From the Classical Conception of Manpower Exploitation to its Importance as a Manifestation of Globalization

Alexandru TRIFU & Ina CROITORU
Petre Andrei University, Iassy, ROMANIA

Key words: *globalization, manpower, competitive free market, emergent economies*
Abstract: The paper tryes to emphasize the role of an important production factor – manpower – the dynamic factor of the entire social- economic activity along of an evolving process. Starting with the classical conception of work that confers value to everything that is created, in which we find the worker status in the strict frame of the capitalist manufacture, passing through the macroeconomic Keinesian conception, up to the modern enterprise employee, one notice the role labour played in time. Nowadays, states opened their national economies and profit from the intra and inter-regional trade. The appearance of new emergent economies implies the thoroughly use of manpower within each national economy and also the possibility for the qualified and highly specialized manpower to migrate in order to be efficiently used. More than that, behind the globalization's advantages a super-use of manpower hides, fact that offers the motive of our paperwork, that is the today's importance of this production factor.

The economy's definition supposes the existence of some resources that become production factors, within processes and repeated transformation. These production factors contribute to reach the aims of the organizations, entities, or communities involved in different activities. One find these factors as natural and material resources, technical resources, financial and specially human resources, that are the most important considering the fact that using "the wealth of the grey matter" (that mostly makes the difference) one can reach the community's or each economy's general objectives. Using Edward Meade's words[1] we may specify that administrating properly these resources, using all the instruments and mechanisms, one may reach the welfare of the whole community concordantly to the individual interests of every state.

As a consequence, we are interested to emphasize that the understanding of the nowadays processes on the European or Worlds' labor market, considered to have the greatest rigidity, has a historical path. The world greatest economists, who have brought an important contribution to the economic theory and practice, consider the labor force issues concerning its entire using, very serious.

---

[1] J.E. Meade (1907 - 1995), Nobel Prize laureate for Economics in 1977, (together with Bertil Ohlin) for his important contribution upon the study of the relationship between the economic policy, the international trade and the international division of labor

Labor force is considered the main production factor (from classical point of view) and, mean time, the dynamic propeller of the entire economic system. But this existence and movement of labor force is due to the process of globalization. Briefly speaking, *globalization* is, overall, the consequence of an accelerating integration of the economic and political structures all over the world, process which leads to the construction of a **new economy**, enhancing all these new realities. More than that, globalization is a long run complex process, connected to the redefining and the reconfiguration of the economic systems relationships, between the decision and power centers and the beneficiaries or the crucial zones in the world.

According to the Walrasian principle of the communicating vessels and the Keynesian conception of full using of manpower one remark lately the phenomenon of migration of the labor force and the free circulation of the active persons within and between the economic regions of the world. This is one of the defining appearances of understanding the complexity of human capital concept. Individuals that decide to migrate, to circulate, are generally the most gifted from the human capital standpoint, and their movement is clearly emphasized from the poorest to the developed zones. This is a compulsory movement and a natural one as well, that affects directly the supply of human capital at the community level that may induce major discrepancies between collectivities belonging to the same or to different societies.

The decision to invest in human capital, at micro, macro and world social-economic level might be oriented towards the discouragement of the educated persons movement, only concomitantly with the investment in consolidating the local human capital.

The labor force migration according to the communicating vessels principle leads, in many cases, to the migration of the individuals gifted in human capital (from educational and health standpoint) towards the zones poor in human capital, considered to have small chances to develop it, from reasons independent of human will.

Of course, this movement of the superior qualified labor force towards the developed regions and the emergent economies may also lead to the dissolution of the respective poor communities, insufficient developed, while the moving persons, once they have reached the economic and social attractive zones, can easily obtain a superior status, better work conditions and superior living level as well.

Speaking of the labor force migration process, one consider it shifted from a country to another, due to the attempt to identify some work opportunities. The figures are not extraordinary at this time, but, between 1965 and 1990 the foreign manpower at world level increased nearly 50%. The most important channels chosen by the foreign manpower were the developing and the developed countries. There still exists a strong potential of displacing knowledge and production techniques towards the developing countries, and an increasing trend for wages, as well.

There is a strong interdependence between the financial markets and the changes in the labor market (even the less sensitive), having impacts upon the consumption issues in the developed countries, even upon macroeconomic issues in the emergent and developing economies.

The labor force deficit and also the unemployment place employers against a paradox: how to find the right person, in the right place, at the right time? A study made by “Manpower” at international level shows that 40% of the worlds’ employers are in trouble with personnel coverage. People’s ageing, fertility and birth rate decreasing, inadequate educational programmes, globalization and entrepreneurial practices (outsourcing, offshoring, a. s.o.) are, in the “Manpower”’s experts opinion, reasons that will accentuate the labor force scarcity in the following years. The results of the analyzes upon a significant number of companies (33,000 companies from 23 countries) show that less and less people will penetrate the labor market in the next 20 years and that the main flows will focus the expansionist and emergent economies, that assure high salaries levels.

As a conclusion, the global trends show clearly we face the translation of the productive positions from the developed to the emergent and developing countries. Their following development will request supplementary labor force in order to match the demand. One must not neglect the situation of the states with demographic decline and productive labor force deficit that claim well trained and less expensive employees and as a consequence, relax the reglements regarding the access of qualified personnel from other countries (usually less developed). The examples here are plenty: the Balcans for Western Europe, South and South-East Asia and Sub Saharian Africa for USA, England and other developed countries.

Economies are continuously evolving and globalization is a part of this evolution. Such a phenomenon the one of orienting tech-services sector belonging to economies that have reached a certain maturity. Another one is the displacement towards those working places that claim better abilities. Studies showed that all these types of evolution will follow, no matter the rapidity of the globalization process. Actually, globalization makes this process less expensive for the general economy, bringing as advantages the capital flows, the technique innovation and the small import prices. The economic growth, the unemployment decreasing and the living standards are much higher compared to any closed economy.

The advantages have, anyway, an even distribution between groups and countries, fore some of them this process representing a disadvantage more likely. As an example, one may consider the employees in the old industries, now on the wane, that have small chances to straighten in the interest of new performing industries, based on IT&C.

All this communicating vessels movement regarding the labor force, and the free in/out on different markets (see the EU case) will have an impact upon the world economy, in full globalization process, and also upon each state entity, upon companies and corporations, starting with the moment when employers will be forced to modify permanently the wages ceiling, adapting them to the concrete situation in the economy and to invest much more in educating and getting loyal the personnel.

Bibliography

Ailenei, D., 2005. European Integration and the Economic Development, in Analiză şi prospectivă economică nr. 1-2. Bucureşti: ASE Publishers

Hettne, B., Inotai, A., Sunkel, O., 2001. Comparing Regionalism:Implication for Global Development. New York:Palgrave.

Hirst, P., Thompson, G. 2002. Globalizarea sub semnul întrebării. Bucureşti: Trei Publishers

Martin, Hans-Peter, Schumann, H. 1999.Capcana globalizării, Bucureşti: Economica Publishers.

Popescu, Gh. 2000. Evoluția gândirii economice. Cluj Napoca: ,,George Barițiu" Publishers

Saavedra-Rivano, N., Hosono,A., 2001. Regional Integration and Economic Development. Hampshire: Palgrave.

Trifu, Al. 2005. Gândirea economică în unitatea spațio-temporală. Iaşi: Performantica Publishers.