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THINK GLOBALLY, ACT LOCALLY

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INTRODUCTION

Globalisation refers to the increasing flow of technology, finance, trade, knowledge, values, ideas across the borders.(Knight, J and deWit, H 1997).

Globalisation as a dialectic process between the local and the global which creates transnational social space, which upgrades local cultures and gives rise to new cultures.

It aims at expanding business from local to global level, with a view to exploit global opportunities for local growth. It is borderless world. Physical and geographical boundaries have given way to the world to become a global village.

For example, high technology in the world of 1000 A.D. like paper and printing, the kite and the magnetic compass, the crossbow and gunpowder, the clock and the iron chain suspension bridge. Each one of these examples of high technology of the world a millennium ago. It was well established and extensively used in China, and was practically unknown elsewhere. But because of globalization that spread them across the world, including Europe.

Globalization has become the current mantra to solve all human problems. This era of globalization is opening many opportunities for millions of people around the world. Increased trade, new technologies, foreign investment, expanding media and internet connections are fuelling economic growth and human advance. All these offer enormous potential eradicate poverty in the 21st century. Today, we have more wealth and technology and more commitment to a global community than ever before.

The word globalization is used in two ways.

In the positive sence, it is used to describe a process of increasing integration into the world economy. In other words, it means the expansion of economic activities across national boundaries

In the negative sence, it is seen as domination by developed nations over developing nations.

Now in this borderless world new actors crossed the national boundaries like WTO with authority over national government, the MNCs with more economic power than many states, the global networks of non governmental organization (NGOs) and other groups with new rules like multilateral agreements on trade, services and intellectual property, backed by strong enforcement mechanisms and more binding for national government, reducing the scope for national policy.

The key features of globalization are :-

1] Economic features:- Growth in Trade, Growth in FDI and Capital flows, Global Production and consumption, Global competition, Trade and Investment Liberalisation Policies.

2] Non Economic features:- Loss of National Sovereignty, Standardization of values and cultures.

In other words, a major features of globalization is the growing concentration and monopolization of economic resources and power by transnational corporations (TNCs) and by global financing firms and funds and globalisation of national policies and policy making mechanism. National policies (like economic, social, cultural and technological areas) that until recently were under the jurisdiction of states and people within a country have increasingly come under the influence of international agencies and processes or of big private corporations and economic/financial players. This led to erosion of national sovereignty and narrowed the ability of governments and people to make choices from options in economic, social and cultural policies. Government now have to implement policies that are in line with the decisions and rules of these international institutions (World Bank, IMF, WTO).

The theoretical base of globalization is directly rooted in the Principle of comparative advantage, specialization in the production of goods and services based on factor endowment and competition results in benefits to all countries in international trade. In open market, trade leads to factor price equalization and optimum pattern of resource allocation globally.

Globalisation is calculated imperialist design of hegemonization in economic, political, ecological and cultural terrains, threatening loss of economic, self-reliance and political sovereignty, erosion of democratic structures and damaging of plural cultural identities. Not only this, employment of protectionist policies, discriminatory trade conditions, direct intervention in the domestic affairs of LDCs regarding their intellectual property right.

Globalisation leaves the poorer countries behind in global competition, as the clear objective of capital mobility is profit, prestige and power for its owners and not the well-being of the people at large.

WAVES OF GLOBALISATION

The first wave of globalization occurred from 1870 to 1914. It was sparked by decreases in tariff barriers and new technologies that resulted in declining transportation costs. Therefore, exports as a share of world income nearly doubled to about 8% while per capital incomes, which had risen by 0.5% per year in the previous 50 years, rose by an annual average of 1.3%. However, the first wave of globalization was brought to an end by World War I.

The horrors of the retreat into nationalism provided renewed incentive for internationalism following World War II. The result was a second wave of globalization that took place from 1945 to 1980. Falling transportation costs continued to foster increased trade.

Although the second globalization wave succeeded in increasing per capita income within the developed countries, developing countries were being left behind.

The latest wave of globalization, which began in about 1980, is distinctive. First, a large number of developing countries broke into world markets for manufacturers. Second, other developing countries became increasingly marginalized in the world economy and realized decreasing incomes and increasing poverty. Third, international capital movements, which were modest during the second wave of globalization, again became significant.

Of major significance for third wave globalization is that some developing countries succeeded for the first time in harnessing their labour. Example of developing countries that have shifted into manufacturers trade include China, Malaysia, Sri Lanka, Turkey, Mexico, Bangladesh, Hungary, Indonesia, Thailand and the Philippines.

RECENT TRENDS AND CONSEQUENCES

The recent trends and consequences of globalization need to be understood in all aspects i.e. labor, investment, culture, education, agriculture, small scale sector, corporate sector, industries. Let us take a view on all the aspect one by one.

GLOBALISATION AND INDIAN AGRICULTURE

According to V.S. Vyas, "The move towards 'open frontiers' implicit in the policies of liberalization and globalization will undoubtedly affect the product mix and the input composition in agriculture sector in a significant way. Naturally, the impact will vary from region to region and will differ from one section of agricultural producers to other."

From above studies, following issues need to be study from the agricultural point of view, issues are as follows:-

- 1) Self sufficiency in production
- 2) Price Stability
- 3) Cropping Pattern
- 4) Adverse effects on weaker sections
- 5) New Technologies
- 6) WTO Commitments
- 7) Share of Agricultural Exports in GDP in India.

These issues are explained as follows:-

When country globalizes its agricultural sector, it can not achieve the objective of self sufficiency in production, because countries forced to concentrate on production of those commodities in which they have comparative advantage in production. Undue concentration on production of some agricultural commodities in the long term may create serious consequences.

- 1) For quality of land
- 2) Employment opportunities
- 3) Ecological balance

For example Punjab and Haryana these two states given undue specialization in the production of rice and wheat (ICAR 1998).

From the consequences we can conclude that entire globalization of this sector is not desirable. Second issue is about globalization is the likely instability in the domestic market due to the convergence of domestic prices with the international prices. Due to variations in crop production and speculative nature of market indicates that the high level of instability of commodity prices in the international market which adversely affect both the producers and the consumers. Again, because of dumping by countries, domestic prices are more volatile (Chand 1998) as well as trade barriers are also responsible for volatility of domestic prices and farm incomes (Nayyar and Sen 1994).

Therefore, precautions has to be taken in the case of large scale import of agricultural commodities.

As we discussed that because of comparative advantage in the production of commodities there is change in cropping pattern in the country. India has comparative advantage in production of commodities like rice, wheat, maize, sorghum, chickpea and cotton.(Gulati etal 1994), trade liberalization will increase their exports, which in turn may lead to expansion of area under these crops. At present, these crops are disprotected or indirectly taxed due to the restriction on exports. However, with liberalization of trade these commodities will be able to get higher prices and that may promote larger cultivation. In this case of oil seeds there is no comparative advantage so in future there may be slow down in expansion and they have been getting much higher level of incentives that what they are likely to get under a free trade scenario (Gulati and Sharma 1997). With liberalisatiopn of agricultural trade the country can import oil seeds at lower price than the domestic price. Hence, achieving self sufficiency in oil seeda production may not be possible.

Globalisation of the sector may have its adverse effects on certain areas, some crops and some groups of people. The benefits of globalization are accrued to only some areas which are well endowed in terms of resources, some crops which are having comparative advantage in production and some sections of the population who are producing the exporting commodities. Other areas, crops and prople are not getting benefits from globalization process (Rao, 1994). Further, as globalization may raise the prices of some essential commodities, it will have adverse welfare consequences for the people who are not engaged in agriculture.

New technologies in agriculture will fundamentally affect farming everywhere and play a large part in the future of the small and marginal farmers. If the Terminator Technology which is a genetic technology designed to prevent farmers from saving seed is widly licensed, it means that the commercial seed industry (which is in the hands of MNCs) will enter entirely new sectors of the seed market, especially in self pollinating seeds like wheat, rice, cotton, soya bean, oats and sorghum. The Terminator Technology will drive millions of farmers out of plant breeding, and out of agriculture altogether. According to the Rural Advancement Foundation International (RAFI), half world's farmers are poor and can not afford to buy seed every growing season, yet poor farmers grow 15-20% of the world's food and they directly feed at least 1.4 billion people – 100 million in Latin America, 200 million in Africa and 1 billion in Asia. The implications of such fancy technologies on the Right to livelihood of poor farmers, as well as on food security, are there for all to see.

The country's commitment to WTO, will may give benefits of globalization as well as some consequences. Recently, the commitment for reducing the import duty and also for increasing the quantum of imports are likely to increase imports and depress the domestic prices, especially of those commodities in which India does not enjoy comparative advantage.

Share of agricultural exports in GDP in India. (Percent Share)

	1970-71	1980-81	1990-91	1995-96	1998-99
a) % of Agri Exports in GDP (Total)	1.2	1.7	1.3	2.0	1.6
b) % of Agri Exports in GDP Agri.	2.9	4.8	4.5	8.0	5.9
c) % of Total Exports in GDP (Total)	3.9	5.5	6.8	10.6	8.8
d) % of Exports from the Rest of Economy in GDP Agri.	4.6	5.8	7.7	11.5	9.8

Source: 1. National Accounts Statistics, various issues, CSO, New Delhi.

2. Economic Survey, various issues, Government of India, New Delhi.

The share of agricultural exports in GDP would indicate three major aspects,

- 1) The degree of openness or outward orientation of the agricultural sector as regards export activity.
- 2) The nature of agricultural trade strategies adopted in the country.
- 3) Supply capacity of the agricultural sector as regards exports.

Above table indicates that after a marginal rise in the shares of agricultural exports in total GDP during seventies, the shares were on the decline in the eighties. However, since the beginning of the nineties there is perceptible rise in the shares: the share in the total GDP rose from 1.3% in 1990-91 to 2.0% in 1995-96 but since then it declined to 1.6% in 1998-99. In case of the share of agricultural exports in GDP originated from the agricultural sector, the rise was from 4.5% to 8.0% and then decelerated to 5.9%, during the above period.

From above observations, it can be concluded that the degree of openness or outward orientation of the agricultural sector, with regard to exports, has increased in recent times, albeit a marginal decline occurred since 1995-96. It reflects the effects of the liberalization of agricultural exports and improvement in the supply capacity of the economy in recent times. Table also reveals that agricultural sector is less outward oriented than the economy as whole. This is the evident from the share of total exports from India in GDP (total). The share was 8.8% in 1998-99, which is higher than the share of agricultural exports in GDP originated from the agricultural sector at 5.9%.

Some tasks can be taken by government to help Indian agriculture to adjust in globalization.

- 1) Food self sufficiency should be compulsory at national level so that the reliance on trade can be kept within limits.
- 2) Safety nets are needed to protect the interests of crops, people and region which are likely to be affected by globalization.
- 3) Precautions on imports in view of the removal of quantitative restrictions.
- 4) Regarding new technology should be sold by government.
- 5) In order to avoid prices fluctuations agricultural export policies should be revised.

GLOBALISATION AND FDI

Foreign direct investment from rich countries goes to rich countries not to poor countries at all. In the late 1990s, roughly 80% of the stock of America's outward FDI was in Canada, Japan, and Western Europe and nearly all of the rest was in middle income developing countries such as Brazil, Mexico, Indonesia and Thailand. The poorest developing countries accounted for 1% of America's outward FDI, it explains the following table:-

WHERE THE MONEY GOES?

America's stock of direct investment overseas,2000.

Particulars	\$bn	% of Total
High Income Countries	982.8	81.00
Middle Income Countries	218.1	18.00
Low Income Countries	12.2	1.0
All Income Countries	1,213.1	100.00

Sources: Edward M.Graham, Institute for International Economics, The Economist.

The idea that outward FDI reduces the demand for labour in the sending country and increases it in the receiving country who needs it. It was based on the assumption that when rich country firms invest in poor countries, rich country exports are replaced by poor country domestic production. In fact evidence from the United States and other countries suggests that outward FDI does not displace exports, it creates them. FDI and exports are not complements. This is because of multinational trade with each other. For one reason or another, the inflow of capital may produce little or nothing of value, sometimes less than nothing.

We can say that economic integration may have added to the powerful pressures that were acting to increase inequality.

GLOBALISATION AND EDUCATION

Globalisation has tremendous impact on the entire education system especially on higher education in the developing countries. The education system can not remain aloof, as there is integration in global economy. Education is important investment in building human capital that drives for technological innovation and economic growth.

Because of strong hold of English language in MNCs and corporate circles, the gap between rural and urban is almost complete in the field of education. Some foreign universities have also opened their centers of learning to Indian students while they are staying in India. But this process has also led to slow growth of low quality institutions without proper infrastructure and students are unable to compete in the open market system of employment. Before 1991 Govt. set up higher learning institution like Indian Institute of Management and Technology.

Commercialization of education is the order of the day. Commercial institutions offering specialized education everywhere. In the view of globalization many corporate universities, both foreign and Indian have made their entry. Once these institutions turn "self financing" their charges would be more against their global counterparts, which are affordable to the same top layer of the society, again the question has raised about the poor people. Poor people won't be able to afford this higher education and they will not get good employment opportunities. So, again we can say poorer will become more poorer and richer will become more richer.

GLOBALISATION AND CULTURE

As we discussed in the introduction that globalization is a process which creates transnational social relations and transnational social space, which upgrades local cultures and gives rise to new cultures. Because of globalization local culture upgrades and gives birth to new culture. In India at present all people from different religion celebrate their festivals, following their own culture but simultaneously they have accepted western culture as well e.g. clothing style has changed, eating habits has changed as well as in the case of festivals also there is change.

Besides their own festivals they are celebrating other's festivals as well. E.g. In India friendship day, valentine day, mother's day , father's day people never used to celebrate they were unaware about it but because of MNCs people aware about all these days and they are celebrating these days .This is not Indian culture but still people are celebrating and at the same time spending the money, MNCs are earning the money and all profits goes to their countries. Besides these days we are having other days like World Heart Day, World AIDS Day, World Environment Day etc which are informative, but people are spending and running behind unnecessary things.

Because of greater migration of people from one country to another there is breakdown cultural barriers- but also leading to the spread of disease (e.g.AIDS) and international crime in drugs, prostitution and arms. We can conclude that, Indian people are giving more importance to other culture because of globalization.

GLOBALISATION AND INDUSTRY

Rao(2000) considered that freedom is necessary for industry to operate in economy. Degree of openness incorporated in the new policy framework is minimum. The real solution to the challenges faced by the industry is the shift in the basic character of the industries from less competition to more competition, less quality to the fair quality, primitiveness to modernity and above all from low ethics.

It was expected that globalization would open up a window of opportunity for the industries to become globally competitive and reach out for global market, which is much larger than the domestic market alone. In the last one decade of liberalization, it has not been so. To become competitive within a reasonably short period of time, the Indian industry will essentially need to upgrade and develop its own technology. In most areas of production, the Indian industry has indigenized the technology without improving it or has been following outdated or obsolete technology imported relatively cheap. The new world order of market driven economy has changed the Indian scenario drastically. In many sectors including textiles, Indian companies are not just forced to compete with each other, but also with foreign MNCs entering the huge Indian market in post WTO scenario. Progressive reduction of physical and fiscal barriers to import have made superior imported goods available to Indian customers, at a price lower than what is available from Indian manufacturers. This has happened already in capital goods, consumer durables and now it is the turn for consumer goods like textiles too.

Indian industry has traditionally been dominated by heavy industry. In the post independence period, there was great emphasis on building up India's capital goods and heavy industries. Uncompetitive and inefficient industries often were able to survive behind high tariff barriers and lack of private sector competition. Many of them, however, now face greater competition due to deregulation and lower tariff barriers. Competition has resulted in declining prices and profit margins. At the same time, however, these industries are held back by the limited reform measures undertaken thus far: they continue to be hampered by high input costs (often due to high tariff barriers on imports), infrastructure constraints, and an array of restrictive labour, land, and small scale restriction policies. The recent domestic slump, partly caused by over capacity in many industrial sectors, falling international commodity prices, and greater competition from Asia in third markets, has particularly hurt cement, steel, vehicles, and capital goods. The only heavy industry so far unscathed appears to be aluminium.

Again in this aspect also we can conclude that globalization is not at all helpful to poor country's industries.

GLOBALISATION AND HUMAN RESOURCE

Globalization has effect on human resource as well. Statistics from (ILO) International Labour Organisation reports document the fact that at least one third of the world's willing to work population is either under employed or unemployed.

Another fallout of globalization is the feminization of labour. As more and more women are forced to look out for employment, an overwhelming majority of this labour is being concentrated in low wage industries like textiles and footwear production. These industries are notorious for exploiting their workers by denying them job security and the right to organize, and subjecting them to long working

hours without even the most basic of amenities. In real sense, workers in developing countries lack the rights, legal protections and union representation enjoyed by their counterparts in rich countries. This is because of hiring workers by multinational. Lacking in bargaining power, workers do not benefit as they should from an increase in the demand for labour. Their wages not increasing. They may have no choice but to work in sweatshops, suffering unhealthy or dangerous conditions, excessive hours or even physical abuse. In the worst cases, children as well as adults are the victims.

Average Annual Wage Paid by Foreign Affiliates of U.S. MNCs and Average Annual Domestic Manufacturing Wage by Host Country, 1994.

	All Countries	High Income	Middle Income	Low Income
Average wage paid by affiliates/ thousands of dollars.	15.1	32.4	9.5	3.4
Average domestic manufacturing wage/ thousands of dollars.	9.9	22.6	5.4	1.7
Ratio	1.5	1.4	1.8	2.0

Source: Edward Graham, Fighting the Wrong Enemy, Institute for International Economics, Washington, DC,2000.

Maximizing profits is the only thing that matters to MNCs. They search the globe for the cheapest labour when deciding where to locate factories. Most of the businessmen shifted their business to poverty wage factories in developing countries.

From above table we can conclude that MNCs are not at all exploiting workers, they are paying more compare to the domestic company. But because of this behaviour labour will think to join only MNCs and they will not work for domestic company as well as labour will put more demands for wages to domestic company and because of unavailability of labour and more demands for wages, domestic business will get closed in future of the developing countries.

Again, in this aspect also globalization is not at all helping to the developing countries.

REALITY OF GLOBALISATION

Globalization includes,

- 1) Massive and reckless industrialization.
- 2) De-humanization of science, technology and industry.
- 3) Ineffectiveness of nation-states.
- 4) Newfangled consumerism.

Massiveness means mass production leading to mass surpluses, necessitating mass distribution and mass consumption through massive technologicalization, capitalization and monopolization. Though globalization has achieved stunning achievements in the establishments of a world market of trade and development that is threatened only by increasing environment pollution, international and intranational inequalities, exclusively regional blocs and the political upheavals that may result from those. It undermines the cultural integrity of other cultures and is therefore repressive, exploitative and harmful to

most people in most places. Globalization replaces the image of separate individual societies with one world system in which everything – every society, every government, every company, every culture, every class, every household, every individual must insert and assert itself within a single division of labour.

Dehumanization implies total concentration of the industries on commercial; profit and economic power to a total exclusion of concerns for human health and happiness in term of physical, intellectual and economic well being. Foreign investors and MNCs have not come to India to create jobs, they have come to make profits. If they create new jobs, it is only for urban masses and elite class and not for common rural masses. Year after year they have been getting rid of the staff in their own countries, in an effort to hike productivity and profits. There is hardly any MNCs which is not trimming its labour force.

Impact of globalization are also evident on the village life of India. Due to the irrational mechanization, which was mainly tractorisation relieved village men from arduous jobs of farming and they engaged themselves in playing cards and drinking. The political leadership of the states cleverly look advantage of this situation and exploited these idle people in organizing political rallies. Young men instead of engaging themselves in agricultural operations started looking for the white collar jobs. Sometimes these frustrated youth engage themselves in criminal activities.

Globalization has opened up the corridor of markets flooded with variety of consumer goods, forcing individuals to earn more, in order to acquire more, yet can never reach a point of contentment. In this consumerist society, the consumption in general and possession and display of certain objects in particular (like designer clothes, expensive cars, and other accessories) are used as recognition props for self-expression and self-gratification, reducing human essence to mere existence. Those who cannot have access to material things envy others. Envy has become a social transformation of aggression, in which self comparisons elicit the desire to have, or snatch or destroy that others have. The significance of man has lost its meaning and purpose and reduced to mere mechanical drudgery. The material progress beyond the requirement of the satisfaction of basic needs and comforts is causing deterioration in the inner self of man.

Unemployment, poverty, inequality and alienation are increasing, partly as a result of globalization. Crime, drugs, terrorism, violence, civil wars, diseases and environment destruction are becoming globalized. Capital, technology and advanced skills dominate the more reality dispensable factors: unskilled labour and the environment. Cost reduction are carried out and labour and nature suffer. Globalization is very uneven process, with unequal distribution of benefits and losses. This imbalance leads to polarization between the few countries and groups that gain and the many countries and groups in society that lose out or are marginalized. Globalization, polarization, wealth concentration and marginalization are therefore

linked through the same process. A World Bank study finds that the poorest 40% of people in developing countries have seen their incomes fall since liberalization began. The rapid growth of the global economy in recent decades is perhaps most clearly shown by the fact that in 1970 the total no. of TNCs was about 700, but grew by 1998 to at least 53,607 TNCs that were contracted with at least 4,48,917 foreign subsidiaries. The forces of global integration and technological advance can and must be harnessed to serve the interests of poor people. In 2000, of the world 6 billion people, 2.8 billion live on less than \$ 2 a day and 1.2 billion on less than \$ 1 a day. Six infants of every 100 do not see their first birthday, and 8 do not survive to their fifth. Of those who do reach school age, 9 boys in 100 and 14 girls do not go to primary school. These conceal extraordinary diversity and variations.

MAHATMA GANDHI AND SWADESHI

The most obvious interpretation is that of Swadeshi as a successful economic strategy to remove the British Empire from power. In broader sense, swadeshi implies three things, firstly, production, consumption and exchange of goods and services should be locally centred. Secondly, it suggests reliance on native polity or indigenous political institutions. Thirdly, it portrays the self reliance as the basic units of society.

Undoubtedly, swadeshi was a key focus of Mahatma Gandhi who described it as the soul of Swaraj. But there is another interpretation to swadeshi which is rural based. For Gandhi, the soul and spirit of India resided in its village communities. He said, “ The true India is to be found not in its few cities but in its seven hundred thousand villages. If the villages perish, India will perish too...” Mainstream economics believes in centralized, industrialized and mechanized modes of production, whereas Gandhi envisions a decentralized, home grown, handcrafted mode of production. In communities practicing swadeshi, economics would have a place but would not dominate society. Beyond a certain limit, economic growth becomes detrimental to human well being.

Gandhian values on non violence, that is, the values of righteous conduct, truth, peace, love, dignity of labour, self reliance, self control, equality, swadeshi, sarvodaya, sacrifice, satyagraha and trusteeship. This will seek to avoid “ violence which divides humankind for the well being of some, and promote non violence which will unite us for the well being of all.”

SUGGESTIONS

Following are few suggestions can be implemented to overcome on globalization.

- 1) Importance should be given on the production of basic needs of the local population. Societies which are basically self sufficient in the production of basic needs can stand up to external imposition.
- 2) There should be regulatory regimes to control the inflow and outflow of foreign investments and the operation of MNCs.
- 3) All economic activity should be filtered through the screen of ecological soundness, social equity, cultural and gender sensitivity and economic stability.

- 4) The poor should be helped to establish producer and marketing cooperatives.
- 5) Water, air, soil, knowledge and biological diversity should not be privatized.
- 6) Land reform laws should be strictly implemented. Traditional rights of indigenous people over their ancestral domain and resources should be respected.

In the new millennium, it is we Indians who have to play the main role, it is we who have to save more, invest more, educate more, plan more and create a new world for those have been left behind in the development game. All paradigms from globalization to communism have failed to solve the basic problems of poverty, hunger and unemployment, on one hand and alienation, dehumanization, resource exhaustion, environment pollution, ecological threat violence and war on the other hand. Gandhi insisted on self development offered an alternative life style, alternative world vision and viable set of strategies and peaceful methods for eliminating dehumanized globalization which we should follow.

CONCLUSION

Globalization of the world economy leading to a greater interdependence between countries of the world. Developing countries depend on developed countries for resource flow and technology, but developed countries depend heavily on developing countries for raw materials, food and oil, and as markets for industrial goods. The term globalization refers to all those forces operating in the world economy that increase interdependence and at the same time make countries more and more dependent on forces outside of their control, as time, space and borders diminish in importance. Foremost among these forces are:

- 1) The widening and freeing of trade. Over 2 0% of the world's output of goods and services is now traded.
- 2) More foreign direct investment (FDI) by gaint MNCs with more power and assets than many national governments.
- 3) The greater movement of people than ever before, breaking down cultural barriers but also leading to spread of disease (e.g. AIDS) and international crime in drugs, prostitution and arms.
- 4) The spread of information technology (IT) which can exacerbate contagion in financial markets (e.g. the 1997 financial crisis in South East Asia)
- 5) New institutions, such as the WTO, with authority over national governments and new multilateral agreements on trade, services, intellectual property etc. which reduce national autonomy.

All these aspects of globalization and interdependence make countries more vulnerable to shocks such as : world recession and downturns in world trade; financial crisis, such as the Asian crisis of 1997 which became contagious and spread like a disease affecting not only the region of South East Asia, but other parts of the world too; and decisions by big MNCs to withdraw investment.

But globalization is not a panacea for the contemporary world crisis, globalization is deepening crisis. The remedy lies in the deglobalization of the dehumanized trade, investment and aid schemes. The answer for the 21st century lies in the rehumanization of science, technology and industry. If we want culture of peace and harmony, we must have a technology peace. Hence, 'small is beautiful' is an answer to 'gigantism mania', which has no rational basis. Gandhian model will bridge the gap between individual and society, city and town, local and global. So, if we want values on non violence, that is, the values of righteous conduct, truth, peace, love, dignity of labour, self reliance, self control, equality, swadeshi, sarvodaya, sacrifice, satyagraha and trusteeship then we have to "Think Globally And Act Locally" It is imperative and urgent that we should increasingly make use of Gandhian ideas and strategies.

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