

GLOBALISATION

Globalisation as a concept fundamentally deals with flows. These flows could be of various kinds — ideas moving from one part of the world to another, capital shunted between two or more places, commodities being traded across borders, and people moving in search of better livelihoods to different parts of the world. The crucial element is the ‘worldwide interconnectedness’ that is created and sustained as a consequence of these constant flows.

Globalisation is a multidimensional concept. It has political, economic and cultural manifestations, and these must be adequately distinguished. It is wrong to assume that globalisation has purely economic dimensions, just as it would also be mistaken to assume that it is a purely cultural phenomenon. The impact of globalisation is vastly uneven — it affects some societies more than others and some parts of some societies more than others — and it is important to avoid drawing general conclusions about the impact of globalisation without paying sufficient attention to specific contexts.

CAUSES OF GLOBALISATION

What accounts for globalisation? If globalisation is about the flows of ideas, capital, commodities, and people, it is perhaps logical to ask if there is anything novel about this phenomenon. Globalisation in terms of these four flows has taken place through much of human history.

However, those who argue that there is something distinct about contemporary globalisation point out that it is the scale and speed of these flows that account for the uniqueness of globalisation in the contemporary era.

Globalisation has a strong historical basis, and it is important to view contemporary flows against this backdrop. While globalisation is not caused by any single factor, technology remains a critical element. There is no doubt that the invention of the telegraph, the telephone, and the microchip in more recent times has revolutionised communication between different parts of the world. When printing initially came into being it laid the basis for the creation of nationalism. So also today we should expect that technology will affect the way we think of our personal but also our collective lives. The ability of ideas, capital, commodities and people to move more easily from one part of the world to another has been made possible largely by technological advances. The pace of these flows may vary.

For instance, the movement of capital and commodities will most likely be quicker and wider than the movement of peoples across different parts of the world. Globalisation, however, does not emerge merely because of the availability of improved communications. What is important is for people in different parts of the world to recognise these interconnections with the rest of the world.

Currently, we are aware of the fact that events taking place in one part of the world could have an impact on another part of the world. The Bird flu, Coronavirus or tsunami is not confined to any particular nation. It does not respect national boundaries. When major economic events take place, their impact is felt outside their immediate local, national or regional environment at the global level.

Consequences of Globalisation

POLITICAL CONSEQUENCES

One of the debates that has been generated as a consequence of contemporary processes of globalisation relates to its ongoing political impact. How does globalisation affect traditional conceptions of state sovereignty?

There are at least three aspects that we need to consider when answering this question. At the most simple level, globalisation results in an erosion of state capacity, that is

The ability of government to do what they do. All over the world, the old 'welfare state' is now giving way to a more minimalist state that performs certain core functions such as the maintenance of law and order and the security of its citizens. However, it withdraws from many of its earlier welfare functions directed at economic and social well-being. In place of the welfare state, it is the market that becomes the prime determinant of economic and social priorities. The entry and the increased role of multinational companies all over the world leads to a reduction in the capacity of governments to take decisions on their own. At the same time, globalisation does not always reduce state capacity. The primacy of the state continues to be the unchallenged basis of political community. The old jealousies and rivalries between countries have not ceased to matter in world politics. The state continues to discharge its essential functions (law and order, national security) and consciously withdraws from certain domains from which it wishes to. States continue to be important. Indeed, in some respects state capacity has received a boost as a consequence of globalisation, with enhanced technologies available at the disposal of the state to collect information about its citizens. With this information, the state is better able to rule, not less able. Thus, states become more powerful than they were earlier as an outcome of the new technology.

ECONOMIC CONSEQUENCES

While everything may not be known about the economic facets of globalisation, this particular dimension shapes a large part of the content and direction of contemporary debates surrounding globalisation. A part of the problem has to do with defining economic globalisation itself. The mention of economic globalisation draws our attention immediately to the role of international institutions like the IMF and the WTO and the role they play in determining economic policies across the world. Yet, globalisation must not be viewed in such narrow terms. Economic globalisation involves many actors other than these international institutions. A much broader way of understanding of economic globalisation requires us to look at the distribution of economic gains, i.e. who gets the most from globalisation and who gets less, indeed who loses from it. What is often called economic globalisation usually involves greater economic flows among different countries of the world. Some of this is voluntary and some forced by international institutions and powerful countries.

This flow or exchange can take various forms: commodities, capital, people and ideas. Globalisation has involved greater trade in commodities across the globe; the restrictions imposed by different countries on allowing the imports of other countries have been reduced. Similarly, the restrictions on movement of capital across countries have also been reduced. In operational terms, it means that investors in the rich countries can invest their money in countries other than their own, including developing countries, where they might get better returns. Globalisation has also led to the flow of ideas across national boundaries. The spread of internet and computer related services is an example of that. But globalisation has not led to the same degree of increase in the movement of people across the globe. Developed countries have carefully guarded their borders with visa policies to ensure that citizens of other countries cannot take away the jobs of their own citizens. In thinking about the consequences of globalisation, it is necessary to keep in mind that the same set of policies do not lead to the same results everywhere. While globalisation has led to similar economic policies adopted by governments in different parts of the world, this has generated vastly different outcomes in different parts of the world. It is again crucial to pay attention to specific context rather than make simple generalisations in this connection. Economic globalisation has created an intense division of opinion all over the world. Those who are concerned about social 'safety net' it means that we expect some people to fall down because of globalisation. Isn't that right justice are worried about the extent of state withdrawal caused by processes of economic globalisation. They point out that it is likely to benefit only a small section of the population while impoverishing those who were dependent on the government for jobs and welfare (education, health, sanitation, etc.). They have emphasised the need to ensure institutional safeguards or creating 'social safety nets' to minimise the negative effects of globalisation on those who are economically weak. Many movements all over the world feel that safety nets are insufficient or unworkable. They have called for a halt to forced economic globalisation, for its results would lead to economic ruin for the weaker countries, especially for the poor within these countries. Some economists have described economic globalisation as recolonisation of the world. Advocates of economic globalisation argue that it generates greater economic growth and well-being for larger sections of the population when there is de-regulation. Greater trade among countries allows each economy to do what it does best. This would benefit the whole world. They also argue that economic globalisation is inevitable and it is not wise to resist the march of history. More moderate supporters of globalisation say that globalisation provides a challenge that can be responded to intelligently without accepting it uncritically. What, however, cannot be denied is the increased momentum towards inter - dependence and integration between governments, businesses, and ordinary people in different parts of the world as a result of globalisation.

CULTURAL CONSEQUENCES

The consequences of globalisation are not confined only to the sphere of politics and economy. Globalisation affects us in our home, in what we eat, drink, wear and indeed in what we think. It shapes what we think are our preferences. The cultural effect of globalisation leads to the fear that this process poses a threat to cultures in the world. It does so, because globalisation leads to the rise of a uniform culture or what is called cultural homogenisation. The rise of a uniform culture is not the emergence of a global culture. What we have in the name Make a list of products of multinational companies (MNCs) that are used by you or your family. Invading new markets of a global culture is the imposition of Western culture on the rest of the world.

The popularity of a burger or blue jeans, some argue, has a lot to do with the powerful influence of the American way of life. Thus, the culture of the politically and economically dominant society leaves its imprint on a less powerful society, and the world begins to look more like the dominant power wishes it to be. Those who make this argument often draw attention to the 'McDonaldisation' of the world, with cultures seeking to buy into the dominant American dream. This is dangerous not only for the poor countries but for the whole of humanity, for it leads to the shrinking of the rich cultural heritage of the entire globe. At the same time, it would be a mistake to assume that cultural consequences of globalisation are only negative. Cultures are not static things. All cultures accept outside influences all the time. Some external influences are negative because they reduce our choices. But sometimes external influences simply enlarge our choices, and sometimes they modify our culture without overwhelming the traditional. The burger is no substitute for a masala dosa and, therefore, does not pose any real challenge. It is simply added on to our food choices. Blue jeans, on the other hand, can go well with a homespun khadi kurta. Here the Why are we scared of Western culture? Are we not confident of our own culture? Make a list of all the known 'dialects' of your language. Consult people of your grandparents' generation about this. Outcome of outside influence is a new combination that is unique — a khadi kurta worn over jeans. Interestingly, this clothing combination has been exported back to the country that gave us blue jeans so that it is possible to see young Americans wearing a kurta and jeans! While cultural homogenisation is an aspect of globalisation, the same process also generates precisely the opposite effect. It leads to each culture becoming more different and distinctive. This phenomenon is called cultural heterogenisation.

This is not to deny that there remain differences in power when cultures interact but instead more fundamentally to suggest that cultural exchange is rarely one way.

INDIA AND GLOBALISATION

We said earlier that globalisation has occurred in earlier periods in history in different parts of the world. Flows pertaining to the movement of capital, commodities, ideas and people go back several centuries in Indian history. During the colonial period, as a consequence of Britain's imperial ambitions, India became an exporter of primary goods and raw materials and a consumer of finished goods. After independence, because of this experience with the British, we decided to make things ourselves rather than relying on others. We also decided not to allow others to export to us so that our own producers could learn to make things. This 'protectionism' generated its own problems. While some advances were made in certain arenas, critical sectors such as health, housing and primary education did not receive the attention they deserved. India had a fairly sluggish rate of economic growth.

In 1991, responding to a financial crisis and to the desire for higher rates of economic growth, India embarked on a programme of economic reforms that has sought increasingly to de-regulate various sectors including trade and foreign investment. While it may be too early to say how good this has been for India, the ultimate test is not high growth rates as making sure that the benefits of growth are shared so that everyone is better off.

An insider's view of a call centre job Working in a call centre, in fact, can be enlightening in its own way. As you handle calls from Americans, you get an insight into the true American culture. An

average American comes out as more lively and honest than we imagine... However, not all calls and conversations are pleasant. You can also receive irate and abusive callers. Sometimes the hatred that they exhibit in their tone on knowing that their call has been routed to India is very stressful. Americans tend to perceive every Indian as one who has denied them their rightful job... One can receive a call, beginning on the lines of "I spoke to a South African a few minutes ago and now I'm speaking to an Indian!" or "Oh gosh, an Indian again! Connect me to an American please...". It's difficult to find the right response in situations of this kind. We have already noted that globalisation is a very contentious subject and has invited strong criticism all over the globe. Critics of globalisation make a variety of arguments. Those on the left argue that contemporary globalisation represents a particular phase of global capitalism that makes the rich richer (and fewer) and the poor poorer. Weakening of the state leads to a reduction in the capacity of the state to protect the interest of its poor. Critics of globalisation from the political right express anxiety over the political, economic and cultural effects. In political terms, they also fear the weakening of the state. Economically, they want a return to self-reliance and protectionism, at least in certain areas of the economy. Culturally, they are worried that traditional culture will be harmed and people will lose their age-old values and ways. It is important to note here that anti-globalisation movements too participate in global networks, allying with those who feel like them in other countries. Many anti-globalisation movements are not opposed to the idea of globalisation per se as much as they are opposed to a specific programme of globalisation, which they see as a form of imperialism.

Advantages of Globalisation

Globalisation in India has increased the competitiveness in business. After adopting the LPG model (Liberalisation, Privatisation, and Globalisation) of the economy, India's economy has witnessed rapid growth. Let's know about the benefits of globalisation in India.

#1. Transfer of Technology

Globalisation acts as a mechanism for transfer of the technology from the developed countries to the under-developing countries like India. The present economy and technology available in India allow Indian companies to invest a little amount in R&D (Research and Development).

So the Indian companies approach foreign companies from developed for technological up-gradation. Because of globalisation Indian companies get advanced technologies from the developed countries and lead to higher productivity which means a higher rate of industrial growth. So we can consider the MNCs as carriers of technology from the developed countries to the developing countries.

#2. Rise in Employment

Globalisation led the development of SEZ (Special Economic Zones) where more jobs are created. Indian offers cheap labor so many companies from developed countries have started to outsource their work to India. It resulted in a rise in employment. Globalisation has also made medical tourism a popular sector in India and in this sector also rise in employment is being witnessed.

#3. Improved Standard of Living

As we mentioned above that the globalisation impacts the economic, social and culture of any country. In the case of India, the same thing happened and the shopping habits of Indians changed after globalisation hit the country. Living standards of Indians have improved a lot in the past few decades.

#4. Reduce Poverty

Globalisation has played a vital role to reduce poverty in India. We have developed a lot as a country but poverty is still a serious challenge for us. Globalisation helped the Indian economy to grow and give competition to the economy of other developed countries.

With a growing economy, the poverty level becomes better. Although still, India has to take many steps in the direction to make the country poverty free the impact of globalisation so far on poverty should be appreciated.

#5. Education

Globalisation made it easy for those who want to move across the border to acquire better education. People from underdevelopment countries have started to move to developed countries to get a better education. This migration for education opens new doors for the integration of cultures.

Disadvantages of Globalisation in India

After reading the advantages of globalisation if you find it as a great thing that happened on earth for the betterment of human then you should turn the coin and know about its disadvantages as well.

#1. Unemployment

Globalisation has created many new opportunities in terms of job and business but on the other hand, it has become a big reason for unemployment. When a country outsources its services than it actually takes the opportunity from its citizens and gives it to other country's people to earn more benefit and the same is happening now because of globalisation.

#2. Dominant Global Brands

In the era of globalisation the competition has reached its peak and in such a competitive environment it becomes difficult for the small industries to survive. The dominant global brands don't let the small industries to grow. Superior technologies hold the most of market share and for new and small industries to hold a good grip on the market becomes a challenge.

#3. Rat Race

In order to attract more inward investment, the nation lowers down their taxes which initiate a rat race among the nations. All the countries have to save money in the condition of low taxes as well. So they have to do the cost cutting which resulted in a lack of basic security and other issues with employees.

Conclusion

India is a country that believes in "vasudhaiva kutumbakam" and globalisation is a live example of this. India has reaped many benefits through globalisation. The modern business strategies that India's business tycoons follow are offered by the globalisation. Interaction with the economy of other countries has been a great learning experience for India and its business houses so far.

To conclude the effects of globalisation in India we can say globalisation has changed the industrial pattern of the country. Impact of globalisation is visible on the social front of the country and the mindset of the employer. Now the employer offers better salaries to recruit the best talent.

Indian economy has gained stability and trust due to globalisation and now it's being recognised as a strong economic power of the world. But we need to keep an eye on its disadvantages as well while enjoying its benefits.

.....