

Social Dimensions of Globalization

Dr. Kavita Gidwani

Assistant Professor (Deptt. Of CSE)

Chanakya Technical Campus, Affiliated to Rajasthan Technical University, India

Abstract :

It is a nineties era concept, it is a structured process of adjustment for developing countries influenced by developed countries but now it thrown some new challenges in international business world like exploitation of environment, increasing inequalities etc. Globalization also involves innovation due to the commercialization of national technology across international boundaries that is high tech products (includes all electronic, electrical, etc.). Globalization boosts international travel and tourism indirectly due to the international business. Globalization can also be said to be as the intensification of the worldwide social activities which has been linked to economic and social activities of the economies. It is not a new factor even it has an economic roots i.e. international trade, finance, migration and ideology. As it bring a boom in international standard of trading, environment, communication, technology, which bring a group of people closer to achieve certain target, indirectly it gives positive impact on level of inequality and poverty because it develops new methodologies for economic development and wealth creation. The goal of globalization is to provide business world an utmost competitive advantage while having low operating cost to gain worldwide consumers, goods and services.

Keywords : Globalization, Society, Environment, Social effects, International

I. INTRODUCTION

Globalisation can be said to be as the process of the internationalization and integration of nations arising from the human connectivity and also the interchange of the world views, ideas, products, and other facts and aspects of the world. In context of modernity, Globalization can be defined as the intensification of worldwide social relations which link distant localities in such a way that local happenings are shaped by events occurring many miles away and vice versa. [1] Advancement of the telecommunications and transportations and infrastructure with the rise in the internet technology has made the whole world a small place. The wide use of internet represents the major driving factor in the increase in the globalization with the increase in the economic and cultural activities of the activities. India had the distinction of being the world's largest economy in the beginning of the Christian era, as it accounted for about 32.9% share of world GDP and about 17%. Globalization can also be said to be as the intensification of the worldwide social activities which has been linked to economic and social activities of the economies.

The goal of globalization is to provide business world an utmost competitive advantage while having low operating cost to gain worldwide consumers, goods and services. Globalisation uses the diversification phenomenon for the use of resources. It is a strategy that provides a long range of products and services. It enables businesses to compete worldwide by diversification because it includes risk reduction in international trade. It promotes economic growth and performance for a nation. The goods produced in India had long been exported to far off destinations across the world.

It is not a new factor even it has an economic roots i.e. international trade, finance, migration and ideology. It also gives impact on environment, currently there is an issue called global warming threatened whole world. It also involves innovation due to the commercialization of national technology across international boundaries that is high tech products (includes all electronic, electrical, etc.).

Globalisation boosts international travel and tourism indirectly due to the international business. Immigration between countries, formation of free trade zones, growth of cross cultural contacts, enhancement in worldwide culture etc. is increasing due to the globalisation. Global business transactions involve economic resources such as capital, natural and human resources used for international production of physical goods and services such as finance, banking, insurance, construction and other productive activities. [2]. It is a nineties era concept, it is a structured process of adjustment for developing countries influenced by developed countries but now it thrown some new challenges in international business world like exploitation of environment, increasing inequalities etc. financial market is a factor through which the success of globalization can be calculated but another aspects is inequalities because it gives rise to inequalities in a nation as rich becomes more rich and poor becomes more poor.

II. Positive Effects of globalisation on various Social aspects

- a) **Eradication of Poverty:** Globalisation helps in eradication of poverty and inequality of a country as it brings thing closer. Globalisation is an integration of two or more than two economies with the world or global economy. As it bring a boom in international standard of trading, environment, communication, technology, which bring a group of people closer to achieve certain target, indirectly it gives positive impact on level of inequality and poverty because it develops new methodologies for economic development and wealth creation.

- b) **Consumer Behaviour:** Consumer consumes goods or services for short term and for long term use. Those are goods for needs as well for luxuries. There are various aspects of consumer behaviour from which mobilisation of consumers are very important aspect. This is occurring due to both business and pleasure. It results dynamic change in consumer's behavioural pattern in context of choice of product, lifestyle, etc.
- c) **Employment Level:** Economic globalisation has an impact on jobs by increasing productivity, knowledge, education and overall efficiency of economy. The people who are looking for job are moving between countries. It indirectly develops communication and transport as well.
- d) **Education and Culture:** Globalisation brings rapid development and constant changes in education which brings ultimate development in technology, communication, living standard etc. In simple way, it is an internationalization of higher education which brings a wide range of knowledge and skills to give more skilled and intelligent people for country as future citizen. It actually creates a society (a recognized group of people) who applied their knowledge widely in various applications. Education is a process of learning and now a day's western education acquired whole world. The technology and communication system are in the classroom even. The teachers teaches student in electronic form (video conferencing, presentation, video projection etc.) which replaced blackboard and chalk. This is all because of globalisation.

Globalisation is a cultural process in which each person interacts with each other. It gives expose to each individual by different way of thinking. Today's date, social networking sites gives platform for exposing individual's views which develop understanding that may improve their life. Internet plays a vital role for globalization, by 2010, 22 percent of the world's population had access to computers with 1 billion Google searches every day, 300 million Internet users reading blogs, and 2 billion videos viewed daily on YouTube[3]. It is a human activity which gives constantly changes in human behaviour.

- e) **Psychological effects:** This factor explains an individual's identity that is rooted with its own culture whereas the other part having awareness of global culture. Now a day's youth has a strong mentality to develop their personality and culture globally. To develop a global identity, communication and technology i.e. internet plays a significant role.

III. Environmental Aspects

- a) **Economic environment:** economic system is the important factors that creates economic environment of a business. It includes nature, stages, income level, resources, etc. as economic condition of a nation. Directly, an economic policy of a country gives impact on globalization.
- b) **Demographic environment:** factors like, age, gender, size, growth rate, etc of the population creates market for goods and services. Ultimately, the market which has growing population and income level will increase globalisation.
- c) **Political environment:** it creates direct relationship between a nation's economic policy and economic system. In today's date there are various international rules and regulations for protecting consumer interest and organizations as well. There are international laws to regulate the smooth conduction of international business.
- d) **Physical environment:** geographical factors, i.e. weather, climate condition, etc. can demand for research and development of existing products or new products, which suit the current environmental uncontrollable factors.
- e) **Socio-cultural environment:** the consumption trend of the customer, their religion, beliefs, customs, values, tastes & preferences etc, are all factors that gives impact of business. The marketing characteristics of any business will have to be designed according to the above mentioned socio cultural environmental factors. Changes in trade policy have had modest impacts on labour market.[4]
- f) **Technological environment:** advancement of technology and communication equipments affects international business. One of the most important factors is internet. Internet made each and every single activity of business very easy and time saving as well but sometimes it also poses problems.
- g) **International environment:** twenty years ago, we were a series of local states and countries, national and regional businesses that were partially connected. Ten year from now, we will be globally interdependent as individual and organization. [5]. This is important for export and import oriented industries. It has been noticed that international developments have their major effects on domestic business rather than on its global market.

IV. Negative Effects of Globalisation

- a) **Economic Inequality:** Countries' equity, opportunity and outcome is affected by the economic inequality and it has more recently come to be seen as a growing social problem.[6]
- b) **Social discrimination:** Globalisation imparts society into two categories i.e. rich and poor. It may benefit a few at the cost of many. Using Individual indicators of trade and financial openness as well as a globalization index based on principal component analysis to test for both linear and non-linear relationship between globalization and poverty, the results suggests the existence of non-monotonic, Laffer-type relationship between globalization and poverty.[7]
- c) **Loss of humanity:** Globalisation increases materialistic attitudes in the people. It promotes social evils as it rise lust of wealth.
- d) **Social exploitation:** Globalisation gives rise to cut – throat competition among business results rises in unnecessary expenditure and exploitation of resources of a country which include human resource of the nation.
- e) **Monopoly:** International trade dominate country's economy. It influences public opinion and life style.

- f) Unemployment: it causes unemployment due to the movement of existing industries from one place to another.

V. Conclusion

One must not resist globalization but one must use more balanced approach towards globalization by stepping in a right direction to deal with the international issues related to globalization. As far as civil society is concern it cannot be counted in a nutshell because it ranges from giant organizations to an individual. Practically, there is not a single market for international trade but there are various ranges of markets according to the various products and services. The market which are quite liberalized are now actually become a global market which comprises, high tech products, e-communication, technological advancement, excellent skills, up to the mark knowledge, etc. But it increases another big problem called polarization known as selective globalisation also. Now days' people in all continents are becoming more literate before the era of internet. For the success of globalisation we need to avoid selective globalization and to change a mindset about globalization. For internationalization of innovation to boost globalization there is a need to organize research and development activities across international boundaries and to boost the utilization of existing products and services. The main ideology is that foundation of competitive advantage will not reside in a single country for long time.

References

1. Giddens, Anthony. *The Consequences of Modernity Cambridge*: Polity Press. p. 64. ISBN 9780745609232, 1991
2. Joshi, Rakesh Mohan, *International Business*. Oxford University Press, ISBN 0-19-568909-7, 2009
3. "Google Earth demonstrates how technology benefits RI's civil society, govt". Antara News. 26 May 2011.
4. Blom, Andreas, Pinelopi Goldberg, Nina Pavcnik, and Norbert Schady, Trade liberalization and labor market adjustment in Brazil, World Bank, Policy Research Working Paper, No. 2982 (February), 2003
5. PriceWaterhouseCoopers(PWC), 'Corporate Responsibility: Strategy, Management and Value', 2006
<<http://www.pwc.com/extweb/pwcpublishations.nsf/docid/B4677BCF42BFBE5985257124002432FC>>
6. Wilkinson, Richard; Pickett, Kate . *The Spirit Level: Why More Equal Societies Almost Always Do Better*. Allen Lane. p. 352. ISBN 978-1-84614-039-6., 2009
7. Agenor, Pierre-Richard , Does globalization hurt the poor? World Bank, Policy Research Working Paper, No. 2922 (October). 2002