

PANEL: POLITICS AND GLOBALIZATION AND NATION-STATE
IMPACT OF GLOBALIZATION IN INDIA: 'POLITICS OF 50 PERCENT
ACCEPTANCE'

Dr. M. Kennedy Stephensen Vaseekaran^{1*}

¹*Associate Professor Department of Politics and Public Administration University of Madras Chepauk Chennai - 600005*

***Corresponding Author:-**

Email: vaseekaranmail@gmail.com

Abstract:-

Globalization has many dimensions including its political aspirations. Politics of globalization implies existence of a beneficiary and the supplier. In the entire transaction of business the beneficiary located in one nation state or in all nation-states of world. This paper argues that the globalization discourse in India is sustained by the argument of that globalization benefiting 'G-8' countries and so also only 50 percent of the population of India accepts. But it is being pushed through legal tangles, political trade-offs and ultimately the 'other' '50 percent' are made to accept the globalization.

INTRODUCTION:

Globalization today has attracted attention of the cross section of scholars from political economy, international relations, political science, public administration, economics, sociology and the list is expanding every day since the concept of the Globalization came to the shore with vigor in India in 1991 in the name of the Liberalization, Privatization and Globalization. The Politicians of all varieties were the first to criticize it vehemently from the stand point of the Gandhism and patriotism. Every political leader belonging to the all political parties in India in 1991 opposed Globalization as a matter of basic requirement of an Indian politician. The communists and other left wing orthodox parties were in the forefront opposing the Globalization.

Globalization has been described as the 'death knell' to the India's economy and future. The Globalization would lead to total exploitation of the natural resources and other resources from India in favour of the wealthy and powerful countries. We do not have material proof, but orally there were opinions that globalization is described as a conspiracy of the rich of the rich and poor countries against mass of the world poor. It was also argued that globalization is not about global free market and it is nowhere near local fish market. The Indian National Congress and the Bharathiya Janatha Party (BJP), which were/ are in power in the centre had difficult time to convince the voters and they form almost an alliance in defence of the Globalization in India. The Communists always claim that both the INC and the BJP are sailing in the same boat as far as the globalization is concerned. The regional parties and the other local level parties like DMK and the AIADMK and other regional parties like PMK, VCK all have took different positions on globalization, for obvious reasons that it is the Union government imposes the policies regarding the globalization in India. The local parties in Tamil Nadu like "Naam Tamizhar Katchi" "Tamilzhar Valuvurimai Katchi", pressure groups like "Poovulagin Nanbargal", "the ultra-communist out fits like "Makkal Kalai Ilakkya Kazhakam" all have vehemently opposing the globalization since 1991 and beyond. Similar such formations are visible in other states of India.

"Maoist insurgency in parts of the west Bengal, Bihar, UP, Jharkand, Chattisgarh, AP, Odisha states, CHIPCO movement of the people against cutting of the trees, Narmadha Andolen under leadership of Ms. Medha Padhkar¹, farmers protest against the KFC in Karnataka, Nandhigram farmers protest in West Bengal over the taking over of the land for industrialization. People's movements in many other parts of the India opposed globalization and the related industrialization like protest against the Kudankulam Nuclear Project in Tamil Nadu by people of that area under the leadership of Mr. Udhaya Kumar, recent developments in Kathiramanallur, against the methane extraction by the Indian Natural Gas commission, all have one way or the other opposed the globalization and exploitation of the natural resources and depriving the local population of their livelihood. Despite opposition from many quarters, how the globalization and the reform agenda have been pushed through? And how Government of India since 1991, is able to manage the situation or handled the situation is the central focus of this paper.

Review of Literature

The IMF in its brief of 2000 about the globalization: threat or opportunity? Notes that 'global markets offer greater opportunity ...but markets do not necessarily ensure that the benefits of increased efficiency are shared by all'(IMF, 2000). Considering the four aspects of globalization viz. Trade, capital movements, movement of people, spread of knowledge (technology) the IMF felt that many countries are not integrating or converging into the world economy. Citing the world Economic Outlook, the brief notes that output per capita has risen appreciably but that the distribution of income among countries has become more unequal than at the beginning of the century.(IMF, 2000).² Lalima Singh, notes the Gini Coefficient³ for real per capita gross state domestic product (GDSP) for all states has gone up from 0.209 in 1980-81 to 0.292 in 2000- 2001(Shetty, 2003). As per Economic survey 2009 -2010, Gini Coefficient had gone up to 0.368(Economic Survey, 2009-2010.p.275). Globalization has touched the upper income/ middle income strata and has not penetrated deep down to the gross roots level. (Lalima, p. 49) Lalima argues that the first major concern is the globalization leads to a more unequal distribution of income among countries. The second fear is that globalization leads to loss of national sovereignty and those countries are finding it increasingly difficult to follow independent domestic policies. (Ibid: p 49.)

Benjamin M Friedman in his review of the book "Globalization and its discontents" authored by Nobel Prize winning scholar Joseph E Stiglitz, quoting Stiglitz, that reform programme advocated by IMF to the countries approaching it for borrowing, Stiglitz blamed squarely on IMF for the failed development, and pointed out IMF as the villain. (Benjamin M. Friedman, 2002: p.3). Stiglitz complains that the IMF has done great damage through the economic policies it has prescribed, and the IMF ignored the implications of incomplete information, inadequate markets, and unworkable institutions. (Ibid, p.4) In addition, high interest rates trade liberalization, liberalizing capital markets, privatization, were according to Stiglitz, the standard prescription by the IMF. Moreover, the IMF's priority is the "fear of default". Stiglitz after considering various challenges, strongly favours for policies that favour gradualism over shock therapy. (Ibid, p.12.). Sonia and Rajeev Kansal (Sonia and Kansal, 2009) reviewed the impact of globalization on small scale industries in India and conclude that globalization had a negative impact on the growth of small scale sector measured in terms of

¹ John Felix Raj. Impact on Tribal communities. The Goethals Indian Library and Research Society. <http://www.goethals.in/felixrajarticles/impactGlobalization.html>. accessed on 12-2-2017.

² IMF (00/01).Globalization : Threat or Opportunity?. IMF staff Brief. April 12, 2000(corrected Jan 2002).

³ Gini Coefficient is a statistical device which measure inequality. A zero value means perfect equality and higher values show skewedness.

number of units, production, employment and exports. (Ibid, pp.145-146). Jha Supriya and Yerneni Vidhya (Supriya and Vidhya, 2012) described the benign effects of globalization in India. The authors note that the decline in agriculture growth from 3.2 per cent in 1980-1997 to 2 per cent after 1997 and the number of rural landless families increased from 35 per cent in 1987 to 45 per cent in 1999, and to 55 per cent in 2005. (Ibid, p.29). Meenu (Meenu, 2013) notes that while there are some positive outcomes visible as a result of globalization, such as public private partnership, competition, efficiency, effectiveness, transparency, responsiveness, accountability, people participation, business principles, specialization, Use of IT, increase in productivity, (Ibid, p.123) there are negative impacts of globalization on India administration, such as, reduction in number of jobs, negative impact of global meltdown on Indian industry, increasing number of frauds, cybercrimes, increase of internal and external security problems (Ibid, p.125). Gail Tverberg listed out 12 negative aspects of the globalization (Tverberg, 2013) Tverberg in his itemized discussion on globalization notes that globalization has major problems in practice, viz., uses up finite resources more quickly; increases world carbon dioxide emissions; it makes impossible for the regulators in one country to foresee the world wide implications for their actions; transfers consumption of limited oil supply from developed countries to developing countries' transfers jobs from developed countries to less developed countries; transfers investment spending from developed countries to less developed countries; with the dollar as the world's reserve currency, globalization leads to huge US balance of trade deficits and other imbalances; tends to move taxation away from corporation, and on to individual citizens; it sets up a currency "race to the bottom", with each country trying to get an export advantage by dropping the value of its currency; it encourages dependence on other countries for essential goods and services; and lastly, globalization ties countries together, so that if one country collapses, the collapse is likely ripple through the system, pulling many other countries with it. Easam Sariah Dora, (Easam Sariah Dora, 2016), in the analysis of the impact of globalization and farmer's suicides notes that citing Vaidyanathan(2000) that the widespread specialized state funded agricultural research centres under the Indian council of Agricultural Research and the Agricultural universities, working with and through the National Extension services, have contributed historically to the growth of agricultural productivity by specifically developing and diffusing knowledge, skills, better varieties of seed and practices. This trend reversed during the phase of economic reforms. Liberalization led to a drastic decline in the growth rate of the public spending on the agricultural research and extension. The growth rate of public spending on agricultural research and extension during 1980s to 1990-2005 has fallen from 6.3 per and 7 per cent to 4.8 and 2 per cent respectively. To compensate the decline, private sector investment in research and extension was encouraged, 100 per cent foreign equity was allowed in the seed industry, and import of seeds was permitted for research purposes under the Open General License (OGL). The Government withdrew subsidies on extension services to create a favourable field for private players in seed industry and biotechnology firms.(Ibid, pp-46-47) These developments resulted in the reduction in the availability of the agricultural support services from the state. The Planning commission in its review, that sluggish growth in Indian agriculture during phase of economic reforms was significantly caused by 'unresponsive agricultural research, nearly broken down extension and inadequate seed production, distribution and regulation (Government of India, 2005 : 197, cited in Dora, 2016).The number of suicides during the period of reforms from 1997 to 2006 the National Crimes Record Bureau (NCRB) gives statistics that as many as 166,305 farmers committed suicide in India. Dora concludes in his study that beginning of the agrarian crisis should be seen or located much earlier to the decade of globalization. In fact globalization further sharpened the crisis, led to the large scale suicide of the farmers in other parts of the India (in addition to Andhra Pradesh) in Karnataka. His own important observation is that globalization also carried the inbuilt fear of losing identify- the identity of New farmers or Market Oriented Autonomous Farmers (MOAF). Suicide is the new technique employed by the farmers. (Dora, 2016: p.50). Prasanna Kumar (Kumar, 2013) notes that globalization among other things brings about many problems including greater threat of spread of communicable diseases; MNCs have much leverage in governance; it is a subtle form of colonization etc.

The research problem

The research questions in this context is How the Government of India is able to get consensus of the majority of the political and other forces in the country despite the opposition for the globalization in India is widely prevalent. The INC and the BJP both have sole responsibility in pushing the globalization agenda in India and how they have done it? Is it possible that despite the popular opposition against the globalization movement, government would be able to implement the components of the globalization without much political loss (electoral loss)? In every issue the livelihood of the people is at stake, but, how come the government was able to go ahead with their policies without much of problem? This paper argues that the government is able to push through their agenda basically applying the technique of mobilizing the "50 per cent acceptance" philosophy through media and other sources including intellectuals, (Jagdish Baghavathi,⁴ T.N Srinivasan, Dr. Manmohan Singh, Montesingh Ahluwalia⁵) academics, (Raghuram Rajan, Subramaniam Swami, etc) and a host of auditors, editors, journalists, diplomats, spoke persons of the major political parties, cinema actors, sports celebrities, scientists, vice Chancellors, etc. An attempt has been made in this paper to study the politics of the globalization in India, particularly, the politics of 50 per acceptance among the Indian citizens.

Methodology

⁴ Eddy lee and Marco Vivarelli, 2006. *The social impact of Globalization in the developing countries*. IZA DP no 1925. January, 2006. Germany.

⁵ Stuart corbridge. (2009). *The Political economy of Development in India since independence*, in, Paul Brass ed. 2009. *Hand Book of South Asian Politics*. London:Routledge. , Terrence Byers. Ed. *State, development planning in India*.

This paper adopted explorative methodology and as a consequence, the articles, reports, documents and the opinions expressed by the above mentioned people are studied in detail. The content analysis of the documents published by the various national and international organizations are scrutinized.

The trajectory of reforms

Experts on the globalization and its impact on Indian economy, unanimously agree to each other that the economic reforms in India since 1991 have made both positive and negative impact on the Indian economy and the response of the Indian economy is not appreciably well or gradual, which is considered as good thing for Indian economy or not, scholars differ in their estimation.

The IMF for example argues that the slow growth of the Indian economy is result of Indian economy's hesitation or sluggishness in integrating with the world economy (IMF, 2000:p.12). But experts like Stiglitz argued that since the IMF ignored the implications of the incomplete information, inadequate markets, and unworkable institutions, and time and again the IMF has called for policies that conform to text book economics but do not make sense for the countries to which the IMF is recommending them.(Benjamin M Friedman, 2002: p.4). Stiglitz praise China for its recent economic success stories, and Stiglitz argues that China succeeded in reforming its economy and reducing its poverty because it ignored the IMF's advice to liberalize and privatize abruptly and instead followed the gradualist approach adapted to its own situation, which Stiglitz favours.(Ibid,p.11). In analyzing the trajectory of the globalization process or reforms in India from 1991 to 2017 a period of 26 years there are no documents or articles or expert opinions we can come across which can give a clear picture of the way the reform agendas were pushed through the political and other opposition to it in India.

Montek Singh Ahluwalia (Ahluwalia, 2002), Deputy Chairman of the Planning commission, in study of economic reforms in India since 1991, notes that 'India was the late comer to economic reforms embarking on the process in earnest only in 1991' (Ibid, p. 1). He adds that the critics of liberalization have blamed the slowdown on the effect of the trade policy reforms on domestic industry (Nambiar, et al, 1999; chauthuri, 2002: Ibid, p.1). And the opposite view is that the slowdown is due not to the effects of reforms but rather to the failure to implement the reforms effectively. He adds that the cumulative outcome of ten years of gradualism (1991-2001) to assess whether the reforms have created an environment which can support 8 per cent GDP growth, which is the government target. (Ibid, p.1). Ahluwalia also notes that the main reason why public investment in rural infrastructure has declined is the deterioration in the fiscal position of the state governments and the tendency for politically popular but inefficient and even iniquitous subsidies to crowd out more productive investment. (Ibid, p. 6). In order to push through the reform agenda, Ahluwalia argues that agricultural diversification also calls for radical changes in some outdated laws, such as Essential commodities Act, which empowers state governments to impose restrictions on movement of agricultural products across states and sometime even district boundaries and to limit maximum stocks wholesaler and retailers can carry for certain commodities was designed to prevent exploitive traders from diverting local supplies to other areas of scarcity or from hoarding supplies to raise prices. The government recognized the need for change and recently removed certain products – including wheat, rice, coarse grains, edible oil, oil seeds and sugar from the purview of the act.(Planning commission, 2001, Ibid.p.7.). Ahluwalia argues that in the financial sector reforms, which involves wide ranging reforms in banking system and notes that skeptics doubted whether government control can be made consistent with efficient commercial banking because bank managers are bound to respond to political directions if their career advancement depends upon the government. Even if the government ownership means managers of public sector banks are held to standards of accountability akin to civil servants, which tend to emphasize compliance with rules and procedures and therefore discourage innovative decision making. The unstated presumption that public sector banks can not be shut down means that public sector banks that perform poorly are regularly recapitalized rather than weeded out. *This obviously weaken market discipline, since more efficient banks are not able to expand market share.*(emphasis mine)(Ibid. p 9) He adds that if privatization is not politically feasible, it is at least necessary to consider intermediate steps which could increase efficiency with a public sector framework (Ahluwalia, 2002, Ibid, p. 10). The need for opening up the insurance sector to private was recommended by an expert committee, Malhotra committee in 1994, but there was strong political resistance. It was only in 2000 that the law was finally amended to allow private sector insurance companies with foreign equity allowed up to 26 per cent. As far as privatization is concerned, india has been ambivalent on the subject until very recently. Initially the government adopted a limited approach of selling a minority stake in public sector, known as "disinvestment". In 1998, the government of India announced its willingness to reduce its shareholding to 26 per cent and transfer management control to private stakeholders purchasing a substantial stake in all central public sector enterprises except in strategic areas (ibid, p. 11) The first such privatization occurred in 1999, when 74 per cent of the equity of Modern foods India ltd(a public sector bread making company with 2000 employees), which was followed by BALCO, a aluminum company, Hindustan Zinc, computer maintenance corporation, Lagan Jute Machinery Manufacturing company, several hotels, VSNL, IPCL,a major petrochemical unit, Maruti Udyog etc., From the experience of the government on privatization of the public sector units, it has been realized that public support for selling public sector enterprises that the making losses or not doing well is high But there are little support for selling public sector enterprises that are making large profits such as those in the petroleum and domestic telecommunications sectors, *although these are precisely the companies where privatization can generate large revenues. These companies are unlikely privatized in the near future.*(Ahluwalia, p.11). Ahluwalia suggests that an important innovation which may increase public acceptance of privatization is the decision to earmark the proceeds of privatization to finance additional

expenditure on social sector development and for retirement of public debt. Privatization is clearly not a permanent source of revenue. (Ahluwalia, p. 11). He argues that the critics often blame the delays in implementation and failure to act in certain areas to the choice of gradualism as a strategy. Gradualism implies a clear definition of goals and a deliberate choice of extending the time taken to reach it , in order to ease the pain of transition. *This is not what happened in all areas, the goals were often were indicted only as a broad direction, with precise end point and the pace of transition left unstated to minimize opposition and possibly also to allow room to retreat if necessary. This reduced politically divisive controversy and enabled a consensus of sorts to evolve , but it also meant that the consensus at each point represented a compromise , with many interested groups joining only because they believed that reforms would not go too far.* (Ibid, p. 12) the result was a process of change that was not so much gradualist as fitful and opportunistic . *Progress was made as and when politically feasible but since the end point was not clearly indicated ,many participants were unclear about how much change would have to be accepted , and this may have led to less adjustment than was otherwise feasible.* , Ahluwalia surmises that the alternative approach would have been a more thorough debate with the objective of bringing about a clearer realization on the part of all concerned of the full extent of change needed, thereby permitting more purposeful implementation. However it is very difficult to say this approach would have been successful or whether it would have created gridlock in india's pluralist democracy. India witnessed a halting process of change in which political parties which opposed particular reforms when in opposition actually pushed them forward when in office. (referring to BJP and INC). The process can be aptly described as creating a strong consensus for weak reforms. (Ahluwalia , 2002, pp.12-13.)

Protiti Roy (Roy, August , 2009) notes that the Indian National Congress headed by Prime Minister P.V. Narisinha Rao announced its decision to liberalize, privatize, and globalize the Indian economy. The opposition reacted strongly to the policy and described the policy as far too radical for what the compulsions of democratic politics would allow. The INC assured that the policies have to led to a substantial increase in the growth rate of the country and has brought a major segment of people above the poverty line. The INC also claimed that is was manner in which the reforms were carried out that made a big difference to their rate of success.(INC, 2008 Ibid, p.2) Roy notes that a major factor in the continuing success of the economic reforms through the regimes of many different political parties , have been the directional convergence of all these parties towards the same economic goals(Tendulkar and Bhavani, 2008, Ibid p.2). They all maintained the economy's orientation towards the free market and encouraged globalization.(Ibid, p. 2). Roy argues that the parties in the opposition lived up to the role of "opposing" the government. All parties when in opposition vehemently criticize the policies of the government. The debates in Parliament and the manifestos of most major national parties have always argued over the minor details of economic policies rather than objecting to the idea of reforms as whole. (Ibid, p. 3) Roy compares the manifestos of the BJP and the INC for the 2004 Parliamentary election, where both the BJP and the INC essentially guaranteed the same things though their promises were worded very differently . the BJP had opposed the Congress government policies of external liberalization in the early 1990s but after it came to power in 1998 to 2004, it promoted external liberalization and announced measures that aimed at attracting private foreign investment on a large scale. (Ibid. P. 2). Similarly , the Communists have passionately opposed liberalization policies and termed them as abject surrender to the IMF. However when the United Front government came to power from 1996-1998, the left wing parties supported them all through their policies regarding financial sector liberalization , disinvestment and foreign investment. How come all the governments who have come to power in the centre have supported the reforms? One possible explanation given by Roy is that after the Narashima Rao government all other governments till 2014 elections have been coalition governments supported by a number of ideologically neutral regional parties.(Supra Note 18, Ibid, p. 3) .

Another very prominent author and academic Stuart Corbridge of the London School of economics , reviewed the political economy of development in India since independence in an article he contributed to the Hand Book of South Asian Politics, edited by Paul Bras. (2009). The article among other things discussed and analyzed the contradictions of development in India. Quoting Atul Kohli, that the governments of Indira Gandhi and Rajiv Gandhi (1980-1989) began to tilt economic policy more clearly in the direction of big business.(Atul Kohli, 2006, in, Corbridge, 2009). Nevertheless, the strongly anti-capital rhetoric Indira Gandhi had deployed in the 1970s was toned down. (Ibid, p. 11) Corbridge argues that even the Communist party of India (Marxist) CPI(M) came to embrace liberalization. In March 2007, 14 people were killed in Nandihigram after the ruling Left Front government in Kolkata instructed the CPM cadres and the police to break resistance to their plans to expropriate 10,000 acres of local farming land.(Ibid, p.15). The Left Front government argued that a linked group of chemical works in Nandigram would create up to 10000 jobs in West Bengal. Corbridge notes that reforms in India even though pushed from the national capital to the states, it is also necessary to understand the underlying forces that are responsible for the pushing of the reforms through the opposition and through the teeth of opposition. Corbridge surmise that it is not simply that power is being leached from New Delhi to state capitals, it is also becoming clear that modernizing elite in India, pushed on by big business and the international community, but ably fronted by a band of far sighted technocrats , first used the " politics of crisis" and later the " politics of success" to create a climate for ongoing reform that is nonetheless at odds with market fundamentalism or the Washington consciousness.(Corbridge, 2009, p. 17.) Corbridge notes that the reform agenda in India can be criticized for its partiality and unevenness even for its slow speed , it can also be hailed as a success story that has avoided the pitfalls of the big bang approach to liberalization.(Paul Brass, 1990, p. 17).

Here Corbridge observes the very significant part of the discussion on reforms that , “ a lot of progress has been made by stealth , and this has involved all manner of deals between different members of India’s business elites. But the reform process in India has also been advanced by the careful building of coalitions and by the bringing on the side of politicians as well as “ rent seeking” elites in the states, those people in other words , who had benefitted most in the hey day of the Permit- License Quota Raj and who might have been expected to slow it down. (Corbridge, 2009, p.18.) As Corbridge concludes his argument that all leading political parties in India support the agenda of economic reform. There is a growing sense that india’s reform agenda is being driven by a culture of success rather than by the politics of fear or necessity.

The fruits of the initial success have gone overwhelmingly to india’s elites and its urban middle class , upper castes as always bound to be case. The challenge is to move from a reform agenda inspired by the elites in revolt against the Permit- License –Quota Raj , to poor oriented .(Corbridge, 2009. P. 24.)

Conclusion

The globalization process which came as a part of the reform agenda of the Indian National Congress government in 1991. The Prime Minister Narashimha Rao and the finance minister Dr. Manmohan Singh, who later became Prime Minister for two terms heading United Progressive Alliance (UPA) were the architects of the reforms , liberalization, Privatization and globalization. The three articles published during the period from of reforms 1991- 2009, dealt with whatever data , arguments put forth during the period about globalization. In the parliamentary election of 2014, the BJP winning majority seats in Parliament formed the government under Prime Minister Narendra Modi. The Prime Minister Narendra Modi government added some aspects to the reforms or globalization in India, which were left open by the UPA governments during their tenure (1999-2014) of two terms. The main issues of 2014 parliamentary elections were the large scale corruption, scandals in awarding of contracts to the private companies, the circulation of unaccounted monies , nearly total collapse of the state machineries etc.,. The way Narendra Modi’s government dealt with the issues in the management of reforms needs some time to study because of the fact that, the Prime Minister Narendra Modi visits to various countries in Europe, America, East Asia and also other neighboring countries and the make in India programme, inviting Foreign Direct Investments(FDIs) to India, introduction of Goods and Services Tax (GST), demonetization of some of the high denominations of Indian currency etc.,. have all bearing on the government’s reform agenda. It is premature to contemplate the impact of the various programmes of the Narendra Modi’s government. There is a possibility of overstating or understating current issues . Hence this paper confine itself to the earlier periods.

The IMF and the article of Montek Singh Ahluwalia have agreed at one point that reform agenda prescribed by the IMF and the world bank have benefitted the Indian Economy to some extent and not full extent, because of the gradualist approach adopted by both the INC and the BJP during their tenure of office. Both did not find fault with the reform agenda or globalization process but with stake holders , political parties, trade unions etc., The problems of the globalization or the impact of the globalization and the reforms in various sectors were highlighted by many scholars , which we have mentioned elsewhere in the paper. The problems raised by the stake holders in their own areas viz., agriculture, small scale industries, health sector, financial sector, capital markets, etc were viewed as problems to be settled than to be realized and recognized.

The article of Protiti Roy dealt with the problems of agitations against reforms and globalization at the level of major political parties, Parliament, cabinet. But the real struggle against the reforms and globalization were held at the field level . Ahluwalia , when he mentions about the public support for privatization of the public sector enterprises, he states that “ public support for the privatization of loss making enterprises is very high, whereas , public support for profit making public sector enterprises was very low and there were stiff opposition from the opposition and trade unions and also the wider public. One explanation for this is that the INC government in 1991, when introduced the reforms promised that the only loss making enterprises would be sold to the private companies and the proceeds of which would be allocated to the social sector. The voters simply raised this issue at the field level. Prititi Roy’s analysis is that both BJP and the Communists, once opposed the reforms , later themselves changed their position and become supporters of the reforms, when they were power. Roy also reasons that after 1991 parliamentary elections, all the governments formed at the centre , where the major parties did not majority and were all coalition governments, who do not have any position on the issue. However this argument, how far tenable we can not say, because , the question whether the coalition partners demanded reform agenda to continue or discontinue? There were no clear indication to this in the literature.

Stuart Corbridge’s article on political economy of development in India since 1947, discussed the trajectory of development and the main actors in the process of development. His own framework that behind the political actors, modernizing elite, pushed by big business , far sighted technocrats , first used the “ politics of crisis” (depletion of foreign exchange in 1989-90, loss making PSEs , inefficient bureaucracy, excessive bureaucratic control(licence-inspector Raj) etc. and after reforms in 1991, the initial success realized in foreign exchange reserves, stabilization of growth and increase of growth rates, management of banking sector, financial sector, was again used by the used by the same set of people , this time with the strategy , “ politics of success” to create a climate for ongoing reforms. Corbridge’s frame work of “ Politic of crisis” and the “ politics of success” seem to be explaining the theme at hand that politics of “ 50 per cent acceptance”. Beyond, elites, technocrats, many supported at symbolically to the reforms such as academia, media persons sports personalities , film celebrities. It is yet not known what are the impacts of the globalization on various sections of the society, which have to be dealt with in detail in future research studies.

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