



ISSN: 2288-7709

JEMM website: <https://accesson.kr/jemm>doi: <http://doi.org/10.20482/jemm.2025.13.4.1>

# Converging or Diverging Paths: A Comparative Study of Korean and Nepalese Labor Relations

Bojindra Prasad TULACHAN<sup>1</sup>, Birendra Narayan SHAH<sup>2</sup>

Received: June 30, 2025. Revised: July 29, 2025. Accepted: August 30, 2025.

## Abstract

**Purpose:** This paper aims to explore why Nepal remains an exception to the global trend of converging labor relations in the post-globalization era. Despite increasing technological advancement, global integration and firm-level competition, Nepal maintains traditional, politicized labor practices. A structured comparison with South Korea, a country that has undergone notable labor reform, helps illuminate this divergence. **Methodology:** Using a cross-national qualitative comparative framework, this study examines the strategic and institutional differences in policy-related indicators of labor relations in Nepal and South Korea. Data sources include country-specific labor statistics, union structures, and relevant secondary literature. **Results:** The analysis reveals that South Korea has experienced significant institutional convergence and labor market flexibility through reforms. In contrast, Nepal continues to exhibit deep-rooted politicized unionism and traditional employment relations, resisting broader global convergence trends. **Conclusion:** The findings suggest that Nepal's resistance to global convergence in labor relations is largely influenced by its domestic political economy and institutional inertia, highlighting the importance of internal structural and political factors in shaping national labor systems. Nepal is swimming upstream against global trends, and we hope concerned authorities take notice for policy intervention.

**Keywords:** Convergence, Divergence, Post-globalization, Labor relations, Nepal, Korea

**JEL Classification Code:** J50, F66, O53

## 1. Introduction<sup>a</sup>

Globalization has brought sweeping transformations in labor relations, pushing countries toward institutional convergence and labor flexibility (Kalleberg & Hewison, 2013). Yet Nepal appears as a paradox: despite global competitive pressures, it retains a traditional and highly politicized labor system. This paper investigates why Nepal diverges from global and regional trends through a comparative lens with South Korea, a recently industrialized country that embraced labor reforms and global integration.

We address gaps in the literature by introducing a structured comparative methodology and detailing empirical and institutional contrasts between the two cases.

**Post-Globalization Era** We define the "post-globalization era" as the period following the 1990s, marked by increasing international integration of labor and product markets, the rise of digital economies, and pressures for labor market flexibility. Countries in this era face heightened expectations to reduce labor costs, increase flexibility, and deregulate employment frameworks (Baccaro & Howell, 2011). Convergence theorists argue that these pressures

<sup>1</sup> First Author. Professor, Department of Foreign Studies, Gangseo University, Korea. Email: [bojindratu@gmail.com](mailto:bojindratu@gmail.com)

<sup>2</sup> Corresponding Author: Professor, the Department of Foreign Studies, Gangseo University, Korea. Email: [binasha1@gmail.com](mailto:binasha1@gmail.com)

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result in similar institutional transformations across countries (Berger & Dore, 1996).

The rationale of this paper comes from an unusual outlier among labor relations: while the literature has shown a strong convergence in the characteristics of labor relations globally, driven by greater connectedness, a hard analysis of Nepal seems to break what was assumed to be “the rules”. When the theory doesn’t explain reality, it may be possible to explain the problem as measurement error. Are the data accurate? In this instance, they are. Nepal is swimming upward a very powerful current of trends in labor relations, even as it becomes more open. Why does Nepal have such a bizarre type compared with those of other countries across the development spectrum, including South Korea? This paradox provided the puzzle for this paper. To that end, the paper examines the recent Nepalese labor relations in the backdrop of the debate of ‘convergence or divergence’ through cross-spatial comparative case studies.

First, we examine the influence of globalization in the 1980s and 1990s. This wave of globalization brought intense competitive pressures that had a massive impact on labor relations in highly developed economies in the West (Mills et al., 2008), in recently developed economies in East Asia (Kuruvilla & Erickson, 2002) and emerging economies in Asia (Frenkel & Kuruvilla, 2002). In the post-globalization era of intensive international competition and mounting technological advancements, traditional labor relations systems are on the defensive terrain with increased precarious employment contracts (Kalleberg & Hewison, 2013). Most of the influence, pressured by the burgeoning post-globalization phenomenon, has led to a sharp fall in unionization in Western European countries (Gumbrell-McCormick & Hyman, 2013).

This trend is not limited to the most developed nations; however, the trend of declining unionization has profoundly affected developing countries as well (Tapia et al., 2015). Deregulation and institutional convergence occurred rapidly in the global north of European countries (Baccaro & Howell, 2011) and the path in the global south of South and Southeast Asia has also been quite rapid (Hewison & Kalleberg, 2013). However, this paper relies on the proposition of internal dynamics of historical junctures, dynamics of internal politics and the strength of unions located in developing economies to unpack the restructuring of labor relations systems (Frenkel & Peetz, 1998). To that end, we argue that highly politicized multi-trade unions, government instability, lengthy transitional politics, lack of concern and focus on economic growth, weak economic performance, poor labor policies and the absence of modern corporate strategies are the major domestic factors leading

to the divergence of labor relations in Nepal against the post-globalization international consensus of convergence of labor relations observed in most parts of the world, and the shifts were caused by increasingly global competitive pressures.

This paper is further organized as follows: Segment 2 reviews the literature review. Segment 3 outlines methodology. Segment 4 consists comparative study and finally, Segment 5 presents the conclusion.

## 2. Literature Review

Following WW II, most of the advanced economies focused on the institutionalization of labor relations (Kochan et al., 1986; Locke, 1995). The objective of the labor framework was to reduce conflicts between labor and management. In this era, economic growth was central from a nationalistic perspective. However, if one focused on economic growth, it was very difficult to manage labor conflicts. In essence, maintaining labor peace and labor stability is mutually exclusive with substantial economic growth in most cases. A country can have robust growth or labor peace, but not both (Kuruvilla & Erickson, 2002).

As a consequence, maintaining labor peace was not always possible in the changing environment of the 1980s and 1990s. The focus was on firm-level competition, which demanded an American model of numerical flexibility (the provision of overtime, flexible working hours, fixed-contracting, sub-contracting, and layoffs) or the European model of functional flexibility (multi-tasking abilities, job rotations, and participatory decision-making) at workplaces, particularly in advanced economies (Arvanitis, 2005). All these came into practice due to managerial strategies of export-oriented businesses in the West (Namiki, 1988) and in East Asia (Stubbs, 1999). All of them moved from a labor conflict resolution model to a firm-level competition and export-oriented framework as fundamental business strategies required for firm sustainability.

This scenario clearly shows that labor relations constraints are not constant but change with time, in which bounded labor actors negotiate within the labor framework. Prior research found that the endogenous socio-economic and political (and within that, the technical and legal landscapes) dynamics were the driving forces in shaping labor relations of a country (Kochan et al., 1986). Meanwhile, newer pressures emerged that pushed labor relations actors to develop innovative patterns and practices in labor relations. Thus, labor relations of any country are always fluid and the extent of labor relations’ change depends on whether the focus is on economic growth or politics for

societal transformation. Beyond minor deviations, labor relations historically maintained the status quo for a long time, until pressure for change appeared in the external environment. Of them, globalization is one of the most profound environmental constraints.

With changes in the global environment, the role of the state changed markedly, from developing of a labor framework for the protection of workers to remaining passive in synchronizing bargaining procedures (Kochan et al., 1984). Governments' involvement was often limited to 'rule-making'. For reference, the objective of the Wagner Act was to empower trade unions, encourage strikes to expand labor rights, with a goal of, eventually, greater worker rights, whereas the Taft-Hartley Act made strikes more difficult, as a response to what was perceived as excessive labor unrest (Gross, 2002). Similar stories occurred in Britain and other developed economies as well. Another example of a changed environment in IR was the imposition by the victorious Americans of labor unions on Japan following the US victory and occupation in World War II. The same applies in the cases of recently industrialized economies and emerging economies due to global competitive pressures (Kuruvilla & Erickson, 2002). The global market is now ascendant and drives internal labor relations.

Earlier, most governments and big firms shared the assumption that conflict resolution encouraged economic development. There were multiple factors pushing toward firm-level competition, along with numerical and functional flexibility in highly industrialized countries. In the US context, cost minimization and mass production were the major tendencies of firm-level competition in meeting this increasing price competition (Kochan et al., 1984). In the UK, technological innovation was the major constraint in shaping the non-standard employment system, such as seasonal or casual-type contracts (Michie & Sheehan, 1999). Examining Western European countries, the episode that drove competition at the firm-level –the oil shocks of the 1970s, whereas integration of the European Common Market and consumer market extensions were all priorities.

In the cases of the recently industrialized countries, the Asian financial crisis in the late 1990s, the decision to transition toward high-tech production and export orientation as the major business strategy pressed labor relations actors toward incorporating non-standard labor relations of numerical and functional flexibility into workplaces. Emerging countries entered the practice of non-standard employment systems due to increased global competition and the advancement of technology. The global economic crisis of the early 1980s and regional economic

crises, such as the oil shocks of the early 1970s in Europe and the Asian financial crisis in the late 1990's pushed governments to change the direction of labor relations across the globe. This trend demonstrates that the rules and regulations of labor relations were being updated, especially after the 1980s and the 1990's and were likely on the path of convergence. In the era of post-globalization and in the neo-liberal context of economies, labor relations shifts show that the global pendulum has struck hard against the more traditional labor relations through the decline of unionization, collective bargaining and collective bargaining dispute settlement.

Furthermore, employment relations from the workers' perspective (especially unskilled labor) are at a highly vulnerable position due to the increased precariousness of employment in both advanced and emerging countries (Baccaro & Howell, 2011; Kalleberg & Hewison, 2013). Companies can, and do, much more easily ship jobs to lower-cost providers globally, and domestic employment protections were not designed and are not currently able to protect against this global race-to-the-bottom. Traditional labor relations assumed employers needed workers, and workers needed employment. Today, that is true, but also incomplete. While companies do need workers, they do not necessarily need *these* workers located within *these* particular geographic boundaries. It is easier for companies to relocate abroad than it is for workers to migrate, so global systems have led to a downward pressure on working conditions. This employment phenomenon has pressured governments to move toward a model of deregulation or institutional convergence as part of the solution to remain competitive. One of the biggest changes of globalization is that the nation-state is less omnipotent than it was previously. These references are noteworthy in the sense that local and regional de-industrialization also partly pushes for labor relations changes.

However, in the context of Nepal, the post-global competitive pressures have had virtually no effect on its labor relations transformation. The state has lacked any directed and coherent business strategy, solid labor policies, or a sense of competition or concentration on economic growth. Rather, the major labor relations actors and other stakeholders have been more devoted to political system change and to achieving political objectives and agendas. Instead of modernizing labor relations, years of conflict and struggle were devoted to bringing down the Rana Oligarchy and the Monarchical regime. This indicates Nepal underwent a transformation of traditional societies towards democratic ones for a longer period, following World War II. Eventually, Nepal has recently ushered in multiparty democracy through a federal governance system. Nepal

should adopt policies that prioritize sustainable and inclusive development to strengthen the economy (Shah, 2024; Shah & Yoon, 2024). Consequently, labor relations are of a more standard variety, whereas most other countries, regardless of development level, have transitioned to a non-standard variety of employment relations. In that, the paper considers the long-debated theoretical terrain of 'convergence' or 'divergence' in labor relations (Berger & Dore, 1996; Kerr et al., 1960; Locke et al., 1995) through representative country case studies.

### 3. Research Methodology

We adopt a qualitative cross-country comparative case study methodology. Our data sources include country-specific labor statistics, union structures, and secondary literature. We conceptualize comparison using a range of indicators such as: labor market flexibility, union density, labor relations, collective bargaining mechanisms, degree of labor market deregulation and institutional convergence for strategic labor relations. We included several domains such as employment type, union voice, dispute resolution and government role to analyze institutional differences.

South Korea and Nepal were both historically labor-exporting countries and have undergone transitions toward democratic governance, providing a shared foundation for comparative analysis (Baniya et al., 2024). However, they diverged significantly in their economic and institutional paths post-1990. South Korea's shift toward export-led industrialization and its adoption of numerical and functional labor flexibility, alongside substantial institutional reforms, marked a decisive turn in its labor relations (Kalleberg & Hewison, 2013). In contrast, Nepal's labor system stagnated due to prolonged political instability, weak enforcement of labor standards, and deeply politicized unionism (Sharma et al., 2021). This relational contrast makes South Korea an ideal comparator for Nepal in exploring divergent labor relations outcomes within the broader context of post-globalization labor dynamics.

We provide a country case study first on the impact of the post-globalization world of increasingly fierce competitive pressures on labor relations. Secondly, this comparison has temporal and spatial significance in relation to economic growth, following the Second World War. Thirdly, unionization is in sharp decline, arriving in the era of post-globalization of the digital world. Against these, Nepalese labor relations and labor activities flowed in the opposite direction. Thus, the central aim of this paper is to explore whether the impact of the post-globalization world of intensive competitive pressures makes a difference in the Nepalese labor relations from a comparative perspective.

In the next section, we review the literature for studies on changes in industrial relations with South Korea due to the heightened competitive pressures in a post-globalized world. We selected South Korea for a comparative study with Nepal on converging or diverging paths in labor relations due to their contrasting historical and socio-economic trajectories, yet shared experiences with labor struggles and globalization. South Korea, once a labor-exporting developing country like Nepal, has undergone rapid industrialization and institutional reform, transitioning into a high-income, labor-importing nation with relatively strong labor unions and protective labor laws. In contrast, Nepal continues to face high levels of labor migration, weak enforcement of labor rights, and limited collective bargaining power for workers. These differences provide a valuable ground to examine whether their labor relations are moving in similar directions due to global labor market pressures or diverging as a result of domestic policies, economic structures, and institutional capacities. This comparison helps to uncover the dynamics shaping labor conditions in developing versus developed economies. In the last section, a conclusion is drawn on the roles of the strengths of domestic constraints being pulled against the global ones in determining the framework of the Nepalese labor relations.

#### *South Korea*

Recently, industrialized countries, such as South Korea, have undergone democratic transitions following the Second World War. There are both endogenous and exogenous constraints shaping the recent Korean labor relations. Economic globalization and the strategy of export-oriented industrialization (EOI) pushed Korean labor relations to be more flexible (Kim & Kim, 2003). The Asian Financial Crisis (AFC) of 1997 and subsequent IMF bailout legitimized labor flexibility in workplaces (Lee & Lee, 2003). As part of a strategic concentration, the Korean government focused on R&D for high-tech products, increasing demand for highly skilled human resources, which led to employment relations of numerical and functional flexibility in workplaces (Park & Koo, 2010)

With democratization in 1987, the unions gained substantial bargaining power. In the post-financial crisis of 1997, job security became a legitimate bargaining issue, and it was traded away in employment negotiations (Kuruvilla & Erickson, 2002). Thus, the Korean labor relations led to a fall of unions within manufacturing firms (Kuruvilla et al., 2002), a rapid fall of union membership and low union density (Shin, 2010), and centralized collective bargaining (Lee, 2011). Increased competitive pressures have played a large role in shaping decentralized labor relations in Korea (Song, 2012). As a result, employment relations have transitioned in a similar direction of deregulation and



institutional convergence in the Asia Pacific Region, including Korea (Tulachan & Rai, 2020), resulting in highly non-standard jobs for employees (Cho & Choi, 2017; Hewison and Kalleberg, 2013; Shin, 2010).

### *Nepal*

Because of a lack of industrialization, in the pre-World War II era, labor relations did not comprise a substantial part of Nepal's economic structure, which was more agrarian. However, after the war, labor relations entered the social consciousness. The initial transition was rocky, though. The period from the 1960s through 1990s was a labor-unfriendly time during the Monarchial (autocratic) regime (Acharya & Bhattarai, 2012; Tulachan, 2020) in that trade unions were completely banned; as a matter of fact, development of labor relations at ground to a halt, temporarily (Adhikari & Muller, 2001). Thus, workers could not earn reasonable wages for their labor due to the highhandedness of the employers (Acharya & Bhattarai, 2012). The worker-management relationship was invisible and confused. The relationship between the major labor relations actors (worker-management) was blurred and ambiguous. Meanwhile, the restoration of democracy in the early 1990s paved a solid foundation for a revised labor relations framework in Nepal.

In the early 1990s, Nepal threw open its doors to the world economy. The Nepalese economy, nevertheless, could not find equilibrium in the integrated global economy (Karmacharya, 2001). Employers focused mostly on selling in domestic markets, whereas the workers and the trade unions were unsupportive, and they mostly concentrated on political agendas. With constant battles between management, labor, and government (as the major labor relations actors), the changed circumstances after the 1990s could not fully implement labor relations. Instability plagued the country. A decade-long Maoist insurgency, which was followed by the Monarchical coup d'état of 2005 (Upreti, 2008), produced another major constraint in the promotion of labor relations in the country. Trade unions closely worked with mother political parties and furiously supported their zero-sum political agendas, whereas economic expansion was quite neglected (Adhikari & Muller, 2001). The essence of these parties spent all their efforts on the transformation of society through democratic practices, which ended the growth of labor relations in the country.

The failure to address global economic integration, the inability to create competitive firms, a weak liberalization of the economy, and lengthy transitional politics created the current labor relations in Nepal. In responding to external constraints, labor relations swung in a different direction, favoring overseas employment, knowledge and labor-drain

and increased remittances. Labor relations in Nepal are highly affected by political activities more than economic ones. Thus, the central features of the Nepalese labor relations comprise the growth of standard employment, decentralized enterprise-level collective dispute settlement, decentralized enterprise-level collective bargaining, highly politicized trade unionism, the provision of third-party mediators or arbitrators, high union voice, high union density and noncompetitive labor practices (Tulachan, 2019; Tulachan, 2020). Thus, Nepal is truly unique among compared countries in moving toward greater employee protection in a tide of deregulation.

## **4. Result and Discussion**

The main purpose of this paper is to examine the collision of post-globalization pressures on labor relations. For this study, comparative studies from highly industrialized countries like South Korea, recently industrialized ones, with Nepal, as a newly opened country to the global economy, were examined. Most labor relations across the globe have moved in the direction of deregulation and institutional convergence and substantial policy effort has gone into the revitalization or reshaping of labor relations. This was not an overnight phenomenon. In the 1980s and 1990s, global environmental changes were shown to be responsible for reshaping labor relations across advanced economies while considering strategies for export orientation, firm-level competition and the liberalization of economies. In the same light, Kuruvilla and Erickson (2002) view recently industrialized and emerging countries through contextual changes in labor relations in terms of economies based on some representative studies of Asian labor relations. Thus, global forces generally exercise significant control over the types of countries that adopt.

Following World War II, most of the economic activities in Nepal were domestic because of the lack of markets and business policies. However, globalization truly hit its stride starting in the 1980s and 1990s. All studied countries in the comparative universe held export orientation of goods and services as the major economic focus. The labor relations framework was transformed due to exogenous and endogenous constraints. Massive transformations embraced firm-level competition to achieve economic growth at the company level. This is because these countries (along with most other nations) concentrated on the production systems of highly technological products. For that to happen, they needed a workforce with vocational and technical training, and HR powers to clear out unprofitable divisions and division-of-labor procedures in workplaces. Institutions were obliged to change labor relations, or they would be left behind as uncompetitive.

The governments in these countries are making minimal interventions to protect workers in cases of employment relations. Anger from these changing roles is manifested in the Occupy Wall Street movement, Trump, and Brexit, as at least partially related to the changing nature of employment relationships in these nations. The role of the governments in the recently industrialized countries is interventionist in matters of labor relations to assist employers. In the case of recently emerging countries, in terms of their economy, the government of “Communist” China is highly interventionist, embracing the market, whereas India is more influenced by trade unions. However, the post-globalization world of increased firm-level competition, advancements in online commerce, focused factor markets and the concentration on product differentiation has brought more competitive labor markets as binding frameworks for labor relations. For instance, North American, European, and most Asian countries have moved in the direction of deregulation and institutional convergence.

Nepal repeatedly struggled for political system change from the 1960s through 2005. The first wave, from the 1960s through the 1990s, called for a party-less ‘*panchayat*’ system; there existed no trade unions and political parties, officially. The government formed during this period did not attempt to erect traditional labor relations as such. Economic activities were mostly small and inefficient, and even then government was hesitant, entering the increasing global economy quite late, especially after the 1980s. The nation lacked powerful business strategies and strong economic policies. As a matter of fact, Nepal could not compete in international markets. Additionally, labor relations actors failed to encourage firm-level competition because of a number of endogenous drivers, such as lengthy transitional politics, from the Monarchical coup d’état through a Maoist insurgency from 1996 to 2005.

Thus, the Nepalese case is different from the perspectives of South Korea in the sense that the Nepalese government and labor relations actors failed to address the transforming business environment of the 1980s and 1990s through integration into the global economy and the emerging neo-liberal consensus. Rather, their focus was on public awareness of labor and political rights and the political system change itself. Further, successive governments could not focus on certain areas, such as the economic engine and encouraging sound business strategies among firms. During the early 1990s, South Korea was in the process of labor relations change, while during this period, the Nepalese labor relations were in the process of institutionalization for the first time in their history of labor relations. The following table better shows the comparative

strategic concentrations made by the studied countries. The individual case studies above contribute to making these comparative strategic concentrations so as to better understand the strategic position of the Nepalese labor relations relative to South Korea and other developed nations.

**Table 1: Strategic Labor Relations**

Indicator	Nepal	South Korea
Labor Flexibility	No	Yes
Union Density	High	Low
Labor Relation	Traditional, politicized	Flexible, technocratic
Collective Bargaining	Decentralized (political)	Centralized/Enterprise
Deregulation & Institutional Convergence	No	Yes

Source: Adapted from Adhikari & Muller (2001); kim (2001); Lee (2022); Tulachan (2020)

Table 1 presents a cross-national comparison of strategic labor relations orientations between Nepal and South Korea. The indicators include labor market flexibility, union density, the nature of labor relations, collective bargaining structure, and the degree of institutional convergence. South Korea exhibits clear characteristics of labor market flexibility and deregulation driven by post-1997 reforms, with low union density and a move toward technocratic labor governance. In contrast, Nepal retains traditional and politically influenced labor structures, with high union density and a lack of institutional convergence. These distinctions underscore Nepal’s divergence from global trends due to internal political constraints and weak economic reform agendas.

**Table 2: Institution Difference of Labor Relations**

Domain	Nepal	South Korea
Employment Type	Standard	Non-standard/Irregular
Union Voice	High	Low
Dispute Resolution	Third-party mediation	Internal negotiation
Government Role	Political alignment	Economic facilitation

Source: Adapted from Adhikari & Muller (2001); Kim & Kim (2003); Lee (2011); Tulachan (2020).

Table 2 highlights institutional differences in employment and industrial relations practices between

Nepal and South Korea. In Nepal, employment remains standard and full-time, unions possess high voice, and dispute resolution is often mediated by third parties. Conversely, South Korea has shifted toward non-standard and irregular employment types, with reduced union influence and a preference for internal negotiation mechanisms. Government roles also differ significantly: while Nepal's government remains politically aligned with labor unions, Korea's government plays an economic facilitation role, supporting competitive labor reforms. These institutional divergences further illustrate how domestic political economies influence the pace and direction of labor relations transformation.

**Path to Convergence:** South Korea's labor relations evolved significantly post-1987 democratization and the 1997 Asian Financial Crisis. The IMF-led reforms necessitated labor flexibility, introducing irregular employment and the dispatched labor system (Lee & Lee, 2003). Union density declined from 19.8% in 1989 to 10.7% in 2020, reflecting institutional decentralization and a shift toward enterprise-level bargaining (Lee, 2011). High-tech industrialization and global competitiveness led firms to adopt flexible working systems and performance-based employment structures (Park & Koo, 2010; Shin, 2010).

**Politicized Divergence** Despite opening its economy in the 1990s, Nepal's labor system remains largely unchanged. Institutional inertia, driven by multi-party unionism, political instability, and poor economic liberalization, prevented convergence (Adhikari & Muller, 2001; Tulachan, 2020). Trade unions are aligned with political parties and prioritize political agendas over economic cooperation. As a result, Nepal retains: High union density (over 30%), Standard employment contracts, Limited numerical or functional flexibility and decentralized dispute resolution and collective bargaining (Tulachan, 2019).

## 5. Conclusion

This paper contributes to the literature on labor relations divergence by analyzing how Nepal's internal constraints have resisted global convergence pressures. In contrast, South Korea exemplifies successful adaptation to post-globalization demands. Our findings highlight the importance of domestic institutional capacity, political stability, and strategic economic orientation in shaping labor systems.

An examination of the recent Nepalese labor relations finds it having highly politicized labor relations, but maintaining traditional labor relations from a system perspective. In having such unique labor relations (at least

in today's global world), the comparative studies reveal the major domestic constraints such as highly politicized multi-trade unions, unstable governments, lengthy transitional politics, the lack of focus on creating conditions to encourage the economic engine and economic growth, solid labor policies and business strategies. Nepal still has the unique practice of long-discarded traditional labor relations, with huge labor-capital conflicts. This was because of the domestic constraints, which have moved more powerfully against the tides of post-globalization competitive pressures in the Nepalese context.

Outside of Nepal, South Korea embraced business strategies of export orientation with high firm-level competition and products based on digital technology. In fact, the country also accepted the practice of high workplace numerical and functional flexibility. This is fundamentally because of post-globalization competitive pressures, as these new paradigms demand substantial changes in labor relations. However, the post-globalization world of increased competitive pressures has hardly changed anything in the Nepalese context. Therefore, the Nepalese labor relations contribute to the divergence of labor relations for its unique role with labor relations actors from an increasingly distant past, whereas mainstream recent literature is more concerned with calling for revitalization or reshaping the roles of labor relations actors in more minor and technical ways (Budd, 2010; Tapia et al., 2015).

The strategic intent of highly numerical and functional flexibility in employment relations demanded high-performance work systems, performance-based labor payments, and individual bargaining and individual dispute settlements, to a large. However, Nepal's labor relations include highly politicized unions with high union membership, voice, and density, which had a remarkable influence on the institutionalization of labor relations and its profound influence on employment relations practices. Therefore, a substantial fundamental gap lies between labor relations in Nepal and South Korea. Nepal is swimming upstream against global trends, and we hope concerned authorities will take notice.

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