfs had security as long as they were fit to give their labour. Land was then the basic source of production and so the economy was

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[1] Mr Abraham Epstein first introduced the concept of social security. He was the national leader in the social welfare. In the beginning of 1930's economic security was the term used, it was used by President Roosevelt in June 1934 when he formed the committee on economic security. According to Webster's third new international dictionary social security means" the principle or practice of public provision for economic security and social welfare of the individual and his family(as through social insurance and assistance)"; Social Security Bulletin,vol.55, no 1, 1992:63

[2] *See* shodhganga.inflibnet.ac.in/b**its**tream/10603/6251/6/06_chapter%202.pdf(p39-40)

[3] *see* shodhganga.inflibnet.ac.in/bitstream/10603/6251/8/08_chapter%204.pdf(p108-109)

[4] Thelen, Tatjana, Carolin Leutlofl-Grandits, and Anja Peleikis. "Social Security in Religious Networks." Social Security in Religious Networks: Anthropological Perspectives on New Risks and Ambivalences (2009):1

[5] An oppressive system involves the feudal lord and the serf or the peasant in common terms, was given a piece of land and in return he has to serve his lord.

confined to land. With industrial revolution, land, labour and raw materials became equally important. Industrial revolution was a major landmark in the history of mankind. With industrialisation economic growth was coupled with social inequality and rising social insecurity. The need for social security arose especially after the industrial revolution to protect one from the adverse conditions such as accidents, illness, disability, old- age, etc. According to Van Ginneken and Wouter (1999) "The concept of social security has developed over the years. It ensures social support for dignified life which includes some necessities of life ranging from income to employment, means of acquiring basic need".[6]

II. The Emergence of Social Security: A General Overview:

As societies grew, the self-sufficient communities gave way to towns and cities. In the West, especially in Europe various organisations grew during middle Ages, for example, guilds which were associations of merchants and craftsmen- these associations benefitted the members by providing employment and other social help. The guilds were later transformed into friendly societies and these friendly societies later grew into what we call trade union in the modern age.[7] Apart from providing economic security they also provided life insurances to its members. The provision of economic security led to the emergence of "Poor laws"[8], targeted to the weaker and poorer sections of the society. The collapse of feudalism changed the relationship between the ruling class and the working class which gave birth to a new economy. The idea of laissez-faire developed, under this rule workers used to work for long hours under inappropriate conditions, leading to the exploitation of workers. Thus there grew a need to support the poor so that their willingness and ability to work could be increased. Poverty was the basic cause for the growth of social security. This English poor law was the first initiative which reflected the idea of the responsibility of the state to provide security to its citizens in the form welfare benefits.[9]

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[6] Van Ginneken, Wouter, ed. *Social security for the excluded majority: Case studies of developing countries*. International Labour Organization, 1999:37

[7] Social Security Administration. "Historical background and development of social security." (2013)

[8] Poor laws grew to reduce the cost for looking after the poor, and encourage them to work for themselves.

[9] Ibid.

Social security also has its roots in many religious groups like Catholics, within which women's congregation was the most functional in supporting those who were in need. For example catholic sisters were organised within their religious groups and functioned as a unit for emotional and material security for its members.[10] In response to industrialisation and increased poverty, hundreds of women's congregations were formed in Europe to look after the sick and poor both within and outside the boundaries, several schools and hospitals were also set up.[11]

Debates on social security emerged in the 1970s and 80s mainly in response to the development of the third world. In these counties the state-run security provisions reached only small sections of people while the majority had to depend on family, community and kinship. The idea of social security was based on the provisions provided by the state or the government of advanced nations but it was inapplicable to developing countries,[12] as implementing social security policies for the growing population in developing countries was challenging. To sum up, social security is not only meant to provide material resources to people such as housing, food but also providing social, emotional support.

III. The history of Social Security in India

India remained under British rule for more than two centuries. Social welfare benefits existed during Mughal period too, i.e. pre-British period. Foreign travellers have witnessed public hospitals being set up for the general masses. Other social provisions were also provided. To understand the scenario of social security in India (pre British period), one needs to understand the socio-economic structure existing then. India before British invasion was a self-sufficient village economy, based on simple division of labour[13]. In a country like India where caste has always been significant and castes play a crucial role in determining occupations. The occupations were mostly hereditary and generally passed from generations

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[10] Thelen, Tatjana, Carolin Leutlofl-Grandits, and Anja Peleikis. "Social Security in Religious Networks." Social Security in Religious Networks: Anthropological Perspectives on New Risks and Ambivalences (2009): 188

[11] Ibid:190
[12] Ibid:2
[13] Division of labour refers to the assignment of a manufacturing process or task to different people in order to improve efficiency.

to generations. The food produced in the village was consumed by the village community itself. So the question of social security as such did not arise. India's first industry in the pre-British period was textile handicrafts. India remained an export zone for cotton, silk, silk-fabrics, woollen cloth, opium, cinnamon etc. During 1850, when industrial revolution was at its peak, Britain found India as a good source for raw materials and cheap labour and thus made India a market for its finished goods (Saini, 2011:29). In the post-British invasion, along with new trade practice new social classes emerged too. These new classes adopted western habits of life including dressing and fashion, which generated demand for British goods within the country. This lead to the destruction of handicraft industries within the country, further leading to increased poverty level and insecurity amongst the people. The present government then, the British, did not take in any action to re-settle the unemployed, instead the unemployed mass shifted to agriculture which worsened their situation more. Zamindari system was introduced where the landlords were vested with all power and the unemployed mass started farming in other's lands. Most of them became share croppers or landless labourers. The zamindars had to pay the rent directly to the British; in case they failed the land was automatically transferred to mercantile class like talukdars, jyotdars, etc.

During 1850s, a policy on commercialisation of agriculture emerged, where the production started taking place outside family.[14] Cash crops replaced food crops. Surplus production of crops leading to the formation of commercial markets, and the towns and cities grew out of need for the surplus trade. The policy resulted in the fall of food production further leading to famines in the country. This was the first instance of a major food crisis or insecurity in the economic and social history of India. Factories and industries by the time started setting in the country. The earliest industry to develop during the British rule is the plantation industry. In 1860s and 70s indigo, tea, coffee grew rapidly. However the workers employed here had to work on minimum wage and under extreme working conditions. Though the rise of industries gave immense employment but at the same time lead to the increased social and economic insecurity among daily wage labourers. The development of textile mills reflected the growth of modern factory system. During the 19th century many industrial centres were set up, Calcutta and Bombay being the major industrial centres. This

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[14] Debi S. Saini. *Social Security Law in India*. Kluwer Law International, 2011:30

phase witnessed increased job opportunities coupled with other social problems such as population growth, literacy rate, declining female sex ratio, composition of population, poverty line and urbanisation.[15] Recent studies show that there has been a growing informalization of labour in India. There is a tendency of increased share of unorganised sector in the total manufacturing sectors.[16] So the social protection of these workers in the unorganised sectors is becoming a concern for the higher incidence of informalization of labour.

Post- independence, the government has strengthened the labour policies and social security measures. The Factories Act, 1948 regulated the working environment in factories by giving attention to the condition at workplace, health, issues related to wage and leave. In the same year the government approved the Maximum Wages Act to prevent the exploitation of workers at the workplace.

IV. Social movements and social security: Indian context

In India the social security movement s took its shape during World War II. The first sickness insurance law in the world was considered as the origin of social security. It was passed in 1883, though the social movement for social security developed much later in India. Sickness insurance Act regulates health insurance in the context of temporary incapacity for work such as pregnancy, maternity, terminal illness. Social security was initially designed to support the industrial workers but later spread to the whole population. The phase of industrialization started in India with the advent of cotton mills in Calcutta, Bombay which progressed faster compared to other industrial towns existing at that point of time.[17] The inter-war period (1918-39) phase though witnessed large scale industrialization, also witnessed economic depression in the country. The labour problems began to rise which received considerable attention from the public and the government. Small labour

[15] Ibid:32

[16] Goldar, Bishwanath, and Suresh Chand Aggarwal. "Informalization of Industrial Labour in India: Are labour market rigidities and growing import competition to blame?" *Institute for Economic Growth, New Delhi, Manuscript* (2010):1

[17] Agarwala, A. N. "The Social Security Movement in India." *The Economic Journal* (1946):569

organisations also grew that eventually tried to improve the present conditions of labour force. Provisions have been made for social contingencies.[18] The first social contingency that was provided during inter-war period was the employment injuries, but nothing could be claimed in cases of non-fatal injuries.[19] Though much before the World War II, the employees' compensation act was passed. But in India the questions of worker's compensation took a serious turn especially when industrial strikes overtook the country. A workman's compensation bill was introduced in the Indian legislative Assembly which became an Act later on. This was India's first social insurance measure introduced in the country.[20] The next social contingency that was introduced in the country was maternity benefit. The Maternity Benefit Act 1929 was first passed in Bombay and got adopted in 1930(ibid). Apart from this, attention was also given to unemployment insurance for industrial workers during the interwar period. The above social security measures provided an unsatisfactory picture. Legal provisions were made against employment injuries throughout India and maternity benefit was only restricted to some provinces in India. In both the cases employer's liability was taken up but the social insurance was not applied. Old age and unemployment pensions as well as other problems related to social security received little attention.

The World War II did not change the outlook towards social security problem in India, but these movements inspired India to take a path-breaking step in regard to social security. At this moment the problem of labour grew drastically and so when the question of social security was taken up it was welcomed from all directions. So the major growth of social security movement occurred from the year 1943. The area of health insurance also received attention. It is evident that social security movement in India actually took its shape during the period of World War II. During this phase India not only thought in terms of social security but also prepared certain plans related to social risks. Still India lags behind as it has yet to make a complete scheme of social security. It is limited only to heath, maternity, employment injury and nothing beyond it (ibid: 580).

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[18] Social provisions for possible future events or circumstances like provisions for old age or any accidents.
[19] Supra note 17:570
[20] Ibid:571

The idea of social security should not be confined to only economic or health crisis but should also move further to consider other invisible social conditions or situations that individuals daily suffer from. For example; social security in terms of one's mental well-being. Social security is often linked to well being of an individual. Drawing on notable economist Amartya Sen's capability approach model, as Sen says "Life is seen as a set of valuable doings and beings, the "doings" in terms of activities and "beings" in terms of state of being like happiness, satisfaction".[21] The quality of one's life cannot be determined just in terms of commodities, but rather the various functionings in human life.[22] The idea of social security with respect to developing countries mainly arises from vulnerability and deprivation. In developing countries like India inadequate social security both at workplace and personal lives lead detoriates the situation. In developed countries, social security is taken as a public programme which aims at providing social assistance like social insurances. In developing country these programs mainly aimed for the weaker and the poor section of the society whereas in the developed countries the social security programmes have not been framed just keeping the poorer section in mind. It is framed for the whole population as well. For example, In Britain there is universal child care benefits but no income tax concessions (ibid: 82). In some countries the social security system is centralized whereas in some it is state sponsored. So it varies from country to country regarding the nature of programs and how far they are implemented.

V. Conclusion:

With globalization the approach to social security has also changed. Globalization has many faces and its impact of labour has been the most significant. Due to Globalization the world becoming smaller and more homogeneous and states do not remain as close units and world economy has become more independent with expanding trade and finance.[23]With

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[21] World Institute for Development Economics Research. *Social security in developing countries*. Edited by Ehtisham Ahmad. Oxford: Clarendon, 1991:7. Amartya Sen's most renowned work on capability approach which focus on what individuals are capable of doing and achieving the kind of lives they have reason to value.

[22] Ibid:7

[23] Mini, S., and D. Rajeev. "Social security of labour in the new indian economy." PhD diss., Cochin University of Science and Technology, 2010.

liberalization and privatization policies by the Indian government, the social situation of the labour has been exposed to many challenges. This was due to restructuration of the economy, change in the employment relationship, and increasing insecurity in the informal labour force[24]. The present scenario of India shows that 8% of workers who get benefits of social security acts. They have no coverage of social security and have to spend from their meagre amount of wage on illness, children's education and old age (Mini and Rajeev, 2010). The irony is the large labour forces who are contributing to the development of the country have no social security coverage of their own.

The problem of social security is itself a social construct. The crisis is actually produced by the state itself by ignoring the social problems like ageing, poverty, unemployment, child labour and other economic condition that may affect the society. The less awareness or knowledge of a particular problem or a situation by the general public, greater is the political manipulation of the situation. Traditionally, the family or the community as a whole safeguarded an individual from all kinds of adverse situations but with industrial revolution social structure of the society was transformed which has given rise to new social crisis. With growing population at an alarming rate, it's sometimes difficult for the government to come up with a huge coverage of social security programmes. Social security is seen as an important part of the developing process. It's an individual right to be secured in all aspects- be it socially, mentally or physically.

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[24] Informal labour is labour that is not recognised, recorded and protected by the Government. It consists of small scale hired or non-hired workers.

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