Chapter 1

INTRODUCTION

1.1 Globalisation and its meaning

Evolution of economics as subject has reached a state where traditional methods and approaches have been modified considerably to explain the economic behaviour of human beings. Modern approaches look at economics not as a closed system but an open system with immense scope for human creativity. With dawn of 21st century outlook and focus of economics changed towards including social political aspects of human behaviour. It can be termed as return to holistic approach of study of humane economics rather than pure economics.

Since the very inception of this subject it has been accepted that three realities and aspects of human behaviour namely politics, society and economics were like the concept of directions in the sky which we impose on the sky to simplify our understanding. Politics, economics and society are not walled compartments but thinly curtained cubicles and the curtains allow far more to pass through then they obstruct. In this spirit the study of globalisation and its impact on social dynamics is undertaken.

The economic system and its relation to social system: - An economic system is the system of production, distribution and consumption of goods and services of an economy. Alternatively, it is the set of principles and techniques by which problems of economics are addressed, such as the economic problem of scarcity through allocation of finite productive resources. The economic system is composed of people and institutions, including their relationships to productive resources, such as through the convention of property. Examples of contemporary economic systems include capitalist systems, socialist systems, and mixed economies. "Economic systems" is the economics category that includes the study of respective systems.

An economic system can be defined as a "set of methods and standards by which a society decides and organises the allocation of limited economic resources to satisfy unlimited human wants. At one extreme, production is carried in a private-enterprise system such that all resources are privately owned. It was described by Adam Smith as frequently promoting a social interest, although only a private interest was planned. At the other extreme, following Karl Marx and Vladimir Lenin is what is
commonly called a pure-communist system, such that all resources are publicly owned with intent of minimising inequalities of wealth among other social objectives”.

Alternatively, 'economic system' refers to the organisational arrangements and process through which a society makes its production and consumption decisions. In creating and modifying its economic system, each society chooses among alternative objectives and alternative decision modes. Many objectives may be seen as desirable, like efficiency, growth, liberty, and equality.

**Parts of a social system:** An economic system can be considered a part of the social system and equal to the law system, political system, cultural, etc. There is often a strong correlation between certain ideologies, political systems and certain economic systems (for example, consider the meanings of the term "communism"). Many economic systems overlap each other in various areas (for example, the term "mixed economy" can be argued to include elements from various systems). There are also various mutually exclusive hierarchical categorisations.

**Indian economic system:** Indian economic policy after independence was influenced by the colonial experience (which was seen by Indian leaders as exploitative in nature) and by those leaders' exposure to Fabians socialism advocated by likes of Harold J. Lasky. Policy tended towards protectionism, with a strong emphasis on import substitution, industrialisation, and state intervention in labour and financial markets, a large public sector, business regulation, and central planning. Five-Year Plans of India resembled central planning in the Soviet Union. Steel, mining, machine tools, water, telecommunications, insurance, and electrical plants, among other industries, were effectively nationalised in the mid-1950s. Capitalism and Private sector did not exist before 1991. Elaborate licenses, regulations and the accompanying red tape, commonly referred to as License Raj, were required to set up business in India between 1947 and 1990.

Jawaharlal Nehru, the first prime minister, along with the statistician Prasanta Chandra Mahalanobis, carried on by Smt. Indira Gandhi formulated and oversaw economic policy. They expected favourable outcomes from this strategy, because it involved both public and private sectors and was based on direct and indirect state intervention, rather than the more extreme Soviet-style central command system. The policy of concentrating simultaneously on capital- and technology-intensive heavy industry and subsidising manual, low-skill cottage industries was criticised by economist Milton Friedman, who thought it would waste capital and labour, and retard the development of small manufacturers. The rate from 1947–80 was derisively referred to as the Hindu rate of growth, because of the unfavourable comparison with
growth rates in other Asian countries, especially the "East Asian Tigers". The Rockefeller Foundation's research in high-yielding varieties of seeds, their introduction after 1965 and the increased use of fertilisers and irrigation are known collectively as the Green Revolution in India, which provided the increase in production needed to make India self-sufficient in food grains, thus improving agriculture in India. Famine in India, once accepted as inevitable, has not returned since independence.

**Globalisation:** - In economics nothing has attracted so much attention as the reality of globalisation and rightly too. Globalisation has brought around dawn of a new era. It stands in its importance near the industrial revolution when the means of production changed and production moved from farms to shelters. Globalisation as such wasn't a miracle that came true of its and from nowhere; it was an aspired dream of humanity dream which has in some form always motivated and inspired humanity since ancient times. A lot of human history even though written in forms of political tales of kings and empires is actually the tale of changing production and trading patterns as result of human creativity.

Globalisation describes a process by which regional economies, societies, and cultures have become integrated through a global network of communication, transportation, and trade. The term is sometimes used to refer specifically to economic globalisation; the integration of national economies into the international economy through trade, foreign direct investment, capital flows, migration, and the spread of technology. However, globalisation is usually recognised as being driven by a combination of economic, technological, socio-cultural, political, and biological factors. The term can also refer to the transnational circulation of ideas, languages, or popular culture through acculturation.

### 1.2 Definition of Globalisation

According to the **Oxford English Dictionary**, the word 'globalisation' was first employed in 1930, to denote a holistic view of human experience in education. An early description of globalisation was penned by the American entrepreneur-turned-minister **Charles Taze Russell** who coined the term 'corporate giants' in 1897, although it was not until the 1960s that the term began to be widely used by economists and other social scientists. The term has since then achieved widespread use in the mainstream press by the later half of the 1980s. Since its inception, the concept of globalisation has inspired numerous competing definitions and interpretations, with antecedents dating back to the great movements of trade and empire across Asia and the Indian Ocean from the 15th century onwards.
The United Nations ESCWA has written that globalisation is a widely-used term that can be defined in a number of different ways. When used in an economic context, it refers to the reduction and removal of barriers between national borders in order to facilitate the flow of goods, capital, and services and labour although considerable barriers remain to the flow of labour. Globalisation is not a new phenomenon. It began in the late nineteenth century, but it slowed down during the period from the start of the First World War until the third quarter of the twentieth century. This slowdown can be attributed to the inward-looking policies pursued by a number of countries in order to protect their respective industries. However, the pace of globalisation picked up rapidly during the fourth quarter of the twentieth century.

Saskia Sassen writes that a good part of globalisation consists of an enormous variety of micro-processes that begin to denationalise what had been constructed as national — whether policies, capital, political subjectivity, urban spaces, temporal frames, or any other of a variety of dynamics and domains.

Tom J. Palmer of the Cato Institute defines globalisation as "the diminution or elimination of state-enforced restrictions on exchanges across borders and the increasingly integrated and complex global system of production and exchange that has emerged as a result."

Thomas L. Friedman has examined the impact of the "flattening" of the world, and argues that globalised trade, outsourcing, supply-chaining, and political forces have changed the world permanently, for both better and worse. He also argues that the pace of globalisation is quickening and will continue to have a growing impact on business organisation and practice.

Noam Chomsky argues that the word globalisation is also used, in a doctrinal sense, to describe the neoliberal form of economic globalisation.

Herman E. Daly argues that sometimes the terms internationalisation and globalisation are used interchangeably but there is a significant formal difference. The term internationalisation refers to the importance of international trade, relations, treaties etc. owing to the immobility of labour and capital between or among nations.

Finally, Takis Fotopoulos argues that globalisation is the result of systemic trends manifesting the market economy's grow-or-die dynamic, following the rapid expansion of trans-national corporations. Because these trends have not been offset effectively by counter-tendencies that could have emanated from trade-union action and other forms of political activity, the outcome has been globalisation. This is a
multi-faceted and irreversible phenomenon within the system of the market economy and it is expressed as: economic globalisation, namely, the opening and deregulation of commodity, capital and labour markets which led to the present form of neo-liberal globalisation; political globalisation, i.e. the emergence of a trans-national elite and the phasing out of the all powerful-nation state of the statist period; cultural globalisation, i.e. the worldwide homogenisation of culture; ideological globalisation; technological globalisation; social globalisation.

1.3 The master concept of globalisation and contrary contemporary opinions

The historical origins of globalisation are the subject of on-going debate. Though some scholars situate the origins of globalisation in the modern era, others regard it as a phenomenon with a long history. Perhaps the most extreme supporter of a deep historical origin for globalisation was Andre Gunder Frank, an economist associated with dependency theory. Frank argued that a form of globalisation has been in existence since the rise of trade links between Sumer and the Indus Valley Civilisation in the third millennium B.C. Critics of this idea point out that it rests upon an over-broad definition of globalisation.

An early form of globalised economics and culture existed during the Hellenistic Age, when commercialised urban centers were focused around the axis of Greek culture over a wide range that stretched from India to Spain, with such cities as Alexandria, Athens, and Antioch at its center. Trade was widespread during that period, and it is the first time the idea of a cosmopolitan culture emerged. Others have perceived an early form of globalisation in the trade links between the Roman Empire, the Parthian Empire, and the Han Dynasty. The increasing articulation of commercial links between these powers inspired the development of the Silk Road, which started in western China, reached the boundaries of the Parthian empire, and continued onwards towards Rome. With 300 Greek ships a year sailing between the Greco-Roman world and India, the annual trade may have reached 300,000 tons. The Islamic Golden Age was also an important early stage of globalisation, when Jewish and Muslim traders and explorers established a sustained economy across the Old World resulting in a globalisation of crops, trade, knowledge and technology. Globally significant crops such as sugar and cotton became widely cultivated across the Muslim world in this period, while the necessity of learning Arabic and completing the Hajj created a cosmopolitan culture.

The advent of the Mongol Empire, though destabilising to the commercial centers of the Middle East and China, greatly facilitated travel along the Silk Road.
This permitted travellers and missionaries such as Marco Polo to journey successfully (and profitably) from one end of Eurasia to the other. The so-called Pax Mongolica of the thirteenth century had several other notable globalising effects. It witnessed the creation of the first international postal service, as well as the rapid transmission of epidemic diseases such as bubonic plague across the newly unified regions of Central Asia. These pre-modern phases of global or hemispheric exchange are sometimes known as archaic globalisation. Up to the sixteenth century, however, even the largest systems of international exchange were limited to the Old World.

The Age of Discovery brought a broad change in globalisation, being the first period in which Eurasia and Africa engaged in substantial cultural, material and biologic exchange with the New World. It began in the late 15th century, when the two Kingdoms of the Iberian Peninsula - Portugal and Castile - sent the first exploratory voyages around the Horn of Africa and to the Americas, "discovered" in 1492 by Christopher Columbus. Shortly before the turn of the 16th century, Portuguese started establishing trading posts (factories) from Africa to Asia and Brazil, to deal with the trade of local products like gold, spices and timber, introducing an international business center under a royal monopoly, the House of India.

Global integration continued with the European colonisation of the Americas initiating the Columbian Exchange, the enormous widespread exchange of plants, animals, foods, human populations (including slaves), communicable diseases, and culture between the Eastern and Western hemispheres. It was one of the most significant global events concerning ecology, agriculture, and culture in history. New crops that had come from the Americas via the European seafarers in the 16th century significantly contributed to the world's population growth. This phase is sometimes known as proto-globalisation. It was characterised by the rise of maritime European empires, in the 16th and 17th centuries, first the Portuguese and Spanish empires, and later the Dutch and British Empires. In the 17th century, globalisation became also a private business phenomenon when chartered companies like British East India Company (founded in 1600), often described as the first multinational corporation, as well as the Dutch East India Company (founded in 1602) were established. Because of the large investment and financing needs and high risks involved in international trade, the British East India Company became the first company in the world to share risk and enable joint ownership of companies through the issuance of shares of stock an important driver for globalisation. 19th century Great Britain become the first global economic superpower, because of superior manufacturing technology and improved global communications such as steamships and railroads. The 19th century witnessed the advent of globalisation approaching its modern form. Industrialisation allowed cheap production of household items using economies of scale, while rapid
population growth created sustained demand for commodities. Globalisation in this period was determinedly shaped by nineteenth-century imperialism. After the Opium Wars and the completion of British take-over of India, vast populations of these regions became ready consumers of European exports. It was in this period that areas of sub-Saharan Africa and the Pacific islands were incorporated into the world system. Meanwhile, the conquest of new parts of the globe, notably sub-Saharan Africa, by Europeans yielded valuable natural resources such as rubber, diamonds and coal and helped fuel trade and investment between the European imperial powers, their colonies, and the United States. John Maynard Keynes said, “The inhabitant of London could order by telephone, sipping his morning tea, the various products of the whole earth, and reasonably expect their early delivery upon his doorstep. Militarism and imperialism of racial and cultural rivalries were little more than the amusements of his daily newspaper. What an extraordinary episode in the economic progress of man was that age which came to an end in August 1914.”

The first phase of “modern globalisation” began to break down at the beginning of the 20th century, with the First World War. The novelist VM Yeats criticised the financial forces of globalisation as a factor in creating World War I. The final death knell for this phase came during the gold standard crisis and Great Depression in the late 1920s and early 1930s. In the middle decades of the twentieth century globalisation was largely driven by the global expansion of multinational corporations based in the United States and Europe, and worldwide exchange of new developments in science, technology and products, with most significant inventions of this time having their origins in the Western world according to Encyclopaedia Britannica. Worldwide export of western culture went through the new mass media: film, radio and television and recorded music. Development and growth of international transport and telecommunication played an important role in modern globalisation.

Post-World War II: Globalisation, since World War II, is largely the result of planning by politicians to break down borders hampering trade to increase prosperity and interdependence thereby decreasing the chance of future war. Their work led to the Bretton Woods conference, an agreement by the world’s leading politicians to lay down the framework for international commerce and finance, and the founding of several international institutions intended to oversee the processes of globalisation.

These institutions include the International Bank for Reconstruction and Development (The World Bank), and the International Monetary Fund. Globalisation has been facilitated by advances in technology which have reduced the costs of trade, and trade negotiation rounds, originally under the auspices of the General Agreement
on Tariffs and Trade (GATT), which led to a series of agreements to remove restrictions on free trade.

Since World War II, barriers to international trade have been considerably lowered through international agreements — GATT. Particular initiatives carried out as a result of GATT and the World Trade Organisation (WTO), for which GATT is the foundation, has included:

Promotion of free trade.
- Elimination of tariffs;
  - Creation of free trade zones with small or no tariffs
- Reduced transportation costs, especially resulting from development of containerisation for ocean shipping.
  - Reduction or elimination of capital controls.
    - Reduction, elimination, or harmonisation of subsidies for local businesses.
- Creation of subsidies for global corporations
- Harmonisation of intellectual property laws across the majority of states, with more restrictions.
  - Supranational recognition of intellectual property restrictions (e.g. patents granted by China would be recognised in the United States)

**Cultural Globalisation**, driven by communication technology and the worldwide marketing of Western cultural industries, was understood at first as a process of homogenisation, as the global domination of American culture at the expense of traditional diversity. However, a contrasting trend soon became evident in the emergence of movements protesting against globalisation and giving new momentum to the defence of local uniqueness, individuality, and identity. The Uruguay Round (1986 to 1994) led to a treaty to create the WTO to mediate trade disputes and set up a uniform platform of trading. Other bilateral and multilateral trade agreements, including sections of Europe's Maastricht Treaty and the North American Free Trade Agreement (NAFTA) have also been signed in pursuit of the goal of reducing tariffs and barriers to trade. World exports rose from 8.5% in 1970, to 16.2% of total gross world product in 2001.

### 1.4 Broad outlook of Positive and Negative Impacts

#### 1.4.1 Effects of Globalisation

Globalisation has various aspects which affect the world in several different ways such as:
Industrial: - Emergence of worldwide production markets and broader access to a range of foreign products for consumers and companies particularly movement of material and goods between and within national boundaries. International trade in manufactured goods increased more than 100 times (from $95 billion to $12 trillion) in the 50 years since 1955. China’s trade with Africa rose sevenfold during 2000-06 alone.

Financial: - Emergence of worldwide financial markets and better access to external financing for borrowers. By the early part of the 21st century more than $1.5 trillion in national currencies were traded daily to support the expanded levels of trade and investment. As these worldwide structures grew more quickly, then any transnational regulatory regime, the instability of the global financial infrastructure dramatically increased.

Economic: - Realisation of a global common market, based on the freedom of exchange of goods and capital. The interconnectedness of these markets, however, meant that an economic collapse in any one given country could not be restricted. Almost all notable worldwide IT companies are now present in India. Four Indians were among the world's top 10 richest, worth a combined $160 billion. In 2006, China had 415,000 millionaires and India 123,000.

Health Policy: - On the global scale, health becomes a commodity. In developing nations under the demands of Structural Adjustment Programs, health systems are disjointed and privatised. Global health policy makers have shifted during the 1990s from United Nations players to financial institutions. The result of this power transition is an increase in privatisation in the health sector. This privatisation fragments health policy by crowding it with many players with many private interests. These disjointed policy players emphasise partnerships and specific interventions to combat specific problems (as opposed to comprehensive health strategies). Influenced by global trade and global economy, health policy is directed by technological advances and innovative medical trade. Global priorities, in this situation, are sometimes at odds with national priorities where increased health infrastructure and basic primary care are of more value to the public than privatised care for the wealthy.

Political: - Some use "globalisation" to mean the creation of a world government which regulates the relationships among governments and guarantees the rights is arising from social and economic globalisation. Politically, the United States has enjoyed a position of power among the world powers, in part because of its strong and wealthy economy. With the influence of globalisation and with the help of The
the People's Republic of China has experienced some tremendous growth within the past decade. If China continues to grow at the rate projected by the trends, then it is very likely that in the next twenty years, there will be a major reallocation of power among the world leaders. China will have enough wealth, industry, and technology to competitor the United States for the position of leading world power.

**Informational:** - Increase in information flows between geographically remote locations. Arguably this is a technological change with the advent of fibre optic communications, satellites, and increased availability of telephone and Internet.

**Language:** - The most popular first language is Mandarin (845 million speakers) followed by Spanish (329 million speakers) and English (328 million speakers). However the most popular second language is undoubtedly English, the "lingua franca" of globalisation. About 35% of the world's mail, telexes, and cables are in English. Approximately 40% of the world's radio programs are in English. About 50% of all Internet traffic uses English.

**Competition:** - Survival in the new global business market calls for improved productivity and increased competition. Due to the market becoming worldwide, companies in various industries have to upgrade their products and use technology skill fully in order to face increased competition.

**Ecological:** - The advent of global environmental challenges that might be solved with international cooperation, such as climate change, cross-boundary water and air pollution, over-fishing of the ocean, and the spread of invasive species. Since many factories are built in developing countries with less environmental regulation, globalism and free trade may increase pollution. On the other hand, economic development historically required a "dirty" industrial stage, and it is argued that developing countries should not, via regulation, be prohibited from increasing their standard of living.

**Cultural effects:** - Globalisation has had an impact on different cultures around the world. Japanese McDonald's fast food is an evidence of corporate globalisation and the integration of the same into different cultures. "Culture" is defined as patterns of human activity and the symbols that give these activities significance. Culture is what people eat, how they dress, beliefs they hold, and activities they practice. Globalisation has joined different cultures and made it into something different. As Erla Zwingle, from the National Geographic article titled "Globalisation" states, "When cultures receive outside influences, they ignore some
and adopt others, and then almost immediately start to transform them." One classic culture aspect is food. Someone in America can be eating Japanese noodles for lunch while someone in Sydney, Australia is eating classic Italian meatballs. India is known for its curry and exotic spices. France is known for its cheeses. North America is known for its burgers and fries. McDonald's is a North American company which is now a global enterprise with 31,000 locations worldwide. This company is just one example of food causing cultural influence on the global scale. Another common practice brought about by globalisation is the usage of Chinese characters in tattoos. These tattoos are popular with today's youth despite the lack of social acceptance of tattoos in China. Also, there is a lack of knowledge in the meaning of Chinese characters that people get making this an example of cultural appropriation.

The internet breaks down cultural boundaries across the world by enabling easy, near-instantaneous communication between people anywhere in a variety of digital forms and media. The Internet is associated with the process of cultural globalisation because it allows interaction and communication between people with very different lifestyles and from very different cultures. Photo sharing websites allow interaction even where language would otherwise be a barrier.

**Growth of cross-cultural contacts:** advent of new categories of consciousness and identities which embodies cultural diffusion, the desire to increase one's standard of living and enjoy foreign products and ideas, adopt new technology and practices, and participate in a "world culture". Some bemoan the resulting consumerism and loss of languages. Spreading of multiculturalism, and better individual access to cultural diversity (e.g. through the export of Hollywood). Some consider such "imported" culture a danger, since it may supplant the local culture, causing reduction in diversity or even integration. Others consider multiculturalism to promote peace and understanding between people. A third position that gained popularity is the notion that multiculturalism to a new form of monoculture in which no distinctions exist and everyone just shift between various lifestyles in terms of music, cloth and other aspects once more firmly attached to a single culture. In reality, as it happens in countries like the United Kingdom, Canada, Australia or New Zealand, people who always lived in their native countries maintain their cultures without feeling forced by any reason to accept another and are proud of it even when they're exeptive of immigrants, while people who are newly arrived simply keep their own culture or part of it despite some minimum amount of integration, although aspects of their culture often become a curiosity and a daily aspect of the lives of the people of the welcoming countries. Greater international travel and tourism WHO estimates that up to 500,000 people are on planes at any one time. In 2006, there were over 910 million international tourist arrivals.
Technical: - Development of a Global Information System, global telecommunications infrastructure and greater trans-border data flow, uses such technologies as the Internet, communication satellites, submarine fiber optic cable, and wireless telephones. Increase in the number of standards applied globally; e.g., copyright laws, patents and world trade agreements.

Legal/Ethical: - The creation of the international criminal court and international justice movements, crime importation, raising awareness for global crime-fighting efforts and co-operation and emergence of global administrative law.

Religious: - The spread and increased interrelations of various religious groups, ideas, and practices and their ideas of the meanings and values of particular spaces.

1.4.2 Globalisation and anxieties of the developed and developing world

Globalisation has been one of the most hotly debated topics in international economics over the past few years. Critics of Globalisation argue on two planes the critics from developed world point to the loss of jobs and environmental degradation and the critics from developing worlds argue globalisation invariably leads to inequality. Some also view the effect of globalisation on culture as a rising concern. Along with globalisation of economies and trade, culture is being imported and exported as well. The concern is that the stronger, bigger countries such as the United States may overrun the other, smaller countries' cultures, leading to those customs and values being faded away. This process is also sometimes referred to as Americanisation or Mc Donaldisation.

It can be said that globalisation is the door that opens up an otherwise resource-poor country to the international market. Where a country has little material or Physical product harvested or Mined from its own soil, large corporations see an opportunity to take advantage of the "export poverty" of such a nation. Where the majority of the earliest occurrences of economic globalisation are recorded as being the expansion of businesses and corporate growth, in many poorer nations globalisation is actually the result of the foreign businesses investing in the country to take advantage of the lower wage rate even though investing, by increasing the Capital Stock of the country, increases their wage rate. One example cited in this regard is the use of sweatshops by manufacturers. According to Global Exchange these "Sweat Shops" are widely used by sports shoe manufacturers and mentions one company in particular—Nike. There are factories set up in the poor countries where employees agree to work for low wages. If labour laws alter in those countries and
Stricter rules govern the manufacturing process. The factories are closed down and relocated to other nations with more conservative, laissez-faire economic policies. There are several agencies that have been set up worldwide specifically designed to focus on anti-sweatshop campaigns and education of such. In the USA, the National Labour Committee has proposed a number of bills as part of The Decent Working Conditions and Fair Competition Act, which have thus far failed in Congress. The legislation would legally require companies to respect human and worker rights by prohibiting the import, sale, or export of sweatshop goods. Specifically, these core standards include no child labour, no forced labour, freedom of association, right to organise and bargain collectively, as well as the right to decent working conditions.

Tiziana Terranova has stated that globalisation has brought a culture of "free labour". In a digital sense, it is where the individuals (contributing capital) exploits and eventually "exhausts the means through which labour can sustain itself". For example, in the area of digital media (animations, hosting chat rooms, designing games etc.), it is often less glamorous than it may sound. In the gaming industry, a Chinese Gold Market has been established.

**Environmental degradation:** Developed world fear the industrialisation of developing world would take the dirty industrialisation route that would lead to environmental disaster. They cite the example of Brazil, the burning forest in Brazil. The removal of forest to make way for cattle ranching and cultivation of soybeans has led to vast spread deforestation in the Brazilian Amazon. The World watch Institute said the booming economies of China and India are planetary powers that are shaping the global biosphere. A major source of deforestation is the logging industry, driven spectacularly by China and Japan. Thriving economies such as China and India are quickly becoming large oil consumers. China has seen oil consumption grow by 8% yearly since 2002, doubling from 1996–2006. Crude oil prices in the last several years have steadily risen from about $25 a barrel in August 2003. State of the World 2006 report said the two countries' high economic growth hid a reality of severe pollution. The report states: The world's ecological capacity is simply insufficient to satisfy the ambitions of China, India, Japan, Europe and the United States as well as the aspirations of the rest of the world in a sustainable way.

Without more recycling, zinc could be used up by 2037, both indium and hafnium could run out by 2017, and terbium could be gone before 2012. It is said that if China and India were to consume as much resources per capita as United States or Japan in 2030 together they would require a full planet Earth to meet their needs. In the long-term these effects can lead to increased conflict over dwindling resources.
Brain Drain: - Opportunities in richer countries drives talent away from poorer countries, leading to brain drains. Brain drain has cost the African continent over $4.1 billion in the employment of 150,000 expatriate professionals annually. Indian students going abroad for their higher studies costs India a foreign exchange outflow of $10 billion annually.

Food security: - The head of the International Food Policy Research Institute, stated that the gradual change in diet among newly prosperous populations is the most important factor reinforcement the rise in global food prices. From 1950 to 1984, as the Green Revolution transformed agriculture around the world, grain production increased by over 250%. The world population has grown by about 4 billion since the beginning of the Green Revolution and most believe that, without the Revolution, there would be greater food shortage and malnutrition than the UN presently documents (approximately 850 million people suffering from chronic malnutrition in 2005). It is becoming increasingly difficult to maintain food security in a world beset by a flowing together of "peak" phenomena, namely peak oil, peak water, peak phosphorus, peak grain and peak fish. Growing populations, falling energy sources and food shortages will create the "perfect storm" by 2030, according to the UK government chief scientist. He said food reserves are at a 50-year low but the world requires 50% more energy, food and water by 2030. The world will have to produce 70% more food by 2050 to feed a projected extra 2.3 billion people and as incomes rise, the United Nations' Food and Agriculture Organisation (FAO) warned. Social scientists have warned of the possibility that global civilisation is due for a period of contraction and economic re-localisation, due to the decline in fossil fuels and resulting crisis in transportation and food production. One paper even suggested that the future might even bring about a restoration of sustainable local economic activities based on hunting and gathering, shifting horticulture, and pastoralism. The journal Science published a four-year study in November 2006, which predicted that, at prevailing trends, the world would run out of wild-caught seafood in 2048.

Disease: - Globalisation, the flow of information, goods, capital and people across political and geographic boundaries, has also helped to spread some of the deadliest infectious diseases known to humans. Starting in Asia, the Black Death killed at least one-third of Europe’s population in the 14th century. Even worse devastation was inflicted on the American super-continent by Europe. For instance 90% of the populations of the civilisations of the "New World" such as the Aztec, Maya, and Inca were killed by small pox brought by European colonisation. Modern modes of transportation allow more people and products to travel around the world at a faster pace; they also open the airways to the transcontinental movement of infectious disease vectors. One example of this occurring is AIDS/HIV. Approximately
1.1 million persons are living with HIV/AIDS in the United States, and AIDS remains the leading cause of death among African American women between ages 25 and 34. Due to immigration, approximately 500,000 people in the United States are believed to be infected with Chagas disease. In 2006, the tuberculosis (TB) rate among foreign-born persons in the United States was 9.5 times that of U.S.-born persons.

**Drug and illegal goods trade:** The United Nations Office on Drugs and Crime (UNODC) issued a report that the global drug trade generates more than $320 billion a year in revenues. Worldwide, the UN estimates there are more than 50 million regular users of heroin, cocaine and synthetic drugs. The international trade of endangered species is second only to drug trafficking. Traditional Chinese medicine often incorporates ingredients from all parts of plants, the leaf, stem, flower, root, and also ingredients from animals and minerals. The use of parts of endangered species (such as seahorses, rhinoceros horns, saiga antelope horns, and tiger bones and claws) has created controversy and resulted in a black market of poachers who hunt restricted animals. In 2003, 29% of open sea fisheries were in a state of collapse.

**Poorer countries suffering disadvantages:** While it is true that globalisation encourages free trade among countries, there are also negative consequences because some countries try to save their national markets. The main export of poorer countries is usually agricultural goods. Larger countries often subsidise their farmers (like the EU Common Agricultural Policy), which lowers the market price for the poor farmer's crops compared to what it would be under free trade.

**The exploitation of foreign impoverished workers:** The deterioration of protections for weaker nations by stronger industrialised powers has resulted in the exploitation of the people in those nations to become cheap labour. Due to the lack of protections, companies from powerful industrialised nations are able to offer workers enough salary to attract them to endure extremely long hours and unsafe working conditions, though economists question if consenting workers in a competitive employers' market can be decried as "exploited". It is true that the workers are free to leave their jobs, but in many poorer countries, this would mean starvation for the worker, and possible even his/her family if their previous jobs were unavailable.

**The shift to outsourcing:** The low cost of offshore workers have enticed corporations to buy goods and services from foreign countries. The laid off manufacturing sector workers are forced into the service sector where wages and benefits are low, but turnover is high. This has contributed to the deterioration of the middle class which is a major factor in the increasing economic inequality in the United States. Families that were once part of the middle class are forced into lower positions.
by massive layoffs and outsourcing to another country. This also means that people in the lower class have a much harder time climbing out of poverty because of the absence of the middle class as a stepping stone.

**Weak labour unions:** - The surplus in cheap labour coupled with an ever growing number of companies in transition has caused a weakening of labour unions in the United States. Unions lose their effectiveness when their membership begins to decline. As a result unions hold less power over corporations that are able to easily replace workers, often for lower wages, and have the option to not offer unionised jobs anymore.

**An increase in exploitation of child labour:** - For example, a country that experiencing increases in labour demand because of globalisation and an increase the demand for goods produced by children, will experience greater a demand for child labour. This can be "hazardous" or "exploitive", e.g., quarrying, salvage, cash cropping but also includes the trafficking of children, children in bondage or forced labour, prostitution, pornography and other illicit activities.

**Globalisation and Anti-globalisation debate:** - Globalisation has been compared to industrial revolution in its importance and its effects on modern day economics. The debate has deepened over the time as globalisation has spread around and much of the debate strangely originates from the economics which had once strongly advocated globalisation in the past like the American economy.

**The advocates of globalisation points:** - Free trade increases economic prosperity as well as opportunity, especially among developing nations, enhances civil liberties and leads to a more efficient allocation of resources. Economic theories of comparative advantage suggest that free trade leads to a more efficient allocation of resources, with all countries involved in the trade benefiting. In general, this leads to lower prices, more employment, higher output and a higher standard of living for those in developing countries.

**Dr. Francesco Stipo, Director of the USA Club of Rome** suggests that "the world government should reflect the political and economic balances of world nations. A world confederation would not supersede the authority of the State governments but rather complement it, as both the States and the world authority would have power within their sphere of competence".

Proponents of laissez-faire capitalism, and some libertarians, say that higher degrees of political and economic freedom in the form of democracy and capitalism in
the developed world are ends in themselves and also produce higher levels of material wealth. They see globalisation as the beneficial spread of liberty and capitalism.

Supporters of democratic globalisation sometimes called pro-globalists believe the first phase of globalisation, which was market-oriented, should be followed by a phase of building global political institutions representing the will of world citizens. The difference from other global-lists is that they do not define in advance any ideology to orient this will, but would leave it to the free choice of those citizens via a democratic process. Some, such as inevitable and advocate creating institutions such as a directly elected United Nations Parliamentary Assembly to exercise oversight over unelected international bodies.

**Critiques of the current wave of economic globalisation** typically look at both the damage to the planet, in terms of the perceived unsustainable harm done to the biosphere, as well as the perceived human costs, such as poverty, inequality, miscegenation, injustice and the erosion of traditional culture which, the critics contend, all occur as a result of the economic transformations related to globalisation. They challenge directly the metrics, such as GDP, used to measure progress promulgated by institutions such as the World Bank, and look to other measures, such as the Happy Planet Index, created by the New Economics Foundation. They point to a "multitude of interconnected fatal consequences—social disintegration, a breakdown of democracy, more rapid and extensive deterioration of the environment, the spread of new diseases, increasing poverty and alienation" which they claim are the unintended but very real consequences of globalisation.

**World Bank Economist Branko Milanovic** has called much previous empirical research on global poverty and inequality into question because, according to him, improved estimates of purchasing power parity indicate that developing countries are worse off than previously believed. Milanovic remarks that "literally hundreds of scholarly papers on convergence or divergence of countries' incomes have been published in the last decade based on what we know now were faulty numbers." With the new data, possibly economists will revise calculations, and he also believed that there are considerable implications estimates of global inequality and poverty levels. Global inequality was estimated at around 65 Gini points, whereas the new numbers indicate global inequality to be at 70 on the Gini scale.

The critics of globalisation typically emphasise that globalisation is a process that is mediated according to corporate interests, and typically raise the possibility of alternative global institutions and policies, which they believe address the moral claims
of poor and working classes throughout the globe, as well as environmental concerns in a more equitable way.

One of the key points made by critics of recent economic globalisation is that income inequality, both between and within nations, is increasing as a result of these processes. A chart that gave the inequality a very visible and comprehensible form, the so-called 'champagne glass' effect, was contained in the 1992 United Nations Development Program Report, which showed the distribution of global income to be very uneven, with the richest 20% of the world's population controlling 82.7% of the world's income (table 1).

Table 1 : Distribution of World GDP, 1989

<table>
<thead>
<tr>
<th>Quintile of Population</th>
<th>Income</th>
</tr>
</thead>
<tbody>
<tr>
<td>Richest 20%</td>
<td>82.7%</td>
</tr>
<tr>
<td>Second 20%</td>
<td>11.7%</td>
</tr>
<tr>
<td>Third 20%</td>
<td>2.3%</td>
</tr>
<tr>
<td>Fourth 20%</td>
<td>2.4%</td>
</tr>
<tr>
<td>Poorest 20%</td>
<td>0.2%</td>
</tr>
</tbody>
</table>


Economic arguments by fair trade theorists claim that unrestricted free trade benefits those with more financial leverage (i.e. the rich) at the expense of the poor. Critics of globalisation talk of Westernisation. A 2005 UNESCO report showed that cultural exchange is becoming more frequent from Eastern Asia but Western countries are still the main exporters of cultural goods. In 2002, China was the third largest exporter of cultural goods, after the UK and US. Between 1994 and 2002, both North America's and the European Union's shares of cultural exports declined, while Asia's cultural exports grew to surpass North America. Related factors are the fact that Asia's population and area are several times that of North America.

Some opponents of globalisation see the phenomenon as the promotion of corporatist interests. They also claim that the increasing autonomy and strength of corporate entities shapes the political policy of countries. Others relate globalisation to Americanisation arguing globalisation could be equated in actuality to the spreading of American culture. The systematic spreading of American culture throughout the world was evident. For example, there were cola products shipped and sold in nearly every country in the world. The United States was known as a hyper-power due to its economic and military dominance at the time; the relative power of the US waned as other developing nations such as the BRIC nations grew in strength, decreasing the forcefulness of the argument that globalisation is simply Americanisation.
1.5 Conclusion

Globalisation has intensified interdependence and competition between economies in the world market. This is reflected in interdependence in regard to trading in goods and services and in movement of capital. As a result domestic economic developments are not determined entirely by domestic policies and market conditions. It is thus clear that a globalising economy, while formulating and evaluating its domestic policy cannot afford to ignore the possible actions and reactions of policies and developments in the rest of the world.

Globalisation, the process of human interaction across borders and beyond frontiers has assumed unprecedented dimensions with the convergence of space and time, facilitated and accelerated by the dramatic advances made in recent decades in the Information and Communication Technology. Globalisation means growing interdependence of people and countries or the worldwide, integration of peoples, their economies, their politics and their cultures, a process that has witnessed among other benefits the collapse of the Berlin Wall, the end of the Cold War and the end to a world divided into ideological blocs.

Though the process of interaction and integration between peoples and countries is not new to humanity, it has however witnessed in recent decades an intensification, and an acceleration that is unprecedented in human history, thanks to advances in science and technology and such inventions as the Telephone, the Television, the Internet and Satellite Communication that are poised to collapse distances between people and places and more or less “make geography history,” and thanks to the discovery of the Microchip which has made it possible for us to store or carry around and share tones and tones of information in tiny little equipments. Perhaps one of the major catalysts for the contemporary process of globalisation was the epoch-making initiative of the leaders of the world to form in 1947 the United Nations Organisations and its various Agencies as well as the Universal Human Rights Charter which is premised on the belief that all human beings are created equal with a number of inalienable fundamental rights which must be protected at all times. A process that is increasingly breaking barriers between the peoples of the world, connecting them together more strongly and emphasising their interdependence, is surely a blessing to humanity, and must be highly praised and supported.

On economic front globalisation has resulted in greater liberalisation of trade and investment or the opening up of local markets to international goods and capital inflow, and to may it means the weakening of local (governmental) controls over national economies, the gradual ceding of global and national economic governance to
increasingly powerful Multinational Corporations and such International Financial Institutions as the World Bank, International Monetary Fund and the World Trade Organisation, excessive extraction/consumption of and depletion of non-renewable resources, the poisoning of the natural environment, as well as the centralisation of global capital in the hands of a few super-wealthy and super-powerful individuals, corporations and countries, and an ever worsening economic fortunes for a multitude of poor nations who are beginning to see themselves as victims rather than beneficiaries of the process of globalisation. Furthermore, with the concentration of global economic power in the hands of a few International Corporations and Financial Institutions domiciled in the economically advanced countries, there is the growing fear of not only an emerging international imperialism of money, but also an attendant political and cultural domination of the poorer peoples of the world by the wealthy nations whose financial institutions and media conglomerates are presently the driving force behind globalisation.

A few developing countries, notably China and India have taken major strides along the path of economic prosperity and have therefore become major players in the global economy. On the ideological front globalisation is seen as a social dislocater that has brought upon people in the developing countries the incursion of foreign cultures, values and lifestyles that may soon result in a loss of identity. In many poor countries, American movies are more easily and cheaply available than locally produced films. Foreign fast food chains (like McDonalds, Kentucky Fried Chicken and Dominos Pizza) are now all over the place, offering cheaper (even if less healthy) food to consumers in the remotest parts of the world, and driving out of business the local food vendors that have provided these services for ages. Of course with the opening up of the local markets, these fast food chains find it easier and cheaper to import freezing chicken from Europe and America than to support the growth of local poultries. The same story goes for clothing, music taste, house equipment, etc. On the whole traditional societies are very speedily losing their cultural identity, they are losing their unusual values and culture, they are losing their corporate integrity and communal unity to what could be called the globalisation of materialism and consumerism, and the propagation of individualism and hedonism through the Television, the Internet and other mass media whose contents are often not sensitive to local values and culture. Yet the new values and tastes are often unsustainable under the economic circumstances of the day. There is therefore heightened social instability, political turmoil and the quality of life has generally plummeted to a level much below where it was two decades before. It is reasoned that no doubt globalisation and the liberalisation of trade and investment have brought prosperity for the industrialised nation and provided employment for their citizens, they appears to have brought poverty, unemployment, the destruction of infrastructure and social
dislocation to the poor developing nations. That is why today globalisation is being discussed in many circles from the perspective of **beneficiaries and victims, winners and losers**, and some would add, “conquerors and conquered people.” Such a presentation of the stark reality of globalisation may be controversial. Yet hardly anyone would deny that the world of 2006 is bifurcated between a part that is developing rapidly and successfully and a part that is stuck in a certain sense. This is where the countries of Sub-Saharan Africa find themselves, along with many in Latin America and in the Middle East. It is today estimated that the gap between the 20 most developed countries and the 20 most impoverished countries is something like 1-60! Even in the industrialised nations, all does not appear to be going well, as globalisation – driven largely by the profit motive, tends to concentrate the wealth of humanity in fewer and fewer hands, while an ever increasing number of people are daily condemned to degrading poverty. Furthermore, experts have demonstrated that the unrestrained consumption pattern of the beneficiaries of globalisation especially in the area of energy, now constitute a major threat to the ecological system, as resources meant for countless generations of humanity are being recklessly squandered in one generation with the attendant release of poisonous toxin, carbon and sundry non-biodegradable waste material. In consequence, the ozone layer that protects the earth from the excessive heat of the sun is being depleted at an alarming rate, and global warming is taking place at an alarming rate. Ironically, the poor segments of the world are the ones who would bear the harsher penalty of an ecological system gone crazy, as they would be the least equipped to shield themselves against nature’s vengeance. All these and more account for the reason why the meetings of the major agencies and institutions whose liberal ideologies and policies are the driving force behind globalisation are often a plays for public protests by representatives of civil society that some now refer to as “global-critics” or “global-phobias.” The protests that stalled the Seattle World Trade Organisation meeting in 1999, and the protests that attend all subsequent meetings of not only this Organisation, but also the meetings of G8 and other institutions that are perceived to be fanatical apostles of economic globalisation.

1.5.1 Globalisation in India

In early 1990s the Indian economy had witnessed dramatic policy changes. The idea behind the new economic model known as Liberalisation, Privatisation and Globalisation in India (LPG), was to make the Indian economy one of the fastest growing economies in the world. A selection of reforms was initiated with regard to industrial, trade and social sector to make the economy more competitive. The economic changes initiated have had a dramatic effect on the overall growth of the economy. It also heralded the integration of the Indian economy into the global
The Indian economy was in major crisis in 1991 when foreign currency reserves went down to $1 billion and inflation was as high as 17%. Fiscal deficit was also high and NRI's were not interested in investing in India.

Globalisation in India at the start generated intense debate that slowly was silenced by the impressive economic growth that Indian economy went on to register. Critics had warned about globalisation leading to stagnation, deindustrialisation and denationalisation along with impoverishment and inequality.

About the impact of globalisation, there are two major concerns which have been time and again expressed and might even be described as fears and each fear has many related anxieties. The first major concern is that globalisation leads to a more iniquitous distribution of income among countries and within countries. The second fear is that globalisation leads to loss of national sovereignty and those countries are finding it increasingly difficult to follow independent domestic policies.

These two issues have to be addressed both theoretically and empirically. The argument that globalisation leads to inequality is based on the premise that since globalisation emphasises efficiency, gains will accrue to countries which are favourably endowed with natural and human resources. Advanced countries have had a head start over the other countries by at least three centuries. The technological base of these countries is not only wide but highly complicated. While trade benefits all countries, greater gains accrue to the industrially advanced countries. This is the reason why even in the present trade agreements, a case has been built up for special and differential treatment in relation to developing countries. By and large, this treatment provides for longer transition periods in relation to adjustment. However, there are two changes with respect to international trade which may work to the advantage of the developing countries. First, for a variety of reasons, the industrially advanced countries are vacating certain areas of production. These can be filled in by developing countries. A good example of this is what the East Asian countries did in the 1970s and 1980s. Second, international trade is no longer determined by the distribution of natural resources. With the advent of information technology, the role of human resources has emerged as more important. Specialised human skills will become the determining factor in the coming decades. Productive activities are becoming "knowledge intensive" rather than "resource intensive". While there is a divide between developing and the advanced countries even in this area – some people call it the digital divide - it is a gap which can be bridged. A globalised economy with increased specialisation can lead to improved productivity and faster growth. What will be required is a balancing mechanism to ensure that the handicaps of the developing countries are overcome.
Apart from the possible iniquitous distribution of income among countries, it has also been argued that globalisation leads to widening income gaps within the countries as well. This can happen both in the developed and developing economies. The argument is the same as was advanced in relation to iniquitous distribution among countries. Globalisation may benefit even within a country those who have the skills and the technology. The higher growth rate achieved by an economy can be at the expense of declining incomes of people who may be rendered redundant. In this context, it has to be noted that while globalisation may accelerate the process of technology substitution in developing economies, these countries even without globalisation will face the problem associated with moving from lower to higher technology. If the growth rate of the economy accelerates sufficiently, then part of the resources can be diverted by the state to modernise and re-equip people who may be affected by the process of technology upgradation.

The second concern relates to the loss of autonomy in the pursuit of economic policies. In a highly integrated world economy, it is true that one country cannot pursue policies which are not in consonance with the worldwide trends. Capital and technology are fluid and they will move where the benefits are greater. As the nations come together whether it is in the political, social or economic arena, some sacrifice of sovereignty is inevitable. The constraints of a globalised economic system on the pursuit of domestic policies have to be recognised. However, it need not result in the abdication of domestic objectives.

Another fear associated with globalisation is insecurity and volatility. When countries are inter-related strongly, a small spark can start a large conflagration. Panic and fear spread fast. The downside to globalisation essentially emphasises the need to create countervailing forces in the form of institutions and policies at the international level. Global governance cannot be pushed to the periphery, as integration gathers speed.

**Empirical evidence** on the impact of globalisation on inequality is not very clear. The share in aggregate world exports and in world output of the developing countries has been increasing. In aggregate world exports, the share of developing countries increased from 20.6 per cent in 1988-90 to 29.9 per cent in 2000. Similarly the share in aggregate world output of developing countries has increased from 17.9 per cent in 1988-90 to 40.4 per cent in 2000. The growth rate of the developing countries both in terms of GDP and per capita GDP has been higher than those of the industrial countries. These growth rates have been in fact higher in the 1990s than in the 1980s. All these data do not indicate that the developing countries as a group have suffered in the process of globalisation. In fact, there have been substantial
gains. But within developing countries, Africa has not done well and some of the South Asian countries done better only in the 1990s. While the growth rate in per capita income of the developing countries in the 1990s is nearly two times higher than that of industrialised countries, in absolute terms the gap in per capita income has widened. As for income distribution within the countries, it is difficult to judge whether globalisation is the primary factor responsible for any worsening in the distribution of income. We have had considerable controversies in our country on what happened to the poverty ratio in the second half of 1990s. Most analysts even for India would agree that the poverty ratio has declined in the 1990s. Differences may exist as to what rate at which this has fallen. Nevertheless, whether it is in India or any other country, it is very difficult to trace the changes in the distribution of income within the countries directly to globalisation.

**India’s globalisation** is a conscious and deliberate effort to permit the factors of production, the produce and the socio-economic forces to permeate across the national boundaries and remove any obstacle to such presence. Although economic in the core, globalisation has pervasive effects on the society. It has its impact on the socio-economic structure, values, social institutions and attitudes. The Indian social structure is basically pluralistic, replete with a multitude of enclaves of several types and strata. There are enclaves making rural-urban, men-women, caste-delist, organised-unorganised, formal-informal, and so on. A great majority of the workers are still connected with agriculture, out of which a large piece makes landless labourers. In the urban areas, they work mainly in the unorganised sector. The increasing gulf between the urban and the rural sectors, the terms of trade being in favour of the urban sector, affect them most harshly. The process of globalisation not only opened up the economy and accelerated cross-border mobility of persons, goods, capital, data and ideas but also opened up the society to various effects.

Whatever be the reality of globalisation for world, it has resulted in many benefits for some developing countries and especially India. Prof, J N Bhagwati has rightly pointed out that globalisation is not without costs but in case of India and other developing nations benefits out do the costs.

### 1.5.2 Social dynamics

Social dynamics is the study of the ability of a society to react to inner and outer changes and deal with its regulation mechanisms. Social dynamics is a mathematically inspired approach to analyse societies, building upon systems theory. Sociologists, economists, social psychologists are utilising it in their studies.
Society and culture are things to which we are emotionally bound and for which we have no immediate alternative. Sociology and psychology deal with ratings, with subjectivity and are supposed to provide objective findings to serve subjective needs. So whether it is referred to as social dynamics, or culture dynamics any approach has to unify all these positions without losing task of the most important goal of all, and that is to illuminate the complex layers foundation the human social and cultural experience, locally and globally, individually and collectively.

**Society** is ever evolving institution, dynamic in its nature such that rarely is at rest and least static of all societies is the Indian society. India as social entity is come together of many societies or social entities which still share more then they differ and have a supra-social culture that covers them all. Pluralistic is the adjective applied to Indian society but the reality of Indian society transcends the characteristics of a pluralistic society. Traditional pluralistic conservative etc. such tags fail to qualify Indian society and the only reason is Indian society as such is not just society but a civilisation rather many civilisations from ancient and modern in the same time.

**Globalisation & Resultant Readjustments in Society and Consequences on Prevailing Socio-Economical Scenario:**

**Globalisation and India and other Developing countries, the economic perspectives:** Developing countries are marked as the economies with labour surplus but inadequate capital resources in simple words poor finances. They are webbed by the unfathomable reality of low wages, low demands and low production. Globalisation as such doesn’t offer the panacea to these economies but effects the economic scenario in triple gate manner. Globalisation means greater trade which on the other face means greater demands. This is one side of the story as other face of the globalisation means access to capital which pours into the economy of a DC once it welcomes globalisation in form of the FDI. Theories present the hypotheses that globalisation acts as spring-board which is just reverse of the notorious vicious circle of poverty. It is reasoned globalisation is like a spring board where one jump taken helps the next jump and so is globalisation a sort of catalyst that sets the chain of reactions which take DC towards higher economic growth.

Globalisation as Economic Phenomena results in:
- Increased growth rate as result of market and capital availability
- Rationalisation and specialisation promoted by globalisation leads to most economical use of resources and there by provide the advantage over other competitors.
- Increased options for consumer and producers.
This research tries to focus on the socio-economic consequences of the globalisation on Indian economy which can be tabularised as following: On social-economic front globalisation is related to:

- Employment
  - Rise in wages
  - Poverty alleviation

(a) Employment opportunities and labour dynamics as influenced and affected by globalisation includes:

- Employment levels.
  - Labour availability.
- Labour laws.
  - Skill development.
- Informal sector dynamics.
  - Technology vs. labour.

(b) Wages as influenced by globalisation includes:

- Skill premium.
  - Wages uncertainty.

(c) Poverty alleviation and globalisation needs to consider:

- Impact on distribution and availability of resources.
- Value of informal sector.
  - Incidence of poverty in an economic system.
- Policy implications.

India as economy and society has reacted in a unique dimension to the stimulus of globalisation. Complexities of Indian society, has further added a dimension of its own to the phenomenon of globalisation. Research devotes a full chapter after discussing the literature and methodology to the process of globalisation in economic perspective. An attempt is made to show the changed complexion of Indian economy has it has changed during 91-06 period in comparison to the change during late sixties and seventies. The course of globalisation has it had undertaken in Indian context and the political and policy changes which were undertaken during eighties and nineties to welcome globalisation is covered in this chapter.
Fourth chapter is devoted to effects of globalisation on Socio Economic Sector dealing with the theoretical perspectives and the socio economic consequences of globalisation in India. It also tries to follow the changes as they had come around in Indian unorganised and rural sector because of the economical reasons. Chapter fifth tries to explain and grasp the uniqueness of globalisation in India in comparison to other DCs. It also tries to focus on Indian agriculture sector (Effect of globalisation on agriculture sector) and war of civilisation. Chapter six deals with humane people route of Globalisation the In and Out Bound migration of Human Population:

The route of globalisation passing through the people, it’s importance and reality.

- Tourism.
  The Agenda for world.

Chapter seven tries to picture the growth of India in Technology and Intellectual Market across the World

- Rise of middle class.
  InfoTech sector of Indian Industry.
- BPO Sector.

Chapter eight tries to reach at some observation & suggestion regarding the globalisation in India and tries to see the agenda as is set for globalisation amidst fears and concerns.