

# Globalization & Its Impact on Indian Society



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## Abstract

Globalization is a very important and significant ongoing social process that is working successfully in India. There are several causes of its success here. Its impacts are varied and are seen in various sectors. The impact of globalization can be realized through the following-

Rise of the middle class: - Globalization resulted in the rise of the middle class in Indian society, which focused most on education. There was a lot of emphasis on shopping.

The introduction of new technologies: - The introduction of modern technologies in Indian society. Walking around with laptops, air conditioners, Apple phones became common.

Consumerism: - Education became market-centric. The purpose of studying became money-making. All things became market-centric.

Development of new industries: - The difficulties of starting new industries have been overcome. It became easy to buy big machines. Companies like Airtel, HDFC, Flipkart, Paytm etc. came into existence.

Increase in education and employment opportunities: - Higher education developed in the country and many new institutes were opened. New startups were opened which increased employment opportunities.

Apart from this, progress was made in many areas like digital transactions, social media, e-commerce etc.

An utterly theoretical at root and inductive in approach, the paper is a review article that encompasses the various major aspects of the globalization in the context of its impact on the Indian society.

**Keywords:** Process, International, Global, Globalized, Globalization, Adverse.

## Introduction

The process of connecting all the countries of the world on the basis of social, economic, cultural etc., globalization has a big meaning. David Held defines it as interdependence, because social and economic relations bind the world. There are many approaches to globalization in the world today, which elaborate on its form, result and impact. A different view of the origins and nature of globalization is offered by neo-Marxists who believe that globalization is a new form of imperialism and an extension of liberal narrow policies.

The neo-Marxists believe that developed western countries are using it to protect their economy from future crisis. Only unilaterally developed countries will get benefit from this. Liberal economic institutions, such as, World Bank, IMF etc., give loans to a country only if it agrees to its conditions. The Indian Economic Reforms adopted in 1991 is an example of this. Mexico had to undergo the same experience in 1982.

The famous Indian economist Amartya Sen considers globalization as a historical process, saying that it is not necessarily Western. He emphasizes the need for its improvement. On the contrary, Jagdish Bhagwati is a supporter of free trade, he believes that free trade has widely helped in the development of the economy.

While many developing countries like China and India have benefited from globalization, the underdeveloped countries of Africa have also suffered. Now that we know the nature of globalization, then the question comes, what effect has it has on the Indian economy? Many reforms were made in the Indian economy by adopting economic reforms in 1991 and the economy was opened to the world by removing barriers.

This reform encompasses three components - globalization, liberalization and privatization. Its main objectives have been to increase

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the rate of growth of the economy, to adjust the gains received in the past, to increase the competitiveness of production units.

A number of major changes were made to achieve this objective, such as the abolition of the licensing regime, incentives to MNCs for private investment, eliminating barriers to foreign exchange, removing all price and distribution barriers and abolishing the MRTP Act. etc. Hereunder are enlisted some of the positive and negative effects of globalization on the Indian society-

1. Indian industry racket destroyed
2. The cottage industries destroyed
3. Nobody likes Indian items, and everyone is running after the imported items
4. The imports are high, exports decreased
5. Government is fascinated overseas for security and military equipment
6. The unemployment soared
7. The poor became poorer and poorer
8. Rupee is decreasing day by day against dollars
9. Doctors, Engineers, scientists from India are migrating overseas
10. Every common person is caught in the web of debit, credit card and debt
11. Traffic, communication, increased Distance disappeared
12. Markets became unstable, and nobody knows when the price of which commodity decreases or increases
13. The rich are getting outnumbered
14. People are adopting deceit, fraud, crime, theft, robbery, adulteration, smuggling, to live a life of comfort.
15. If we get any item anywhere in the world, we no longer need the license system.
16. It is possible to technology rectangles from abroad

### Review of Literature

Biswajit Dhar and C. Niranjana Rao (2002), in *Transfer of Technology for Successful Integration into the Global Economy A Case Study of the Pharmaceutical Industry in India*, inform that the decade of the 1990s has been significant for India in terms of the changes in policy orientation directed at its economy. From the relatively inward looking policies in place till the end of the 1980s, the policy regime adopted in 1991 sought to break down the walls of protection behind which Indian industry had developed in the past. The biggest challenge for Indian industry posed by the new regime arose from the need to adopt measures that would improve its competitive strength.

Y.Gurappa Naidu (2006), in *Globalization and Its Impact on Indian Society*, discussed that the Indian society is drastically changing after globalization and urbanization has brought a lot of changes in the Indian culture. Economic policies have a direct impact in shaping the structural framework of economy. Economic policies formulated and executed by the government, have also played an important role in determination of levels of income, savings, investments and employment in the society. It will be a mistake to assume that India can adopt an effective mechanism for economic reforms and

it will be difficult for India to adopt with global changes without dealing with domestic problems like control of terrorism, providing employment to rural educated people, and work for the rural poor, empowering women and marginalised people and providing reasonable price and market facilities for the farmers. Global changes are operating on many new areas of conflict and cooperation for India and we can achieve a new level of integration of Indian economy with world markets on the basis of protection of our own national interest.

Kaliappa Kalirajan and Kanhaiya Singh (2009), in *The Impact of Globalization on Employment Generation in India: The case of emerging Big Shopping Malls and Retailers* explained that growth of organized retail sector in India is being seen by some as the next driver of the Indian economy after the information technology boom. However, it cannot be denied that the farmers are being exploited, prices are being manipulated and small traders are being displaced by the corporate retailers. Organised retailing and retailing through big shopping complexes and malls is an idea,. Thus, this idea is necessarily drawn from within and across global nations and expansion of this idea is an integral part of globalisation.

Andrew Robinson (2011), in *Globalization: Behind India's technological boom*, states that India's IT boom, which started in the mid-1990s after the liberalization of the Indian economy in 1991, has generated headlines and hyperbole in both business and politics. As Nadeem readily accepts, outsourcing has provided many young Indians with comparatively well-paid opportunities and it has boosted India's reputation internationally. In 2004, the boom even contributed to the electoral slogan of the ruling Bharatiya Janata Party (BJP), "India shining".

*Shobhit Srivastava and Altamash Khan (2016), in Globalization and Development in Contemporary India :Cultural Perspective, discussed that it is fair to say that the impact of globalization in the cultural sphere has most generally been viewed in a pessimistic light. Typically, it has been associated with the destruction of cultural identities, victims of the accelerating encroachment of a homogenized, westernized, consumer culture. The contemporary phase of globalization which began in the post-cold war era i.e.in 90's, when in 1991 govt. of India followed the policy of Liberalization, privatization and globalization. Ever since there have been numerous changes in various areas, such as, political, social and economic ones. The study makes a special focus on social arena which largely includes the following:*

1. Culture which can be in present scenario be termed as global cultural diversity
2. Education and health sector affected by SAP (Structural adjustment programme)
3. Social institution i.e. family, marriage and kinship
4. Bazaar culture

Kamlesh Goyal & Kamaljit Singh (2016), in *India in the Process of Globalization*, observe that Globalization is basically a socio-economic term where people think locally and act globally. The phenomenon of globalization has many aspects and implications. It is referred to as a strategy of economic

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development where border of the countries do not matter for movement of commodities, services, capital, finance, labour, technology, ideas and information. This strategy generates a process of increasing economic integration and growing interdependence between countries of the world economy. The whole emphasis is on development of global market by removing all sorts of barriers in its way created by government of the countries.

Swaminathan S. Anklesaria Aiyar (2016), in Twenty-Five Years of Indian Economic Reform, reports that economic reforms that began 25 years ago have transformed India. What used to be a poor, slow-growing country now has the third-largest gross domestic product (GDP) in the world with regard to purchasing power parity and is projected to be the fastest-growing major economy in the world in 2016 (with 7.6 percent growth in GDP). Once an object of pity, India has become an object of envy. It has been called a potential superpower and the only credible check on Chinese power in Asia in the 21st century. Hence, the United States has backed India for a permanent seat in the United Nations and has persuaded the Nuclear Suppliers Group to exempt India from the usual nuclear nonproliferation rules. Yet India's success has been tarnished in several areas. The past 25 years can be largely summed up as a story of private-sector success and government failure, of successful economic reform tainted by institutional erosion. Although many old controls have been abolished, many still continue, and a plethora of new controls have been created in areas relating to the environment, health, tribal areas, and land.

### Objectives of the Study

1. To have a peed into the various ongoing processes in the world
2. To concentrate and discuss the process of globalization
3. To trace the significance and relevance of the process of globalization
4. To work out and bring forth the positive aspects of globalization
5. To explore the negative aspects of globalization
6. To discuss the distinct features of the Indian society
7. To develop an understanding of the response of the Indians, especially of the village folks to the ongoing processes in India
8. To find out the trends of globalization in India
9. To explore the causes that are attracting the Indians to the process of globalization
10. To lay emphasis on the positive and negative impact of globalization on the Indian society.

### Hypothesis

1. India is a traditional country having a rigidly traditional population that lives in its various states enjoying its distinct culture and exercising unity in diversity
2. Modernization, urbanization, sanskritization, industrialization, globalization are some of the ongoing processes that are running and working successfully in India affecting the people and their life in several positive and negative ways
3. Globalization is the need and demand of time

4. Globalization aims at mitigating the distance found between the societies and bringing them closer to each other in a way that all the local features disappear and merge in the globally approved features
5. Globalization is essential for the personal, cultural and economic development
6. Globalization is helpful in winning the Indian society the status of being a developed society and in making it free from the blur of being a developing society
7. There are various causes of the success of the process of globalization
8. There are both the positive and the negative effects of globalization in India
9. Globalization links the Indian society with prosperity and development
10. Globalization causes risk to the ancient Indian culture.

### Methodolgy

Methodologically speaking, the paper is a review study on the theme of globalization and its impact on the Indian society. For the purpose, the review of a few selected published studies was made on the basis of the country where the study was carried out; all the selected studies were put into two classes, i.e. the studies that were carried out in India and the ones that were carried out abroad. The required contents suitable to the theme were picked out and analyzed as per the requirement of the theme and title as well as objectives. After specifying the objectives and formulating the hypothesis, such a research design was adopted as could help the researcher draw findings. All this enabled the author to conclude the theme selected for the purpose and to discuss the relevant issues relating to the theme under consideration. All this was done maintaining the scientific spirit of the work by adopting all the prescribed steps of research.

### Findings

1. India is in the process of globalization and is going to meet new horizons of economic and social developments in future
2. The process of globalization is one of the key social processes that are making a tremendous contribution in bringing about a positive change in the Indian society and Indian culture
3. Globalization is developing a great familiarity of the other cultures of the world among the Indians
4. Globalization is helpful in strengthening the economy of India and in increasing the economic growth
5. Globalization enables the people to get the products manufactured in the other countries of the world at door
6. Globalization is facilitating the life and survival of the people in India
7. Globalization is developing the culture of malls in the cities of India where the people can go for shopping of the branded items made in the various countries of the world
8. Globalization has shifted the consumers from the small retail shops to the big malls that provide all

- the commodities, games, movies, hotels and restaurants, fun houses just under the one roof
9. Globalization has its deep impact on bazaar culture, health sector, social and economic institutions
  10. Globalization is transforming India, and the fundamentalists are taking it both positively and negatively
  11. Globalization is going to generate new job opportunities, better living standards and improved consumerism.

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