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Globalisation: Meaning and Its Impact on Indian Economy

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ABSTRACT: Globalization is defined as the integration between countries through foreign trade and foreign investments by multinational corporations (MNCs). It has a major and almost instantaneous impact on the Indian economy. When a country throws open its gates, it welcomes unlimited communication, international trade, capital, technology, and cultural cosmopolitanism practices from other countries. The reduction of export subsidies and import barriers has led to free trade. This has made the untapped Indian market more attractive to the communities internationally.

KEYWORDS: globalisation, impact, Indian, economy, trade, international

I. INTRODUCTION

The developed countries have been trying to pursue the developing countries for the liberation of trade and to allow flexibility in business policies to provide opportunities to MNCs in the Indian market. They are helped by the International Monetary Fund (IMF) and World Bank in this endeavor.

- Indian government liberalized trade and investment after pressure from World Trade Organization.
- Import duties were cut down phase-wise to allow MNCs to operate in India on basis of equality.
- The growth of foreign investments in fields of the corporate, retail, and scientific sectors is enormous in the country. This has a tremendous impact on social, monetary, cultural, and political areas.
- The growth of global trade, doctrines, and culture can be seen in India.
- Indian society changed drastically with urbanization and globalisation and economic policies came to influence the framework of the country's economy.
- Cross-country culture and cosmopolitanism are important impacts of globalisation on the society of India.

There was a significant impact felt in the industrial, financial and agricultural sectors:

Industrial

The massive influx of both foreign capital investment and companies offshoring in India, particularly chemical, pharmaceutical manufacturing, and petroleum industries. Advanced kind of technologies and processes helped modernize the Indian industrial sector.[1,2,3]

Financial

Before globalization, India's financial sector was mismanaged by corruption and inept government officials. By taking charge of the financial sector out of the hands of bureaucracy, market competition increased in the field of innovation, creating more dimensions in the financial sector.

Agriculture

India is an agrarian economy, with the majority of the population depended on it. With globalization, the technological capabilities of farmers increased and gave a boost to exports from India.

Outsourcing

This is a principal result of globalization. Outsourcing has increased because of the increase in the quick forms of communication especially the growth of the IT sector. Many services such as voice-based business processes, accountancy, etc. are being outsourced by companies from advanced countries to India.



Advantage of Globalization

Scientists have closed different beneficial outcomes of globalisation which a few created nations appreciate today. It's difficult to experience every one of them, yet we should zero in on a few fundamental focuses.

Here are some of the most important benefits or advantages of the globalisation process in India:

Global Market

This advantage implies that it empowers countries to practice and deliver a lot of products accessible in their neighborhood market.

Various nations produce various items and what is generally astounding is that there is no country that is independent. A few nations with created economies need more unrefined substances for their production lines, while the rest gather costs more than they ought to.

Surplus of employment opportunities

It helped to uplift many out of extreme poverty, also improving employee benefits offered. This is because of:

1. Export Growth.
2. Lifting restrictions on capital inflows and outflows.

Cross Cultural Management

Every nation has its own way of life. Culture relates to the manner in which specific individuals get things done as well as their qualities and acceptance. Before globalisation, numerous nations wouldn't permit females to procure training, and regardless of whether they, should take care of responsibilities like education or nursing.

Presently a lot of states have taken on elements of American culture even in the manner they do business. For example, one of the United States' highlights is keeping time as well as getting its worth.

Competition

A rivalry is a solid approach to carrying on with work. Without it, organizations wouldn't spearhead a few developments in cross-line exchange. It is the fundamental justification for why the nature of labor and products improve as well as why the costs drop.[4,5,6]

Contest impacted enterprises in a few created nations to source modest unrefined components and work to diminish costs. Individuals from the principal world can manage the cost of themselves to purchase items from homegrown enterprises and unfamiliar ones.

Contest causes expanded correspondence of thoughts and advancement as individuals attempt to observe an upper hand for their business. Job Opportunity About 90% of the principal total populace acquires for living through work.

Reducing the Gap between Rich and Poor

Globalisation has prominently waned the entirety among rich and destitute individuals. For a long time, there has been a wide hole between these gatherings, a hole that appeared to augment consistently.

It empowered needy individuals to approach open positions. Quite some time in the past individuals who worked in government areas and organizations got significant compensations, however presently even overeducated representatives bring in a little cash. Therefore, numerous businesses enlist qualified specialists and pay them short of what they merit.

Investments

The number of inhabitants in created nations like to put cash in beneficial organizations as opposed to storing it in banks. The explanation is, they endeavor to acquire professionally remotely in light of the fact that ventures guarantee they will acquire great benefits with no endeavors.

Tragically, such a choice is accessible just for those individuals in created nations as expected defaults of economies in third-world states make it uncertain. Individuals are hesitant to contribute their income since they can not foresee whether their public cash will be comparable to the US dollar one year from now. Others spend it by laying out firms and enterprises in outside nations where they gain benefits.

Advanced innovation

Cutting-edge innovations are a consequence of globalisation. A consistent requirement for advancements showed up because of the absence of speedy information moves and public correspondence.

Bunches of creators have attempted to serve the necessities of present-day culture by further developing innovation. Its progression has prepared for constructive outcomes of globalization in nations that at first would rather not partner with others. Such states select accomplices for collaboration relying upon religion as opposed to the economy.



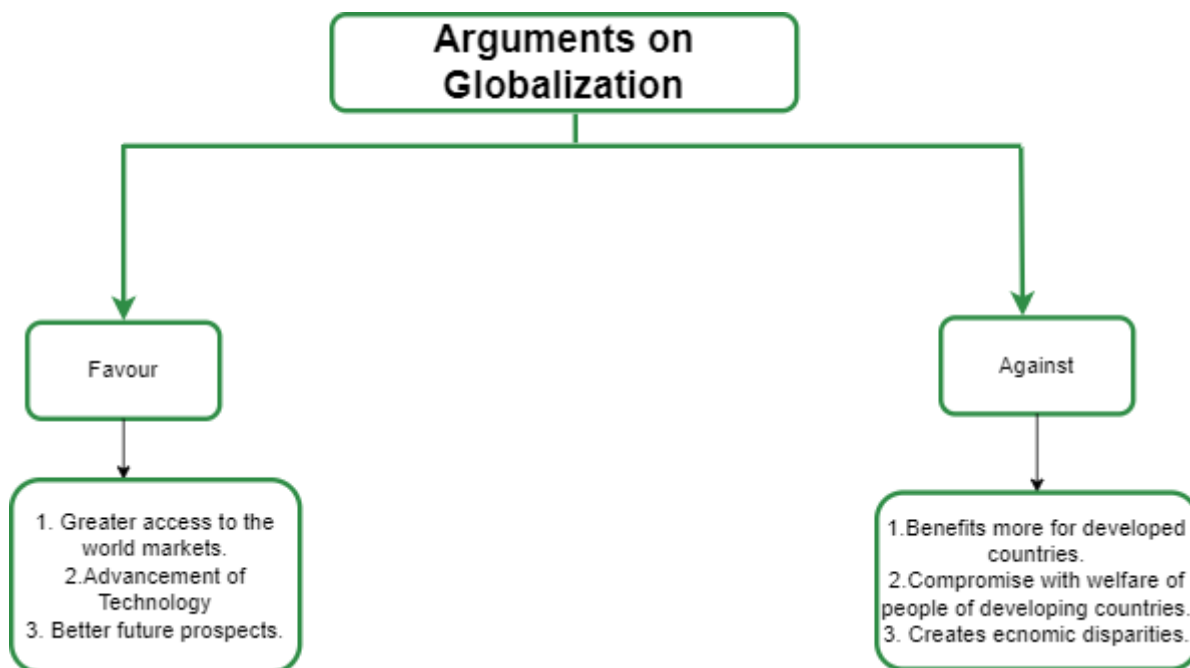
Cultural Impact of Globalization in India

Globalisation increased access to television and other entertainment sources. In cities, Internet facility is extended and also to rural areas through schemes like Smart Cities Mission.

There is an increase in global food chains and restaurants in India and the entertainment sector has obtained a global market. Women are getting the equal opportunities they deserve and empowerment.

The Globalisation Debate

There are quite a few arguments in favour and against globalisation. Let’s discuss them separately in detail.



Globalisation Pros[7,8,9]

Globalisation has significantly affected a few emerging nations. It’s the justification for the quick development and improvement of these nations. Let’s discuss some beneficial outcomes or pros of globalization in India.

Poverty Eradication

Before globalization, emerging nations had a lot of assets which they didn’t have the foggiest idea of how to utilize. Their populace was uninformed as well as there were no streets or methods of transport.

These days individuals comprehended the meaning of instruction and ways of life as outsiders got comfortable in these nations. Thus, local people went to schools laid out by the pioneers and got work in their organizations and enterprises.

Availability of Employment

Most created nations have loads of instructed jobless individuals. Globalization offers them work chances in different nations. Their essential benefit over the occupants of the created nations is the way that they offer modest administrations.

They are likewise open to learning as they see themselves as fortunate to have another life.

Education

Globalization has empowered further investigations. Most created nations have progressed schools and universities. They urge individuals from abroad to concentrate there.

The literacy level became high and foreign universities are collaborating with different Indian Universities and Indian educational system embraced globalization through Information Technology and offers opportunities to evolve education.

Technology

Globalization has assisted with moving innovation to non-industrial nations. A few financial backers and outsiders who have a deal with individuals from agricultural nations are expected to speak with them and trade thoughts as well as data.



The quickest method for doing it was through utilizing present-day innovation. It has extraordinarily helped individuals from agricultural nations. The greater part of them can trade merchandise online at a low cost.

Foreign Investments

Globalization acquired the requirement for individuals from created states to put resources into a few agricultural nations. The unfamiliar venture is one of the aftereffects of globalization that comes full circle in numerous improvements in these nations.

For example, a few financial backers believe unrefined components and products should be moved quickly to the business and the market separately. The best way to do this is to help every administration in the structure have a productive foundation.

Globalisation Cons

Although the agricultural nations have had many advantages from globalization in India, there are a couple of disadvantages it has caused in the non-industrial nations. Let's discuss some of them.

Displacements of Workers

On account of globalization, there are open doors all around our enormous world. Nonetheless, the vast majority have needed to leave their families for a long time as they work abroad. Therefore, couples have separated, remarried, and left desperate kids helpless before volunteers and havens.

A few kids haven't had the option to address their old-matured guardians' issues in light of the fact that the cash they procure from their occupation isn't sufficient.

Unemployment

In practically all emerging nations a portion of the functioning populace depended on relaxed positions in enterprises until globalization flourished. The progression of innovation has decreased such business and expanded worldwide requirements for talented experts.

A greater part of individuals in non-industrial nations doesn't have abilities, while the accessible positions are ineffectively paid for because of the popularity brought about by globalization. A large portion of individuals is left jobless and unfit to meet their fundamental necessities bringing about expanded crimes like robbery, pickpocketing, murder, and illicit drug use.

Increased Lifestyle illnesses

Globalization has gotten the utilization of handled food sources, establishing crops utilizing synthetics to limit the term of development and increment benefit. To profit from the business, creatures, for example, the cows are benefited from synthetics that make them produce a ton of milk or expansion in weight for those that are sold for the meat business.[10,11]

Because of the expanded ingestion of synthetic substances from food varieties, constant infections are on the ascent. The death rate is high. Besides, there is a decrease in life expectancy in emerging nations.

Abandonment of Culture

Each people group, society, or country has its qualities and convictions, in other words – its own way of life. They are fundamental since they form a satisfactory way of behaving for individuals in a specific local area. The older folks or pioneers guarantee that individuals act in an ethically upstanding manner.

Nonetheless, globalization blended various societies. Then individuals reevaluated their legitimate standards and customs seeing their way of life as crude. A few countries from emerging nations take on the western culture and forsake their own.

Terrorism

Not a year closes without rates of illegal intimidation locally, something that has impacted government assistance and solidarity that existed before globalization. As per ongoing examinations, there were 9,000 terrorist assaults performed worldwide in 2017.

This measurement sounds actually alarming. Sadly, my old neighborhood isn't a special case. Last year, our huge city shopping center was consuming. The police contended that fire was brought about by pyro-crime.

Price Instability

Value unsteadiness is a tremendous impact on globalization on business. Certain individuals lay out ventures abroad where they get modest unrefined components and work.

They can ameliorate creation expenditures and peddle their products at a low cost. Because of rivalry, a few top-notch items vary in cost. Regardless of how the World Trade Organization has attempted to control cost variance, their endeavors are not fruitful.



Currency Fluctuation

Global exchange trades items utilizing the US dollar. The cost of dollars fluctuates every day in emerging nations, and this results in an imbalanced economy and abnormal costs for labor and products. Public monetary standards are impacted the most by IGOs.

Read More:

- Pros and Cons of Globalization

Factors Helping Globalization in India

Here are some of the most important factors aiding the process of globalization in India:

- Technology: Rapid improvement in innovation has been one main consideration that has animated the globalization cycle.
- Trade obstruction: Tax on imports is an illustration of an exchange hindrance. It is known as an obstruction since some limitation has been arranged.
- Liberalization: Removing hindrances or limitations set by the public authority is the thing known as advancement. With the advancement of exchange, organizations are permitted to settle on choices uninhibitedly about what they wish to import or product.
- Advancement: Financial progression implies a continuous decrease in limitations and controls forced by the public authority in open exercises. This builds the extent of the open market where the clients, the makers, and the dealers can take and execute their own choices.
- Advancement of unfamiliar exchange and FDI strategy: The hindrances to unfamiliar exchange and unfamiliar ventures were eliminated generally. This implied that products could be imported and traded effectively and furthermore unfamiliar organizations could set up industrial facilities and workplaces here. Eliminating boundaries or limitations set by the public authority is something known as advancement. [9,10,11]
- WTO: World Trade Organization (WTO) is an association whose point is to change worldwide exchange. Begun at the drive of the created nations, WTO lays out rules with respect to global trade and sees that these principles are complied with. Complete 149 nations of the world are at present individuals from the WTO (2006).

II. DISCUSSION

Indian society is changing drastically after urbanisation and globalisation. The economic policies have had a direct influence in forming the basic framework of the economy.

Economic policies established and administered by the government also performed an essential role in planning levels of savings, employment, income, and investments in the society. Cross country culture is one of the critical impacts of globalization on Indian society. It has significantly changed several aspects of the country, including cultural, social, political, and economical.

However, economic unification is the main factor that contributes maximum to a country's economy into an international economy.

Advantages of Globalization in India

- More Employment Opportunities: The introduction of globalisation brought an influx of foreign investments and the favourable policies of the Indian government also helped companies to set up units in this country. This has resulted in new employment opportunities. Also, access to low-cost labour prompted foreign businesses to outsource work to companies operating here.
- In a nutshell, the employment opportunities in this country rapidly progressed after globalization.
- Increase in employment: With the opportunity of special economic zones (SEZ), there is an increase in the number of new jobs available. Including the export processing zones (EPZ) center in India is very useful in employing thousands of people.
- Another additional factor in India is cheap labour. This feature motivates the big companies in the west to outsource employees from other regions and cause more employment.



- Increase in compensation: After globalization, the level of compensation has increased as compared to the domestic companies due to the skill and knowledge a foreign company offers. This opportunity also emerged as an alteration of the management structure.
- High standard of living: With the outbreak of globalization, the Indian economy and the standard of living of an individual has increased. This change is notified with the purchasing behaviour of a person, especially with those who are associated with foreign companies. Hence, many cities are undergoing a better standard of living along with business development.
- Increase in per-capita Income: As a direct effect of more employment opportunities, the per-capita income of Indian households also increased after globalization.
- Resultantly, it altered their standard of living and improved the purchasing power of an average Indian. This gave birth to a new middle-class and recorded an increase in demand for consumer products in this country.
- More Choices for Consumers: Globalization and the Indian economy provided Indian consumers with a plethora of choices. Indian, as well as foreign manufacturers, brought various products of the same kind, and consumers got a chance to select their preferred one.
- This increase in competition prompted manufacturers to create better products at a much lower price point.
- Access to Untapped Markets: A noticeable benefit of globalisation is that it provides access to many untapped markets with huge potential. The globalisation of Indian economy means it allowed foreign companies to operate in the Indian market. Also, Indian businesses got an opportunity to operate on a global scale. As a result, the import-export sector in Indian saw an astonishing rise after 1991.

Impact of Globalization[7,8,9]

Positive impacts:

- During this discussion of globalisation and Indian economy, a name that deserves special mention is former Finance Minister of India Dr. Manmohan Singh. He was at the forefront of this movement and ensured a successful implementation of it. He also drafted the economic liberalisation proposal. Here are some quick statistics that will reflect the immediate effect of globalisation on the Indian economy –
- After 1992, the average annual growth rate of GDP was 6.1%.
- In 1993-94, the export of India recorded an exponential growth of 20%. Also, in the following financial year, it was at a healthy 18.4%.
- In 1995, the total export value of computer services was about \$ 11 billion, and in 2015 it recorded around \$ 110 billion.
- These statistics prove globalisation and the Indian economy brought positive changes and fast-tracked India's economic growth.
- Outsourcing: This is one of the principal results of the globalization method. In outsourcing, a company recruits regular service from the outside sources, often from other nations, that was earlier implemented internally or from within the nation (like computer service, legal advice, security, each presented by individual departments of the corporation, and advertisement).
- As a kind of economic venture, outsourcing has increased, in recent times, because of the increase in quick methods of communication, especially the growth of information technology (IT).
- Many of the services such as voice-based business processes (commonly known as BPS, BPO, or call centres), accountancy, record keeping, music recording, banking services, book transcription, film editing, clinical advice, or teachers are being outsourced by the companies from the advanced countries to India.
- Indian companies gained from successful collaborations with foreign companies. Ex: Tata Motors, Infosys.
- With big Indian MNCs contributing to world trade, India can raise its voice for fairer trade rules at WTO.
- Consumers have an option to choose from a wide range of products- they can have cheapest, best thing.
- We can export what we produce in excess. So, less wastage and we can import what we produce in deficient. In agricultural sphere, Globalization promotes contract farming which increases the earning capacities of farmers.



Negative impacts:

- Trade deficit (as in case of India) which hurt most in case of under-developed and developing economies and widen the gap between the developed & not so developed economies.
- Outsourcing of jobs from developed countries to developing countries. It has led to loss of jobs in developed countries and subsequent protectionist measures as recently in USA and Saudi Arabia.
- As the economies are interlinked any financial crisis in one country, especially developed countries will result in slow down in developing economies. Eg-crisis in COVID 19 times
- Agriculture sector not improved as much as services and manufacturing sector
- Neo-colonialism in smaller developing countries .
- MNC's ruling the globe and exercising a great political control all over the world & wider economic inequalities.
- Not sustainable growth, development on growing negligence of environment, forests, wildlife etc.
- Destruction of traditional service providers. For example, old restaurants, parathas and lassi are replaced by Mc. Donald's, Chinese restaurants, etc.
- Advent of a consumer credit society. A person can now buy goods and services even if he does not have sufficient purchasing power at his disposal.[8,9,10]

III. RESULTS

The Indian government implemented a number of changes in 1991 to liberalise and globalise the economy. These economic changes are moving the country closer to an economic system and globalisation. Those economic transformation programmes aimed to connect India's economic growth with the global economy.

In India, as a consequence of globalization, the process of removing trade barriers began in 1991, and the government announced trade barrier reductions every year since then.⁵ It is suggested that this would allow for a freer movement of commodities, capital, and technology, and that globalisation will therefore become a driving factor for economic progress. It also provides access to new markets and technological advancements.

The Indian government has been pushed to embrace globalisation for the reasons listed:

- As a result of the public sector's bad performance. Huge resources were being invested on PSUs, but they were not yielding a sufficient return, and a large number of PSUs were falling ill.
- The government's foreign currency reserves were at an all-time low due to the Gulf War and bad export performance, as well as the nation was also on the verge of defaulting on international loan repayment.
- In order to achieve a better growth rate, more investment was required in various areas of the economy. The amount of money invested domestically was insufficient.
- Another factor for moving toward an integrated market economy is the collapse of communist nations' regimes.
- In the early 1990s, our economy was hit by a massive economic downturn. The Indian economy has been hit by a balance-of-payments crises, budgetary imbalances, and inflationary pressures.

Impact on the Agriculture Sector

The rural sector is a key portion of the Indian economy, revolving around financial gains and losses, as well as any alterations to its framework are likely to have an effect on the present liberal wealth index. In 1991, Asian countries applauded the improvement of Bharat's economy. Faced with a dire situation, India turned to the International Reserve for help, and the International Reserve granted what is known as a change credit, that is a debt with particular circumstances attached that relate to a fundamental change in the economy.⁶ Specifically, the modifications hoped to moderately end government dominance of the economy, denationalise open field affiliations, and reduce fare allowances and imports.



- Raising demands for everyday conveniences,
- assuaging status,
- ensuring food security,
- establishing a light commercial centre for business and administrative growth, and offering a substantial contribution to the national process

The Influence of the Economic Activity on the Industrial Sector

Globalization's effect on Indian industry began in the early 1990s, when the government opened the country's corporate sectors to foreign businesses. The globalisation of Indian business has occurred in several sectors such as steel, pharmaceuticals, oil, chemical, material, bond, retail, and BPO. Globalization refers to the removal of exchange barriers between countries, resulting in the mixing of economies via currency flow, trading stock and bureaucracies, and cross-national joint ventures.⁷ As a result of significant breakthroughs in the realm of innovation, notably in information and communication technology, globalisation has lately extended from across world.

In 1991, the government of the Republic of Asian country announced alterations to its organisation, allowing the country to coordinate foreign predictions.

The amount of poverty and statelessness in the country fell as a result of this. As a result of the effects of globalisation on the Indian market, outside corporations acquired unusually accelerated innovation alongside them, making the Indian exchange significantly lot more mechanically advanced.⁸

The adverse impacts of globalisation on Indian commerce include the fact that, as innovation increased, the quantity of labour required decreased, causing many people to lose their employment. This occurred in a variety of sectors, including medications, synthetic chemicals, transportation, and construction, to mention a few.

The Effect on the Financial Sector

Changes in the money segment are the most substantial aspect of India's monetary facilitation programs. The present monetary easing measures have paved the ground for international competitors to enter our domestic market. The pursuit of development has evolved into a concern for survival. Money middlemen have abandoned their previous approach, in which they were willing to accept a wide range of credit risks. As a result, several changes have happened among some of the global finance components, each of which has an effect on the local sector. The emergence of several money institutions and administrative organisations has transformed the money administration's policies sector from a conventional trade to one that is utterly distinctive. This aspect of the strategy includes dealing with a variety of issues.

Improvements in the financial sector are the most important aspect of Indian economic facilitation programme. After plunging to 5.6% in 2003-04, growth in real money administrations (which involves keeping cash, security, assets, and business institutions) jumped back to 8.7% in 2004-05 and 10.9% in 2005-06. With such a growth of 11.1% in 2006-07, the energy has indeed been maintained.⁹ Because of the monetary system, the cash administrations' trade is in a state of flux. Competition and market forces, and technological advancements are all driving fresh alterations in the world currency administration trade.

Repercussions of Globalisation

The implications of the monetary activity for a financial structure region are manifold. At intervals over the world, the financial process features great parallelism and competition amongst economies. This could be shown in letters regarding items or administrations commerce, as well as capital development. As a result, local tactics and economic conditions do not entirely determine household financial achievements.¹⁰ Alternatively, they might be influenced by national and international methods as well as financial situations. Perhaps a globalised industry cannot stand to overlook the prospective actions and responses of ways and advancements in the meanwhile, whatever remains of the world, when preparing and assessing its home strategy.



This affected the government's arrangement option, which implies a lack of approach to the issue in fundamental governance at the national scale to some extent. Here we have a propensity to demand up for a lot more investigation. The impact of the process on various segments of the Indian economy.

Globalization has ramifications as well. Interdependence and global rivalry have both risen as a result of globalisation. It demonstrates how goods-service and capital-transport are intertwined. Most regional policies and situations would not match world economic patterns. International, geopolitical, and economic factors have an impact on them.¹¹ As a result, it is evident that a globalising economy cannot ignore future international strategy and trends while designing such a modified domestic plan. This constrained policy alternatives, demonstrating a paucity of structural power in national policymaking. The influence of the Indian economy on globalisation is now being investigated.

Poverty and Globalisation

Globalisation, with in midst of growing integration through business and finance, is a major factor for the significant progress done in recent generations in lowering poverty and worldwide inequality. However, effective national policies, sound institutions, and internal political stability are all important factors in this frequently unnoticed success.

Notwithstanding this improvement, remains particularly among the most important worldwide issues we face, with 1.2 billion people below the poverty line in the emerging world. Despite fast population increase in poorer countries, the proportion of the world population living under the poverty line has been steadily declining since 1980, and also the overall percentage of poor individuals have stopped expanding and appears to have declined recently.

If the poverty rate had not decreased since 1987, an additional 215 million of people would've been living in abject poverty presently.

In order to reach this aim, India must focus on five key areas or actions. Technology innovation, new business prospects for small and medium-sized businesses, the importance of quality assurance, creating possibilities in rural areas, and the commercialization of financial institutions are just a few of the issues discussed. Engineering management and technical industry are two unique sectors of relevance in the nation.

In rural India, there'll be potential ways. Rural involvement in the globalized world is critical to India's economic success. Along with its distinctive vision and branding strategies, the function of villages gained relevance once the new economic strategy was implemented. Food processing and packaging, for example, is an industry where young businesses may have a significant impact.¹² It may well be organised collectively with the aid of cooperatives to fulfil global supply, but first it is vital to comprehend the existing state of globalisation in order to chart a road for the foreseeable. It is critical to provide a level - playing field for all countries to gain the full advantages of globalisation.

GDP Growth Rate

Reduced agricultural output in the preceding two years seems to have had a severe influence on domestic output and demand prospects; the Indian economy is still going through a difficult era due to a variety of unfavourable local and external variables. The global financial system had an overall dip in 2014-15, as per the Economic Survey, with output increase of 2.4 % the prior year. Real GDP increased by 5.4 percent in 2001-02. Production in the first quarters was 5.8%, while productivity in the second half was 6.1 %.

Import and Export

India's export and import was 32,572 and 38,362 billion of dollars in financial year 2014-15, correspondingly. Several Indian companies have started to identify itself as reliable international players. Agriculture exports account for between 13 to 18 % of the country's total exports each year. In 2014-15, agricultural goods worth and over \$6 million were exported from the country, with maritime commodities making for 23% of the whole. Marine items have emerged as the most significant component of the country's overall agricultural exports in recent years, accounting for further than a fifth of the total agricultural production. "Rice, oil seeds, tea, and coffee are among of the country's other noteworthy exports, each representing for 5 to 10% of total agricultural exports".[11,12]



A Comparative Analysis of Other Developing Nations

Take global trade for example - India's share of the world merchandise trade has increased from 0.05% to 0.07% in the recent couple of decades. Over the same time period, China's share of the market has risen to over 4%.

As per IMF estimations, India's share in global trade is equivalent to that of the Philippines, despite the Philippines having a six-fold lower GDP. Over the previous decade, FDI entering India has totalled around 0.5 percent of GDP, comparing to 5 % for China and 5.5 % for Brazil. Every year, China attracts and over \$50 billion in international direct investment. It's only \$ 4 billion in India's situation. India is currently restructuring its economy in attempt to improve its current poor global standing.¹³

India is now reforming its economy in order to rise from its current abysmal status in the globe. India has begun on an aspirational strategy to mimic the triumphs of her neighbours to the eastern nations and is attempting to pitch herself as a secure and lucrative location for foreign direct investment, having viewed the beneficial influence of foreign direct investment in the massive economic rise of much of the South Asian Nations, most especially China. The present NDA government had perfected the art of sustaining the status quo by allowing as much FDI into diverse businesses as possible. Although the NDA's international relations has been acclaimed throughout the world, the quest to increase FDI inflow into India is now on hold.[10]

IV. CONCLUSION

Globalisation has a wide range of consequences for a country's economy. Interdependence and rivalry between countries on the international market have increased as a result of globalisation. Interdependence reflects this in terms of trade in products and services, as well as capital mobility. As a result, domestic economic trends are influenced by factors other than domestic market and economic circumstances. Domestic and foreign policies, as well as economic situations, have an impact on them. As a result, a globalising industry cannot manage to disregard the potential actions and responses of policies and events in the entire world while creating and assessing its domestic policy. This limited the government's policy options, implying a degree of policy independence in objective evaluation.

Globalisation, on the other hand, has not helped India's industrial and agricultural industries to develop. As a result, whatever progress the Indian economy has achieved in the post-globalisation era appears to be a failure when contrasted to other emerging countries such as China. As a result, the recent practice of globalisation has taught India that it should carefully choose a policy mix that allows it to seize the potential while avoiding the disadvantages. However, in order to get the greatest potential benefits from globalisation, the Indian industry must overcome a number of obstacles, including the following:

- Keeping the pace of expansion going and reaching an average annual growth rate of 9-10%;
- Simplifying company procedures and lowering entrance barriers, as well as offering investor-friendly legislation and tax systems;
- Keeping an eye on population increase;
- After China, India is the world's second most populous country.
- However, India outnumbers China in terms of density, as India's landmass is about half of China's entire land area.
- GNI per capita stays low due to rapid population expansion;
- Diversification and expansion of the agro processing sector to promote agricultural production;
- Developing industry at a rapid rate of roughly 10% per annum to incorporate not just agricultural surplus labour as well as the record number of women and youths entering the labour market each year;
- Building world-class infrastructure to accommodate long-term economic growth in all industries;
- Permitting foreign investment in different sectors.[13]

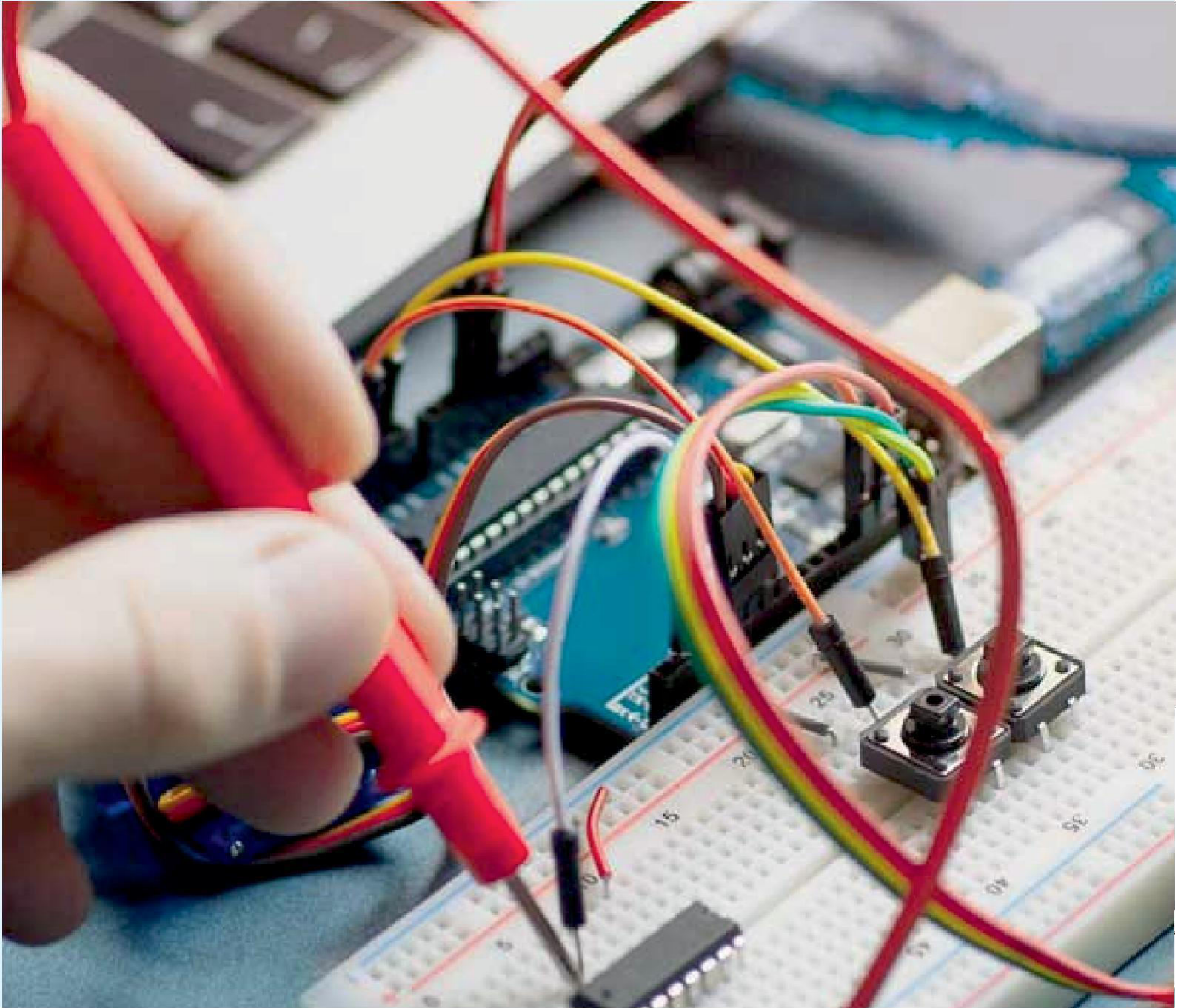


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