

Financial Crisis and Employment: Comparing Literature with Evidence

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Abstract—History is replete with instances of financial crisis. In works like that of J M Keynes—“The General Theory of Employment, Interest and Money” and Hyman P Minsky—“Stabilizing the Unstable Economy”, the inter-linkages of employment and other economic indicators have been explored time and again.

Financial Crisis is followed by responses at two levels: global and individual. Under global, worldwide economic policy makers address unemployment and other issues using instruments of domestic economic control. Individual enterprise responses are internalised in the process of meeting standards set during prosperity (Piore & Sabel, 1984). This internalisation has a direct impact on quality and quantum of employment. This in turn has a counter effect on other economic indicators as the household income finances the purchase of consumption goods generating profits (Minsky, 1986).

In this paper, the researchers gauge the implications of the current financial crisis (2007-09) on employment in India. Responses of people across various managerial levels, industries, period of employment, nature of employers, nature of contracts; was taken with the help of a self administered questionnaire. The instrument was administered to gauge the perceptions for criteria like job security, employment security, etc which are constructs for quality of employment. The paper apart from finding the post crisis quality of employment extends to comment on the possible implications of the same on a few economic indicators.

Keywords: Financial Crisis, Employment, Economic Indicators

Portal for E-Lending

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Abstract—Finding a good borrower is a real challenge faced by banks. Similarly borrowers find it difficult to find banks that can lend according to their requirements. The huge middle class population of the country with high disposable incomes offers a lucrative business opportunity for the banks to lend through various retail loan schemes. At present there are many portals displaying interest rates being charged by different banks for their different products and if we choose we can select a bank which is charging the least interest and the web site in turn will either allow us to connect to the banks portal by a link in their web site or transfer our information collected at the time of registration to the chosen bank. In turn banks representative will contact us.

In our concept we will also have a web portal where the detailed information of the prospective borrower as required by the bank for processing such loans will be captured. The detailed credit appraisal of the prospective borrower will be undertaken by the portal by using the industry standard Risk rating tools. The data along with the risk rating will be available on the portal except the customers contact points. Interested banks can access the portal and get the information about the prospective borrowers. Banks if desire can collect these leads pertaining to borrowers like contact details etc from the portal by paying appropriate fees based on relevant parameters. Portal will also provide the best indicative rates offered by banks based on their financial standing.

Since Banks spend considerable amount for finding prospective borrowers, the portal helps the banks to find borrowers and thus saving the expenses of finding borrowers by banks. A portion of such savings by Banks may be passed on to the borrowers by way of rebate in interest rate. This rebate is available to the borrowers only through this portal, hence may be interested to obtain loans through this portal. This way this portal offers a win-win proposition for both borrowers and banks and acts as an intermediary.