

# Chapter-6

## Globalisation and Social Change

Globalisation is the inter-relationship and interlinking between the local and global (international) market.

- Not only economic aspect but all aspects (political, economic, sociological and cultural).
- It is a very broad term, includes all aspects of the society.
- Economic dimension, liberalisation.
- Political laws/rules of trade etc.
- Social-interaction with people
- Ecological-global warming.
- Cultural-dances, traditions etc.
- Faces to globalisation;

(1) We have fruits, vegetables/products from other countries which are easily available. We had no choices before.

(2) One farmers and traders have stiff competition that they are facing which isn't good for the.

- They have to raise their prices to compete.
- There has been a debate whether globalisation is good for us or not.
- On one hand they feel it is necessary as we need to develop and increase GDP so we need science and technology.

We have to be part of the global village.

- Some feel the gap between the rich and the poor are increasing.

Globalisation has different effects for different sections of society Eg. of some and how their affected:

### (1) Fishermen

Big fishing vessels/ships are taking out the space in the ocean. They have better fishing equipment and machines.



Local fishermen are losing out as the area of fishing is being taken by the vessels. Disrupts lines of not only local fishermen but also the sorters and their families are suffering.

### **(2) Traditional wears**

They are suffering as their silk which they wear are suddenly finding competition from Korean and Chinese silk. Being replaced by cheap silk.

### **(3) Gum Pikes**

There are special trees called 'Baval trees'. The gum is extracted from this tree. Specially in Gujarat. This gums piked from these trees are being replaced by gum from Sudan. (Engineer name is Julifera).

### **(4) Ragpickers**

Their jobs are in danger because the waste materials is being imported from other countries. Used paper from other countries are coming here.

Globalisation has a lot of social implications. One divides gap between rich and poor second opportunities, lifestyles, products.

## **Global Interconnection**

### **Early years (British rule)**

- Globalisation has been existing for many years but it was limited.
- During British rule there were 2 famous routes from India.
  1. Spice route mainly in south India (Kerala)
  2. Silk route connects India with China, Persia, Rome and Egypt.
- People from different parts of the world have been coming into India as traders or conquerors to find new jobs or for trading and have settled in India.
- During colonial rule trading took place where British colonies were established and these are Asia, Africa and Australia.
- Many people from India were sent to other colonies either willingly or forcefully and this included professionals and casual labours.
- They found it difficult to come back because their caste wouldn't accept them.



- Labour was mainly sent from Africa to America and Australia.
- Raw materials were sent to Manchester and finished goods came back which were cheaper compared to the hand spun cloth.
- Due to this Indian companies faced a fall back.

### **After Independence**

- After Independence globalisation continued. Since 1990 globalisation outlook became wider and broader.
- Indians went abroad to study or work. Indians' development is due to globalisation and a creation of a new global outlook 25 years since independence.
- Not only trade but exchange of technologies also became global.

### **Understanding Globalisation**

Globalisation is a term which Includes all aspects of society

#### **(a) Economic Dimension**

- Policy of liberalisation
- (a) Privatisation
- (b) Economic aspect of globalisation
- Many new policies were made in 1990.
- Many laws were introduced by government as it was aware that there would be stiff competition to protect one local industries/markets/companies.
- Economic reforms policy of liberalisation flourished.

#### **(b) Electronic Economy**

- Transactions take place electronically at the click of a button through computers.
- No paperwork or paper currency required.
- Shares bought and sold within seconds.
- Transaction of funds between countries in seconds.
- One major risk is sometimes foreign companies buy up stocks in bulk, make a profit and sell it back to stock holders.
- Main reason for electronic economy is revolution in technology.

#### **(c) Weightless or Knowledge Economy**



- Weightless economy is that system in which basis is information e.g., IT sector, internet, software.
- A knowledge economy is one in which working people are not directly involved in the production of commodities but give support systems (transport and communications, architects, wedding planners, market, service etc).

#### **(d) Globalisation of Finance**

- Connected to electronic economy.
- Hub of electronic activity where transaction takes place 24 hours are called financial capital of that city.
- Globally integrated markets do transactions involving billions of holders work within seconds like.

Bombay, Tokyo, London, New York

#### **(e) INC's or MNC's**

- Companies which have branches in different areas.
- Big billions dollars MNC's and small MNC's
- Many Indian companies
- Globalisation has picked up in such a big way because of MNC's main basis is profit for an MNC and global market.

#### **Global Communications**

- Many revolutions have taken place because of advances and improvement in technology and communication.
- Some homes and many offices have multiple links to the outside world such as telephones, cell phones, fax machines, digital and cable television, electronic mail and internet.

Two individuals located in different part of the world—in Bangalore and New York – not only can talk but also send documents and images to one another with the help of satellite technology.

#### **Globalisation and international division of labours**

- Has emerged due to globalisation, where production (manufacturing) and employment is spread over different countries all over the world.

- Wherever good infrastructure, cheap labour, resources, MNC's come up.
- Hence frequent shifting of location occurs.
- This got a feeling of insecurity among labour.
- Only unskilled, casual labours suffered.
- Main aim of factory owners is profit.

### **Globalisation And Employment**

- Before globalisation (1990's) the employment scenario was different
- Many jobs are now available after graduation (call centres, BPO's)
- Job opportunities broadened largely

### **Political Dimension**

- (a) Collapse of socialist states like USSR
- (b) Coming up of Organisation/Associations like ASEAN
- (c) Coming up of IGO's (Red Cross) and INGO's (WTO)

### **Cultural Dimension**

#### **(a) Globalisation Local + global culture**

- Homogeneity all products and services are available everywhere.
- Uniqueness is being lost.
- Many foreign films are adapting to local cultures.
- All foreign companies try to adapt themselves to the local practices of the country where they have set up their branches.
- Many food joints know that in India people don't eat beef so they secure chicken mutton and veg food.
- Fusion of music and dance
- Many foreign serials are shown in local languages — This helps the marketing of the company which leads to better profit — Appeals to bigger population — Culture we have to adapt and mix — Tradition and modernisation
- Sociologists debate it isn't good as it is dissolving our culture.
- Some say it is good as we are developing.

### **(b) Culture of consumption**

- Before 1990 (globalisation) growth of cities were in places where there was growth of industries.
- Whenever there were industries there was infrastructure changes in culture in terms of food, clothes, art, music, tourism has been responsible for migration of people to cities.
- With coming up of shopping malls, multiplexes, amusement park all add to the attraction of cities.
- Shopping is no longer done for necessity.
- Aspects of spending money have changed.
- Myth: women should be housewives not educated, not to take part in politics.
- One side believers they should be housewives etc.
- With the coming of globalisation it has empowered women.
- They take part in all jobs (bank, pilot, etc).

### **(c) Corporate culture**

- Every corporation or MNC has its own culture because they want to be unique.
- Each company has its own way of looking after its people.
- This is done to keep the employee's happy and relaxed which is also an incentive to keep there working efficiency.
- This incentive is required because there is competition among the people so it is a measure to increase productivity of the people.
- It is also done to create cohesiveness and loyalty.  
e.g., diwali mela, taking employees to watch movie or holiday or party.
- (Things companies do to keep employees happy).
- Each company has its own ways of sales and marketing.
- Marketing is done through advertising and India.
- Market strategies differ from company to company.
- There are a few professions that have been followed for years by teachers, doctors etc.

- Now with globalisation many new occupations have come up, people find jobs in fields like fashion designing, bank, art, dance, diet and theatre.
- The professionals have higher salaries so they face relatively more stress and strain (good money but a lot of work).

### **Craft**

- There are some crafts that have originated in India and during the years have started losing their importance even more so after globalisation.
- This is due to competition as many products within India or outside India are easily available and cheaper.
- With the coming of globalisation the threat to this indigenous crafts have become a common threat.

### **Knowledge system**

- Many food product like sandalwood and turmeric have originated in India, e.g. Tulsi, haldi, are a lot of health products.
- All these products have been promoted as Indian products.
- Care has to be taken to see that other MNC's do not promote these products as their own. Recent attempts by some MNC's to patent the use of Tulsi, Haldi, Rudraksha and Basmati rice is alarming and the need for protecting the base of its indigenous knowledge system.
- Yoga is popular knowledge systems everywhere.