

# Globalisation

## FACTS THAT MATTER

1. Globalisation is the integration of economy of a country in the process of free flow of trade and capital. It may also include 'Brain drain' across borders.
2. Globalisation increases the volume of trade in goods and services, inflows private foreign capital, increases foreign direct investment, creates new jobs, strengthens domestic economies, improves productive efficiency and healthy competition.
3. Globalisation may have negative impacts also as it failed to generate sufficient employment, modern methods of cultivation are not acquainted to less educated persons, it creates income inequality and exploits natural resources and labour force.
4. The globalisation is the result of historical factors, technological innovations, liberalisation of foreign trade and investment policies, and opening of multinational companies.
5. Globalisation consequences may be political, economical and cultural, politically stunts' capacity has received a boost with enhanced technologies to collect information about its citizens.
6. Economic flows in various forums, like commodity, capital, people and ideas prompts rich countries to invest their money in countries other than their own. It also draws attention towards the role of IMF and WTO in determining economic policies across the world.
7. Cultural globalisation emerges and enlarges our choices and modify our culture without overwhelming the traditional norms i.e. burger can not be a substitute for masala dosa. Hence, it broadens our cultural outlook and promotes cultural homogenisation.
8. Globalisation has been criticised on political, economic and cultural grounds i.e. politically it weakens the state by reducing its sovereignty. Economically it has made the rich richer and the poor poorer creating disparities. Culturally there has been harmed

traditions and lost age old values and ways. The World Social Forum (WSF) has also opposed neo-liberal globalisation.

9. In India, Globalisation has led to setting up of foreign companies as India realised the need for relating the Indian economy with the world by responding to 1991 financial crisis.

10. Globalisation process includes the thrust to liberalisation or privatisation. Liberalisation proclaims freedom of trade and investment, controls allocation of resources in domestic economy, rapid technological progress whereas privatisation allows private sector and other foreign companies to produce goods and services.

11. Resistance to globalisation in India has come from different quarters i.e. left wing protests to economic liberalisation, trade unions of industrial workforce organised protest against multinationals, the patents, resistance from political right i.e. objecting to various cultural influences of foreign T.V. channels, celebration of Valentine's Day and Westernisation of dress of girls students in schools and colleges.

9. Environmental movements are the movements of groups which are environmentally conscious to challenge environmental degradation at national or international level aiming at raising new ideas and long term vision i.e. in Mexico, Chile, Brazil, Malaysia, Indonesia, India faced enormous pressure.

10. Environmental movements are categorised as forest movements, movements against mining and mineral industry for creating Water Pollution and Anti Dam Movement.

11. 'Resources Geopolitics' is all about who gets what, when, where and how. The practices of neo-colonialism spread on a large scale and throughout a cold war, industrialised countries adopted methods to ensure a steady flow of resources by deployment of military forces near exploitation sites and sea-lanes of communications, the stock piling of strategic resources and efforts to prop up friendly governments.

12. The global economy relied on oil as a portable and essential fuel. The history of petroleum is the history of war and struggle. Water is another important resource relevant to global politics. Regional variations and increasing scaring of freshwater may also lead to conflicts in the world to play politics.

13. Indigenous people bring the issues of environment, resources and politics together. Indigenous people live with their social, economic, cultural customs in particular areas who speak of their struggle, agenda, and rights to have equal status i.e. Island states in Oceanic region, Central and South America, Africa, India and South East Asia.

14. The issues related to rights of indigenous communities have been neglected in domestic and international politics for long. The World Council of Indigenous People was formed in 1975 which became first of 11 indigenous NGOs to receive consultative status in the UN.

### **WORDS THAT MATTER**

**1. Globalisation:** It signifies integration of an economy with the economies of other countries under the process of free flow of trade and capital.

**2. World Social Forum:** A global platform to bring together a wide coalition of human rights activists, environmentalists and women activists.

**3. Privatisation:** It allows private sector companies to produce goods and services in a country.

**4. Liberalisation:** It signifies relaxation of government rules and regulations relating to activities in sendee and industrial sector.

**5. Cultural hetrogenisation:** It signifies cultural differences and distinctive nature of cultures to be generated by globalisation.