

GLOBALISATION: SOCIO-ECONOMIC PERSPECTIVE: PROSPECTS OF THE MARGINALIZED SECTIONS

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Abstract

This paper underscores the need to examine the complex phenomenon of globalisation and to evaluate its impact on the vulnerable sections of the society, such as the dalits, tribals and women. Globalisation is the new form of capitalism wherein maximisation of profit is the main objective. The vulnerable sections of the society have not benefited from the economic opportunities that globalisation has brought in because they do not have access to the resources that are necessary to benefit from them. On the contrary, the new economic policy based on market economy that has accompanied globalisation has been exploitative of the vulnerable sections and has worked against their interests. The new economic policy under globalisation has widened the gap between the rich and the poor. It is the responsibility of the state to take effective steps in this situation in order to ensure that the vulnerable sections are not deprived of their basic human needs.

Introduction

Globalisation is a process that is defined in a number of ways and differently understood. In one understanding of the concept, the entire world is entering the second phase of globalisation. In India the culture of modernity has been created without removing backwardness of caste and sex. The culture of caste and sex solidarity is intensifying in the womb of globalisation. This is the most vital hour for rigorous enquiry into the effect of this second phase of globalisation on the vulnerable sections of the society, viz. dalits,

tribals and women. The purpose of this paper is to develop an analytical framework for drawing implications of globalisation to these sections from the anthropological point of view. It is just an attempt to facilitate as well as widen the scope of the discussion on the impact of globalisation. At best it can only sketch some aspects of globalisation which may be spelt out in the context of the vulnerable sections like dalits, tribals and women. Moreover this paper may shed some light on how the upper sections of the community evaluate the effect of globalisation on vulnerable sections.

There have been various efforts in human history for realising human dignity, social justice and basic survival needs of all human beings. Those who have been engaged in the struggles of the vulnerable sections such as the dalits and tribals at the micro-macro levels for a just, egalitarian, sustainable and inclusive society have increasingly been confronted by the emergent phenomenon of globalisation. The vulnerable sections of the society in the urban and rural areas are the real victims of the power play in the rapidly growing IMF-WB-WTO (International Monetary Fund–World Bank–World Trade Organisation) nexus and the globalising market. Consideration of globalisation as a subject and phenomenon should not be approached from the perspective of the rich and the powerful alone, but will have to include the perspectives of the dalits, women and tribals. Globalisation means different things to different people. To some it means mere adherence to the dictates of uni-polarity, i.e., total submission to the forces of globalisation so as to gain temporary favours and bask in reflected glory. To others, globalisation means a genuine process of the integration of the whole humanity into one family. The term globalisation can be used to refer to both a historical process and the conceptual change in which it is belatedly and still incompletely reflected. Globalisation, in the first and broadest sense is best defined as the crystallisation of the entire world as a ‘single place’ and as the emergence of ‘global-human conditions’ (Guptha 2005). If globalisation means the coming together of the national economies of the world closer, then this is not happening. On the contrary, they are getting more distanced. The gap between the nations in the northern and the southern hemispheres has increased, and in terms of trade, since the 1980s, national economies have been becoming more isolated. The northern countries in particular have been closing themselves off in different ways. The accent on multi-lateralism that was started after the World War II has been turning into various shades of mini-lateralism, and indeed not-so-subtle forms of uni-lateralism. Thus, all that should be happening in the name of free trade, ‘opening up’, lateralisation

and market friendliness is one of the major ironies and, indeed, perversities of our time. It also shows how frequently used terms, including technical ones, can become highly charged idealised experiences. Globalisation is the mother of all such contemporary expressions.

Globalisation began in late 15th century with the rise of capitalism and its overseas expansion. The conquest and exploitation of Asia, Africa and Latin America, and the white colony settlements in North Africa and Australia were all instances of globalisation. In other words, globalisation was from the outset associated with imperialism (the global heritage was based on European capitalist accumulation through the exploitation of the Third World) and its impetus was always centred around imperial state institutions, specific class configurations, extracting resources from the domestic economy to finance overseas conquest and private accumulation, exploitation of the Third World, inter-imperial trade, trading companies integrating and appropriating resources and exploiting cheap labour and international exchange (of unequal terms) of commodities. Essentially then, globalisation is hardly a new phenomenon; it is merely a new name, a sub-code for capitalism that subsumes diverse socio-political and economic processes. The principal agencies today, the multinational corporations, fulfil the roles played earlier by the trading companies (integrating and appropriating resources and exploiting cheap labour) while the imperial states extract domestic resources to finance overseas expansion and to secure the conditions for the reproduction of global capital accumulation. Neither Europe nor the United States of America is more open today than earlier. Japan exports less of its total actual production today than it did during the inter-war years. Equally important, globalisation today, as in the past, has always been concentrated in selected geographical areas and engages a fairly small portion of the world population. The crux of the argument is that it is a conceptual error to treat globalisation as a new phenomenon, an inevitable process, or as the 'ultimate' phase of capitalism (the culmination of history). Globalisation is a 'cyclical' phenomenon (a socio-political outcome) alternating with periods of national development, a product of state policies linked to international economic institution.

Politico-Economic Dimension

During the last quarter of the 20th century, there has been a shift in international economic activity. Radical shifts have taken place in the areas

of international trade and global production; transfer of goods and services; movement of capital and transfer of direct investments across national boundaries. These developments and shifts could perhaps be attributed to capitalist development which some term as capitalist globalisation. Capitalist globalisation underlines a definite economic doctrinaire and ideological moorings — the development of new technology, the changing face of production and labour, the phenomenal growth and expansion of transnational capital (which is many times greater than the GNP of most of the countries of the world).

This upsurge in international economic activity, which most people refer to as globalisation, has been interpreted by most academic experts, public officials and themes media alike as heralding the dawn of a new era in world affairs. It is claimed that the revolutionary transformations in communication technologies and transportation coupled with the restructuring of global finance and organisation of production across national boundaries are contributing to the formation of a world where nations are bridged by shared interests and values, and where the national economy functions as a unit of the world market. According to this thesis of globalisation, there is an economic system in higher gear now which is fundamentally different from what we had earlier, and there is an alternative to the global process of integration and re-composition. The global society drives the domestic market and commands the direction of national political-economic issues (Chaudhary 2003).

Globalisation has brought about a new international division of labour and replaced capital intensive phases of globalised production in the southern hemisphere. Productive structures and processes have been reorganised in ways to suit the conditionalities and dictates of the IMF-WB-WTO combine. As each national economy is forced to restructure and re-organise itself in tune with the advanced capitalist countries and also the emerging global economic system, the economies of the poor countries become subordinated to the global economy. New activities, new classes and hegemonies linked to the forces of globalisation have already emerged and become dominant, both economically and politically. The concepts of the nation-state and the role of the state are being externalised and questioned. Political systems are shaken and reorganised (Joshi 1999).

Socio-Cultural Aspect of Globalisation

Culture is a way of summarising the ways in which groups distinguish between themselves. It represents what is shared within the group, and simultaneously not shared (or not entirely shared) outside it. On the other hand, culture is used to signify not just the totality of the specificity of a group against another group, but also different characteristics within the same group. We use culture to refer to the higher arts as well as the popular or everyday practices. We use culture to signify practices that are related to what is 'supernatural' and 'this worldly.'

Let us have a look at globalisation from the socio-cultural dimension. Historically, most third world countries became independent after World War II with geographical boundaries encompassing several linguistic and other cultural groups. Western nations on the other hand, are relatively mono-cultural and mono-linguistic, though this character is fast changing in some of these countries as well. Though there are divergent views on globalisation of culture, there is a general perception that globalisation has been adversely affecting the cultural diversity in the new nations and a trend towards cultural homogenisation (Abdul 2003). The globalisation process is also viewed as an extension of global cultural inter-relatedness leading to a global acumen, defined as persistent cultural interaction and exchange. This is a process whereby a series of cultural changes take place. Firstly, cultural homogeneity and cultural disorder involved in linking together previously isolated pockets of relatively homogenous cultures produce more complex images of others as well as generate identity-reinforcing situations. Secondly, in the formation of transnational cultures, which can be understood as genuine, 'third cultures' are oriented beyond their own boundaries.

Consequential Effects

Whether we like it or not, we are subsumed into the process of globalisation. Those who are seriously concerned about the rapaciously expansive and ultimately colonising effects of globalisation need to work for ways and means to fight against it. The rhetoric from its protagonists about the inevitability and irreversibility of globalisation is becoming more and more persuasive. For example, "we must compete in an increasingly integrated world"; "we must educate and train our people for the challenges of the 21st

century"; "we have to take on the Asian tigers and beat them at their own game" (James 2001).

Globalisation under this perspective means absorption of all the countries of the world into a single economic entity, a bleak vision of a future without choice, in which 'choice' nevertheless appears so prominently. In this sense, globalisation is yet another phase of unchecked capitalism, resulting in growing socio-economic inequalities and human misery. The 1996 Human Development Report of the UNDP (United Nations Development Programme) has presented the sharp increase in the gap between the poor and rich of the world in the matter of resource acquisition during the past three decades. "The poorest 20 per cent of the world's people saw their share of global income decline from 2.3 per cent to 1.4 per cent in the past 30 years. Meanwhile, the share of the richest 20 per cent rose from 70 per cent to 85 per cent. That doubled the ratio of the shares of the richest and the poorest – from 30:1 to 61:1" (UNDP 1996: 2). There is also a sharp increase in the inequalities, between the North and the South countries, and the worldwide inequality in the distribution of wealth and power poses threat of a permanent structural violence against the world's majority. This is a widely noted phenomenon, but it needs to be linked more explicitly to globalisation.

In recent times many tend to think that the fruits of globalisation eventually would trickle down, and therefore it is improper and irrational to oppose the globalisation process. However, those who are concerned about the present and future of humanity are convinced that globalisation as a phenomenon has started to erode indigenous and traditional patterns of living, destroying benign symbiosis between resource bases and humanity, displacing tribals from their habitats (i.e., forests), replacing subsistence agriculture with capital-intensive farming, forcing people from the security of traditional settlements and sweeping the vulnerable sections of the society in the form of involuntary migration to a single destination known as 'Global Shopping Centre' and 'One Global Village.' The dalits, tribals and other vulnerable sections, the bulk of the population in developing countries, who are still outside the 'global free market,' do not even know the claims of the proponents and defenders of globalisation. "How free is the free market?" Only goods and capital are permitted to move unhindered around the globe, while dalits, tribals and others who sell their labour are not. How can globalisation assure growth and expansion? Globalisation has always pursued its objectives by the exploitation of primary commodities and the resources of others, by control of

trade, by exploitation of labourers in all sectors of production, i.e., agri-business, industries, software, telecommunication and others. Is this the only way hegemony of the rich perpetuates its domination by keeping the insecure working class and communities from turning against them? (Ronald 2001)

Migrants are characteristic victims in the epic drama of globalisation. In the name of globalisation millions of people have become unemployed or been forced to leave their home places or roots which, for one reason or another, can no longer sustain them, and migrate to distant places for survival. More and more people are migrating due to poverty, hunger, environmental digression, mal-developmental process, displacement and debt, and inability to provide the basic requirements for themselves and their families. By and large, it looks as if all humanity has been set in movement, a restless one way movement across the world, away from rottenness, insufficiency, family and identify; an irreversible global transformation. Also globalisation process has only put increasing pressure on the depleting resource base of the poor, especially of those who live in forests, and fishing and farm lands. Thus in the ultimate analysis, globalisation would lead to ecological ruin, resource depletion, eviction and creation of internal refugees as well as out-migration while the rich western countries ensure their access to the resources of the whole world in order to multiply their wealth. With modernisation and revolution of technology most of the agricultural and agri-related activities, and other traditional occupations in which majority of the work force are engaged, especially in the outer countries, have been phased out (Raj 1997).

At the outset, it is important to conceptualise theoretically the type of an economic system that emerges under the new economic policy (NEP) regime so that its implications to the livelihood systems of the vulnerable sections are easily drawn. A careful examination of the NEP components suggests two possibilities. Firstly, the role of the state in the economic sphere is going to be restricted, because government expenditure under this regime is sought to be curtailed. Secondly, by giving primacy to private initiative and private capital, efforts are made under this regime to expand the role of the private sector. Since, under the private sector, the motive force is profit maximisation and the market forces of demand and supply guide the behaviour of producers and sellers, one can surmise that the economic system that emerges under the NEP regime is market-friendly. There is no need to say that a market-friendly environment tends to be dehumanising in nature and, as such, does not allow enough room for protecting the interests of

weaker and deprived sections. This point may be elaborated by referring to the manifestations of the globalisation paradigm (Abdul 2003).

Access to Work

Under the NEP regime where private enterprise will have primacy, the motive force, as stated above, is profit maximisation. Guided by the profit motive, the entrepreneurs seek to minimise cost of production. As part of achieving this objective, they obviously try to economise, among others, on labour cost. This will, of course, put an embargo on employment opportunities. As a matter of fact, during the last two decades of the NEP regime the growth rate of employment opportunities, particularly in the organised sector, is said to be close to zero. This means that the rapid growth in output in recent years has not correspondingly increased employment opportunities. Whatever employment opportunities have been generated, these are not likely to be relevant to the skills and experience that the common person is in possession of. These jobs are human capital intensive and require high technical and managerial skills, and long duration of education in universities and colleges. As the employment growth tends to decelerate under the NEP regime and as whatever jobs are created are jobs requiring high levels of skills and capabilities, individuals from the weaker sections, who lack such skills, will have no access to such jobs. Finding that access to such formal organised sector is closed completely, these sections have no option but to seek work in the unorganised and informal sector. While the vulnerable sections can have easy access to the jobs in this sector, the problem here is that the total number of jobs available is fixed and also the work is less remunerative. Hence, this results in setting in motion a process of involution, in which more and more people share the available limited work resource. Obviously, the members of weaker sections who enter the unorganised informal sector face the prospect of disguised unemployment and low returns from their labour.

Access to Essential Goods and Services

Inaccessibility to organised sector productive work apart, weaker sections also face the problem in having access to essential goods and services. The new capital that caters to business and industry mostly produces durable consumer goods like television sets, air conditioners, refrigerators, motor cars and bikes, high profile foods and beverages which do not figure

in the consumption basket of the common person. The requirements of the common person primarily are cereals, pulses, edible oil, clothing and shelter. But the new capital will hardly go into this area of production, as not only production of these commodities does not permit the use of modern technology but also it is less profitable. As a result, production of essential commodities that are relevant to the consumption needs of the common person does not make any progress leading to rise in their prices. When the prices of essential commodities rise faster compared to non-essential commodity prices, the interests of the common person, who spends a large proportion of the income on these commodities, are affected more severely. As a result, he/she faces the prospect of not only earning less due to lack of productive employment opportunities but also of suffering a cut in her/his real income out of whatever he/she earns on account of a continuous rise in the prices of goods that determine the standard of her/his living.

The lack of access to productive employment opportunities on the one hand and the continuous rise in the prices of essential commodities on the other pull the members of the weaker sections down below the poverty line. As a result, we face the prospect of having more number of poor in the country as also seeing these people under more severe poverty conditions. Under these conditions the state should normally intervene by providing safety nets to the poor with schemes for creating more and more employment opportunities and supplying essential commodities at subsidised prices. But by its very logic the NEP would not promote such intervention by the state because such a course of action is inconsistent with the philosophy of the policies of globalisation. Its policies direct the state to restrict its role and to cut down its expenditure with a view to reducing the fiscal deficit. Hence, the poor, the weak, the old, the infirm, and the destitute are left to fend for themselves (Abdul 2003).

The axe may come down not only on food subsidies but also on merit goods such as education, health, and drinking water, which are available to the people free or at least at subsidised rates at present. Conforming to the philosophy of the market driven policies would mean that these goods and services will come to be provided more and more by private entrepreneurs at market rates in which case the poor will be expected to pay through their nose large sums for obtaining these services. This will impact upon their budget and leave very little money for purchasing food and shelter.

Access to Resources

The most important resource that supported the weaker sections in the past is land. The land reforms measures undertaken by the state governments in India did result in surplus land which was acquired and distributed among the landless, and regulated tenancy system in order to improve the terms in favour of the tenants. But considering the vast number of the landless in the country, the land reform measures could only touch the fringe of the problem. Added to this, the liberalisation of land reform measures in some states in India keeping in tune with the philosophy of the NEP, the rapid growth of population and the consequent scarcity of land per capita, and the large-scale buying of land by the rich have kept the land resource out of reach of the poor. Hence, access of the weaker sections to land resource is becoming more difficult now-a-days. The weaker sections have had access to community resources and assets such as forests, grazing lands, fish ponds, community lodges and so on from which their food and shelter needs were partly met. But with the commercialisation of life even in the rural areas, their access to these resources has diminished. Now with the NEP opening up large commercial possibilities, the poor can hardly hope for any more access to these resources. The dehumanising of the society as a direct result of globalisation has left the weaker sections to the vagaries and uncertainties of life. The community resources that once served as a source to fall back upon are no longer available to the poor in the new economic situation (Steven 2003).

There are two views among the elites on the benefit of globalisation. The majority of the elites believe that globalisation is highly helpful to the weaker section of the people. These elites believe in economic growth and thereby generation of employment opportunities. They subscribe to a trickle-down theory, which says that in the course of time the vast majority will benefit from globalisation. But the minority section of the elites believes that globalisation is harmful to the larger section of the society which is already experiencing the impact of its onslaught directly and indirectly.

Conclusion

From the above analysis it appears that globalisation will have some favourable impact on the economy. But the same cannot be said about the vulnerable sections of the society. These sections are not likely to gain from

globalisation because they will not have access to the prosperous economic opportunities created. A person's access to economic opportunities in any society at any point of time depends on her/his resource endowments. The resource endowments can be grouped into two broad categories. The first is that of producer-resources, i.e. resources that help production of wealth and income, such as land, labour, capital, and entrepreneurial and managerial capability. The second resource category is that of power, i.e. political power that helps redistribution of the production resources and income in favour of the vulnerable sections. The fact that the vulnerable sections lack producer-resources is well known. In the social history of production the weaker sections never owned these resources. Attempt made in recent years to transfer some of these resources has only touched the fringe of the problem. The only producer-resource owned by these sections all along has been labour. But, since the work apertures offered by the globalisation process are human capital intensive in nature, the weaker sections who possess unskilled labour resource obviously do not stand any chance to gain from such opportunities. As a result, they expect to continue to undersell their labour in the exploitive labour market. As for power resource, their large numbers should have given them a greater share of political power in a democratic polity like that of India. But since they are not articulate, united or organised, the vulnerable sections have failed to build a political force by themselves. On the other hand, others are using them as vote banks. Occasionally some sops are offered to these sections, but all this does not add up to a situation where they can hope for redistribution of producer-resources and income in their favour in such a way that they enjoy access to economic opportunities thrown up by the globalisation phenomenon. This is the time when the state should seriously think of instituting safety nets in order to protect the interests of the vulnerable sections of the society. Moreover the main question before us is how these safety nets should be targeted to the vulnerable sections in the most cost effective manner.

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