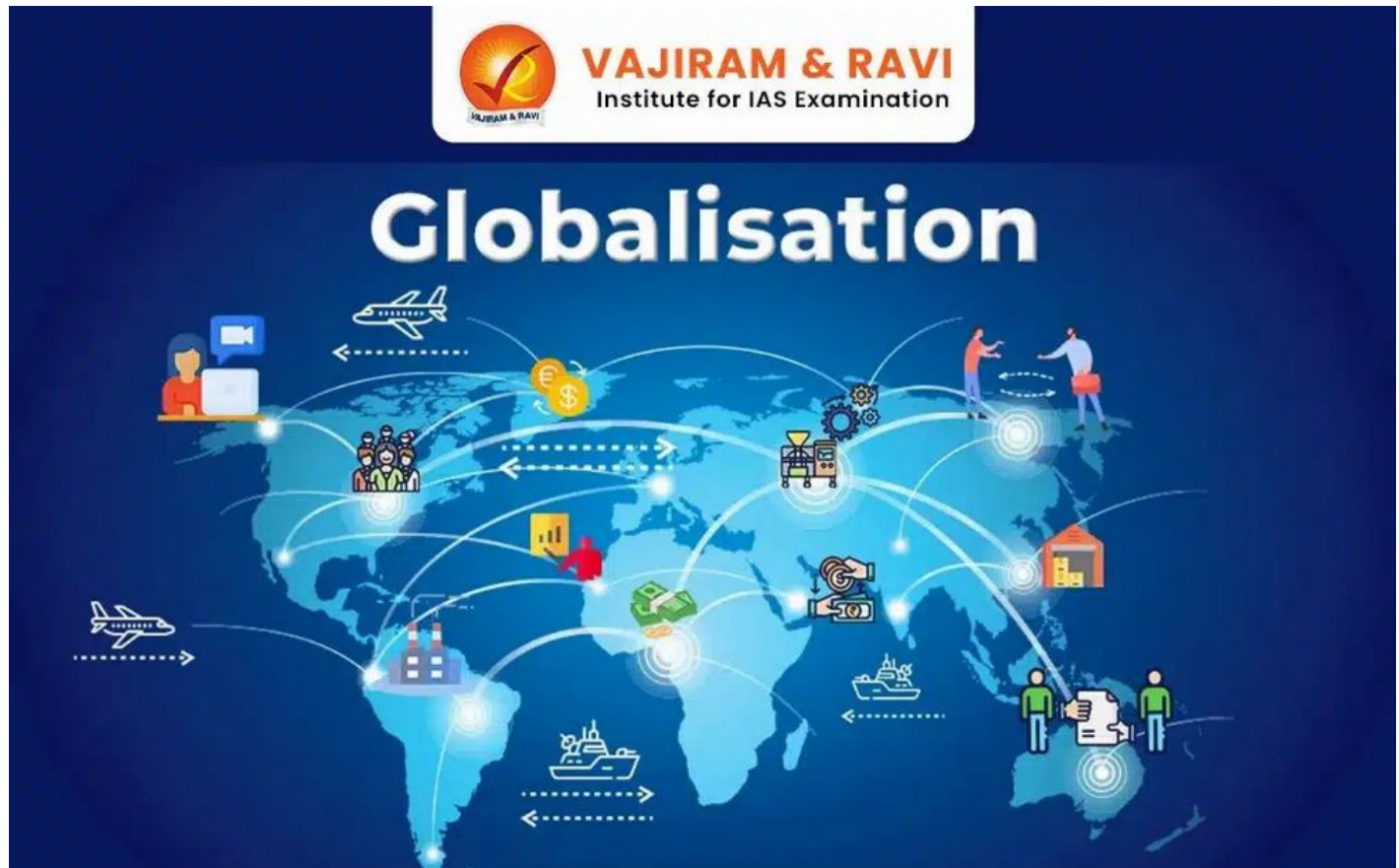


Globalisation, Meaning, Factors, Significance, Impacts

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Globalisation refers to the increasing interconnectedness of the world's economies, cultures, and populations. This phenomenon results from cross-border trade in goods and services, technological advancements, and the movement of investment, people, and information.

While nations have been building economic partnerships for centuries, "globalisation" gained widespread recognition in the early 1990s, particularly after the Cold War, as these cooperative arrangements significantly influenced modern daily life. Many factors including the 1991 economic reforms have aided the rise of globalisation in India, which has had profound impacts on Indian society, both positive and negative.

Globalisation in India Factors and Causes

The present era of globalisation is promoted and supported by several factors. A few of the factors which aid the process of globalisation are as follows:

- **Economic Reforms:** In **1991**, India initiated a series of economic reforms that aimed to liberalise and globalise various sectors of the economy.

- This included reducing trade barriers, deregulating industries, and opening up avenues for foreign investment.
- **Information Technology:** India emerged as a global hub for information technology (IT) and software development.
 - The country's skilled workforce and proficiency in English made it an attractive destination for multinational companies looking to outsource their IT services.
 - This led to a significant influx of foreign capital and expertise into the country.
- **Foreign Direct Investment (FDI):** India has actively sought foreign investment by easing restrictions on FDI in various sectors.
 - This has encouraged multinational corporations to establish a presence in India, bringing in capital, technology, and managerial expertise.
- **World Trade Organization (WTO):** WTO lays out rules concerning global trade and sees that these principles are complied with.
- **Infrastructure Development:** Investments in infrastructure, including ports, airports, and transportation networks, have enhanced India's connectivity with the rest of the world.
- **Diverse Workforce:** India's diverse and skilled labour force has been a major asset in the Globalisation process.
 - The country's workforce is proficient in various industries, including IT, engineering, healthcare, and other service sectors, making it an attractive destination for global businesses.
- **Cultural Exchange and Soft Power:** India's rich cultural heritage, including its cinema, cuisine, yoga and traditions, has gained international popularity.
 - This cultural exchange has helped foster global connections and create opportunities for Indian products and services in international markets.
- **Global Diaspora:** The Indian diaspora spread across the globe has played a significant role in globalizing Indian businesses and culture.
 - They have acted as cultural ambassadors, creating networks that facilitate trade, investment, and cultural exchange.

Globalisation Positive Impact on Indian society

Globalisation has had a profound positive impact on India across various aspects, including technology, culture, society, education, and women's empowerment.

- **Economic Impact:** India experienced substantial economic growth through the Liberalization, Privatization, and Globalisation (LPG) model.
 - This policy framework led to a remarkable increase in India's GDP (for example it was a **9.7% growth rate** in the fiscal year 2007-2008).
 - India has emerged as the fourth-largest market in the world in terms of market capitalization.
 - Globalisation provides consumers worldwide with access to a broader range of products and services, encouraging industries to innovate and improve quality.
 - Developing countries like India benefit from an influx of investments originating from developed nations, which play a crucial role in fueling economic growth.

- **Technological Advancements and Brain Gain:** Globalisation has spurred significant technological progress.
 - In developing countries, this progress has led to a reverse brain drain, as skilled professionals return to their home countries to contribute to technological growth and development.
- **Cultural Impact:**
 - Globalisation has led to a significant increase in television and internet access in India. Television access expanded from 20% in 1991 to 90% in 2009.
 - The Globalisation of food chains has brought a wide variety of international cuisines to India. Restaurants serving global dishes have become popular, allowing people to have tastes from around the world within the country.
 - Indian cities are witnessing the widespread availability of modern technologies, including the Internet. This has empowered people with access to various digital tools and platforms.
 - The entertainment sector in India, notably Bollywood, has gained global recognition and a broader market presence. It has expanded its reach and popularity on the global stage.
- **Social Impact:**
 - Globalisation has exposed Indians to a wider market, broadening their mindsets and reducing stereotypes about nations, individuals, and communities worldwide.
 - The advent of information and communication technologies has increased awareness about different countries, cultures, and traditions. However, it has also shifted the focus from traditional values towards consumerism and success.
 - Globalisation has contributed to poverty reduction in India. Economic growth and increased opportunities in sectors like IT have played a role in improving livelihoods.
- **Impact on Education:**
 - Globalisation has played a role in reducing illiteracy rates in India, leading to a higher literacy rate.
 - It has encouraged collaborations between Indian and foreign universities, enhancing educational opportunities and opening up new paradigms in the education system.
 - It has bridged the gap between formal and informal learning practices, making education more accessible and versatile.
- **Impact on Women:** Globalisation has improved employment conditions for women, offering better wage balance, flexible working hours, and the ability to balance their roles at home and in the corporate world.
- **Growth of Private or Corporate Sector:**
 - Globalisation has led to the growth of the private corporate sector. Indian companies, especially in IT and pharmaceuticals, have expanded their presence in the global market.
 - Increased competition on the global stage has spurred innovation and efficiency within the private sector.

Globalisation Adverse Effects in India

Though globalisation has proved to be beneficial in several aspects of Indian society, there are a few negative impacts, posed by globalisation, such as:

- **Erosion of Indigenous Crafts and Traditions:** Globalisation poses a threat to indigenous crafts, literary traditions, and knowledge systems.
 - Traditional weavers, for instance, face job losses due to their struggle to adapt to changing consumer preferences.
- **Cultural Domination and Loss of Identity:** Globalisation can lead to the dominance of powerful cultures over less powerful ones, resulting in the marginalisation and loss of cultural identity among certain communities.
 - There has been increased objectification of women and crimes against women due to globalisation.
- **Growing Rural-Urban Divide:** Globalisation has contributed to rapid urbanisation, with cities becoming hubs for economic activity and job opportunities. However, this has led to a growing rural-urban divide, with disparities in access to education, healthcare, and employment opportunities.
- **Income Inequality:** It has also exacerbated income inequality. The benefits of Globalisation have not been evenly distributed, leading to disparities between different socio-economic groups.
- **Homogenization of Culture:** Cultural globalisation can lead to a decline in Indian cultural diversity as various symbols, customs, and beliefs become widespread. This includes the adoption of celebrations like Christmas or New Year even in non-Christian majority countries.
- **Consumerism:** One of the effects of globalisation on Indian society is increased consumerism. It has changed the fabric of contemporary Indian society and also contributed to environmental degradation.
 - **McDonaldization**, a global culture, en route to transforming traditional eating practices, has solidified its roots in India.
- **Fragmentation of the Family Unit:** Globalisation-driven migration can fragment families, causing emotional and psychological stress for those left behind.
 - The joint family system in India has given way to the nuclear family, impacting social cohesion.
- **Erosion of Traditional Values:** Globalisation, particularly the influence of Western norms, can lead to the erosion of traditional family and marriage values. Customs like showing deep respect for elders or treating guests as deities are fading.
- **Displacement of Tribals:** It has led to an increase in cases of tribal displacement, often due to large-scale infrastructure projects. This threatens the habitat and traditional way of life for these communities.
- **Dominance of Multinational Corporations:** There is a concern regarding the immense power exerted by multinational corporations (MNCs) over nations worldwide. This dominance can lead to a form of economic colonisation, where the interests of MNCs take precedence over national priorities.
 - **Walmartisation** is a phenomenon that economically impacts local businesses when a large company such as Walmart opens a store in the local area. It forces smaller retail firms out of business and reduces wages for competitors' employees. It has impacted the Indian economy as well.
- **Job Loss:** The outsourcing of jobs has led to a significant loss of employment opportunities in developing nations. This trend has had a direct impact on the livelihoods of many individuals in these regions.
- **Spread of Communicable Diseases:** Globalisation has facilitated the rapid spread of communicable diseases across nations. Example: Covid 19 disease.
 - The interconnectedness of the world increases the risk of disease transmission, necessitating robust international health measures.

Globalization Measures for Indian Society

The following are a few ways to navigate through globalisation in a better way in Indian society:

- **Cultural Heritage and Diversity Preservation:** Promote the preservation and celebration of India's rich cultural heritage, traditions, and linguistic diversity.
 - Encourage cultural exchange programs, heritage conservation, and initiatives that foster intercultural understanding.
 - Promoting a culture of tolerance and understanding is necessary to create an environment that allows for constructive dialogue.
- **Sustainable Development Practices:** These can be promoted to minimize the negative impact of Globalisation on the environment and communities.
 - This can include the adoption of eco-friendly technologies and responsible management of natural resources.
- **Protection of the Vulnerable Sector:** While pursuing Globalisation, it's crucial to shield vulnerable sectors, such as agriculture, from adverse impacts. This ensures that economic openness benefits all segments of society.
 - For instance, India's cautious approach towards joining **RCEP** is influenced by concerns over an influx of inexpensive **Chinese** products.
 - Similarly, **New Zealand's** robust dairy industry could potentially harm India's domestic sector. Therefore, promoting Globalisation should be accompanied by well-considered provisions to protect local interests.
- **Encourage Innovation and Entrepreneurship:** This can include creating policies that support small and medium-sized enterprises, providing funding, etc.
 - Training in technical and vocational skills should be imparted that are in demand in the global economy.
- **Inclusive Growth and Poverty Alleviation:** Implement targeted policies to ensure that the benefits of economic growth reach all sections of society, particularly marginalised and vulnerable communities.
 - Strengthen social safety nets, and access to quality education, healthcare, and housing to uplift those living in poverty.

Globalisation and Indian Society UPSC PYQs

Question 1: Elucidate the relationship between Globalisation and new technology in a world of scarce resources, with special reference to India. **(UPSC 2022)**

Question 2: Is diversity and pluralism in India under threat due to Globalisation? Justify. **(UPSC 2020)**

Question 3: Are we losing our local identity for the global identity? Discuss **(UPSC 2019)**

Question 4: "Globalisation is generally said to promote cultural homogenization but due to this cultural specificities appear to be strengthened in the Indian Society." Elucidate. **(UPSC 2018)**

Question 5: To what extent globalisation has influenced the core of cultural diversity in India? Explain. **(UPSC 2016)**

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