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GLOBALIZATION AND ITS POSITIVE AND NEGATIVE IMPACT ON INDIAN ECONOMY: A PERSPECTIVE STUDY

Dr. Mohammad Anzar

Asst. Professor

Department Of commerce

Akbar Peerbhoy College of Commerce & Economics,

Mumbai, Maharashtra, India

Abstract: *Generally, globalization involves economies that are opening up to international competition and that do not distinguish against international capital. Consequently, globalization is often accompanied by a liberalization of the markets and the privatization of productive assets. But globalization also leads to unemployment, increasing casual employment and weakening labor movements. Theoretical literature denotes that Globalization has made countries to realize that they can share their cultural values and economic exchanges to promote business and gain competitive advantage. The fervour of globalization has even enforced Governments to be tuned to the merits of a Global economy. Management studies have defined the process of globalization. Globalization is a word on every commentator's lips nowadays, but is very difficult to define satisfactorily, for it arises in so many different contexts like economic, sociological, political, cultural and environmental. Globalization means connected with the world India embarked on the globalization during 1990 -91.when the Indian economy was in worst position.*

The new economic policy was adopted to protect Indian economy form the further deterioration also it was aimed to get foreign exchange ,loan from the world bank, it was financial emergency of Indian economy foreign reserve was only for the 3 weeks To improve financial health of the country Government of India adopted new economic reforms globalization privatization liberalization. .

Keywords: Globalization, Privatization **Liberalization: Disinvestment.**

Introduction :- There are some negative aspects of globalization such as joblessness between urban and rural youths. Due to globalization there is increased competition between the Indian companies and in the foreign companies in compare with the foreign goods domestic goods are less preferred the consumer preferred to buy the foreign goods. This reduced the amount of profit of the domestic Industry this happened mainly in the manufacturing industries Chemical, and steel industries. The negative aspects of Globalization on domestic and due to advanced technologies are coming from advanced countries the result less numbers of labor and technical

work force is required this lead to un employment in the country especially in the area of the pharmaceutical, chemical, manufacturing, Information and communication technologies , cement industries. Globalization has promoted the use of quality goods. Now not only durable goods are branded but products like garments, Juices, Snacks, food grains etc. are also have its own reputation due to Globalization foreigners are attracted to invest in India in form of foreign direct investment there has been substantial increase in inflow of foreign direct investment and portfolio investment. As a result of Globalization foreign companies are promoting their production and trading units in India. It has increased employment opportunities for many Indian. These MNCs provide attractive salary and good working conditions to skilled and semi skilled man power It has resulted in reduction in brain- drain to our work force

Objectives of the study: Due to globalization India's share in the world trade has gone up Indian Government encourage the foreign investors to come and Invest in India As a result there is considerable growth in FDI globalization has promoted the collaboration between foreign companies and in domestic companies Or Indian companies with this foreign collaborator domestic country companies are getting technical advancement globalization has expanded the size of market now the multinational companies have no geographical boundaries the domestic companies has also excess to establish or promote their business globally Indian companies like Infosys, Tata consultancy, Wipro, Tata Steel, reliance etc, are having opportunities to promote their business in many countries of the world.

This collaboration enabled the inflow of modern and advanced technology in India. Now Indian business units use this advance technology. It has resulted technological the technological advancement in the country

Hypothesis of the study: the process of globalization has changed the industrial pattern social life of the people and it has huge effect on Indian trade system. Today with the commencement of the communication and the information technology, new ways of communication have made the world a global village

Globalization has resulted in increase in the production of a variety of goods .Multi National Companies have established manufacturing units in the developing countries some of the few negative aspects of Globalization is not only useless but dangerous too for Indian

Economy. It gave temporary relief to Indian Government to glide over its serious foreign exchange situation during 1990-91

Methodology: it is purely secondary base data no part of it is an imperative study .rather official websites and reports are the source of data .secondary information has also been taken from journals, articles, etc.

There is no significant association between ethical, social and economical influences and purchase decision. There is no significant association between impact of media and purchase decision

Literature Review: Globalization is important for economic reform, it was introduced with new economic policy in India in 1991.assuming that that globalization would be beneficial for the Indian economy, as a whole and would raise the welfare of the people throughout the country. It is assume that foreign direct investment and technology will inflow from developed countries to India. With these assumptions it will raise the rate of Economic growth in country and reduce poverty and that it will reduce the gap between upper class and the lower class in the society, Apart from economic integration there will be social integration from the world and India will taste the fruits of the global growth.

Economic Aspects of Globalization: Globalization has both positive and negative effects on Indian economy in around 1990 when the foreign country Reserve was reduced to for only 3 weeks out flow there were many reasons for such disastrous situation fiscal deficit was mounting, high rate of inflation during the preceding many years and also one the prominent reasons crude oil crisis to face such drastic situations in the Indian economy some drastic steps has been taken including structural changes in economy policy. Custom duties were reduced in many phases over the decade approximately about 70% to 30%. Considering that Globalization itself, may not help the ailing Indian economy, the then Government of India decided to go for privatization Liberalization and disinvestment of its economy

Positive Aspect Of Globalization: Abolition of Industrial licensing Policy. Single window system was introduced. Domestic companies with the foreign collaborator have free access to foreign technology.

The SEBI was establish on 12th April 1992 the aim was to protect the interest of the investors and also to promote development and regulate securities market and create

investment friendly attitude in the country he process of globalization had a dramatic effect on Indian Economy which responded swiftly and positively to these following measures.

1. Fiscal deficit came down to 5.9% during 1991-92.
2 GDP was increased as it was 6%
3. Many new projects were promoted in the country due these economic reforms
4. Massive employment opportunities available in the country
5. Sharp growth in middle Income Group which fuelled domestic consumption.
6. It helped to develop social and economic infrastructure communication roads, ports, airports, Insurance and other major sectors.
7. It increased foreign direct investment

Negative Aspects of Globalization: Globalization has been completely spoiling the spirit of Swadeshi movement' run by Mahatma Gandhi, father of Nation.. Indians now prefer global brands over Indian brands. Globalization has adversely affected many established companies which had failed to face competition from established global players.

Steep and fast reductions in custom duties have snatched large part of Indian market from Indian Industry and passed it on to imports from established global players.

New opportunities for exports by Indian Industry opened up by globalization are no comparison to the loss it has suffered on account of reduction in demand of its products in local market but this has resulted in high rate of unemployment in India which is becoming biggest challenge for Indian Economy and the Government today.

We may call globalization as a double edged weapon which had helped Indian consumers to enjoy all high Quality global brands. On other hand, it helped Government of India to tide over its serious foreign exchange problem, even though temporarily by getting loan from World Bank. But,it has been at the cost of decontrol of Indian Government over its economy and at the cost of local - following observation highlight the negative effect of globalization policy on the

Indian economy:- As a result of Globalization foreign competition has increased in India. Because of better quality and low cost of foreign goods, many Indian industrial units have failed to face competition and have been closed as a result of globalization foreign companies or even some of the Indian companies use capital intensive technology. With the

increasing use of capital intensive technology the employment opportunities are reduced and increase the problem of unemployment in Indian economy Globalization is exploiting unskilled workers by giving lower wages, less job security long working hours and worse working condition globalization has benefited MNCs and big industrial units but small and cottage industries are adversely hit by it. It has increased inequalities in India.

Conclusion: On the basis of above study we can say that globalization is not a free lunch as an outward looking. It is a mixed bag of success and failures. Having gone through positive and negative effect of globalization of we can say that it is not equally beneficial for all countries of the world. So we need a policy of globalization which is beneficial, creates opportunities with the objective of growth, employment and equity and raise the welfare of all people throughout the world. Government should adopt measures to ensure fair globalization policy. Education will vanish when move from industrial society to information society takes place. Globalization promotes new tools and techniques such as E-learning, Flexible learning, Distance Education Programs and Overseas training.

It is observed in current Indian society that through globalization, women have gained certain opportunities for job options and to recognize women's rights as a part of the human rights. Their empowerment has given considerable opportunities and possibilities of improving employment conditions through global solidarity and co-ordination. It is found that the growth of computer and other technologies enabled women with better waged, flex timings, and capacity to negotiate their role and status in home and at corporate level.

Another major negative aspect of globalization in India is the youngsters leaving their studies very early and joining Call centers to earn fast money reducing their social life after getting habituated with monotonous work. There is an increase of every daily usable commodities this has an adverse effect on cultural aspect. The institution of marriage is breaking down at fast rate. There are more people approaching divorce courts instead of maintaining marital life. Globalization has considerable impact on the religious situation of India. Globalization has brought about raising a population who is agnostic and atheist. People visiting places of worship are reducing with time. Globalization has reduced nationalism and patriotism in country. Benefits the schedule caste people in promoting cultural homogeneity in the way of loosening of the ideas of pollution and purity and eradication of social injustice and so many socio-cultural and economic disabilities associated with them. Globalization of goods has developed enthusiasm in India for western brand names. A consumerist mentality has been

carefully fostered. This leads to an adversative impact on the tendency to save or the domestic accumulation of capital. Lastly, in Indian scenario, globalization developed a consumer credit society. Today, people can buy goods and services even if they do not have sufficient purchasing power and the prospect of raising a loan has become easy in the age of globalization. Credit cards have given boost to consumerism and pushed many households into indebtedness. At the same time globalization has unfavorable impact on mass-media in India.

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