



# THEORISING THE TRANSITION OF GLOBALIZATION AND SOCIAL TRANSFORMATION IN INDIA

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## ABSTRACT

Globalization is gradually transforming our culture and self-image. In India, economic reform is the driving force of globalization. This paper is an attempt to theorize the transition of Indian economy and analyze the process of economic liberalization. An attempt to differentiate between globalization as a process and as a project is also an aim of this paper. While the economic reforms of the 1990s stimulated growth, its direct beneficiaries were the relatively affluent urban dwellers. Social reform has lagged behind economic reform. The paradigm shift in the Indian planning from growth with stability and social justice to neo-liberal development is traced. This is linked to the theoretical discourses on globalization and their applicability in the Indian context.

**KEYWORDS:** Globalization, Glocalization, Liberalization

## Introduction

When Marx and Engels (1848) tried to give a vision of unified world capitalism through their political slogan: "Workers of the world, unite", they were very close to the theme of today's theorists on globalization. They were among the first thinkers to treat the international economy as a dynamic category, in which both regions and states were affected by international trends. Thus, globalization as a process has a long history but globalization as a project of the North to capture the markets of the South is comparatively a new developmental strategy. When the World Bank in 1996 had to justify the introduction of the market into the countries of the former Communist bloc, it is ironical that it chose a passage from the same Communist Manifesto in which the young radicals Marx and Engels had recognized the radicalism of the new capitalist order: "... The need of a constantly expanding market for its products chases the bourgeoisie over the whole surface of the globe. It must nestle everywhere, settle everywhere, and establish connections everywhere". This was the time, as early as 1848, when the globe had become a part of discourse on society and culture. It implied a generic transformation of the world. Today when we talk of historical transformation, globalization,

through liberalization and economic reforms, emerges as the main process causing change. The most important issue which dominates our socio-political, cultural and economic horizon is that of globalization. Economic globalization has a long history; in its commercial age, it was nation-based and the produce was generally according to the needs while its benefits trickled down to the masses. With the advent of capitalism, its character changed. Production became unplanned. When it accumulated in excess, markets slid down into depression in cyclical fashion every 25 to 30 years. Economic globalization can be best seen as the more advanced form of capitalism.

Liberalization and globalization came to India through the economic reform and is gradually transforming our culture and self-image. Capitalism worked hard at the promotion of neo-liberal policies and finally succeeded. This paper proposes to theorize the transition of the Indian economy and situate the process of economic liberalization in India in its wider context and in a long-term perspective. The structural shifts within the World economy had implications on the process and the nature of India's integration to this global system. Contemporary globalization became a neo-liberal, political project characterized by the dominance of neo-liberal capitalism, leading to an increase in the speed and intensity of global flows.

The theories and discourses on social change and transformation till 1970s and 1980s were largely associated with industrialization and the gaps between the rich and poor nations. Marx and many other scientists discussed the Industrial and French Revolutions and their social ramifications. Some influential global paradigms in Sociology on social transformation were: Modernization Theory which propagated an urban, industrial milieu for modernity; Dependency Theory postulated that underdevelopment in the periphery was the direct result of the historically evolving structures of capitalism; the World System Theory viewed nations in relation to their placement within a global division of labor between core, periphery and semi-periphery. The new literature on globalization moves beyond the poor versus the rich nations and lays emphasis on how inter-connected and integrated the world has become. The early 1970s breakdown of the Bretton Woods System of fixed exchange rates and national controls of capital flows marked a major watershed in the globalization of trade, finance and investment.

### **Beginning of Global Society**

The recent history of liberalization in India can be located within the longer history of global capitalism. The Great Depression of the 1930s and the destruction during Second World War were followed by a new phase of capitalism. The Depression marked the end of British economic power. America defined the terms of post-war reconstruction. By the 1970s the post-war boom was over, and the American economy faced a crisis. The United States had sustained its military expenditure and international commitments through monetary expansion, which led to inflationary pressures. Subsequent efforts at monetary regulation, i.e. increasing of interest rates and restriction of money supply to curb inflation slowed down the economic activity. While the recession of the 1930s destroyed British hegemony over the world economy, politico-economic developments during the 1970s and early 1980s questioned the basis of American power. The 1980s became a period of re-negotiation of international economic order. These shifts in the structure of world economy and the trends towards globalization crucially affected the third world. International finance, an important mechanism of global integration, came to define the cycles and rhythms of the new international order. The multinational corporations and the financial institutions, like the IMF and the World Bank, started playing a major role in defining the shape of the global order and the internal economy of debtor countries like India.

## Developmental Path of Indian economy

The people of India, after independence, voted for democratic planning and a mixed economy model of development. Jawahar Lal Nehru went with a planned economy because soon after the epic independence struggle, people would have not accepted another form of colonization. The term 'permit-license quota Raj' was used to describe the system of the State-directed economic development planning instituted under Nehru. India took to the middle path of "growth with equity" which was sought to be achieved through a growing and dominant public sector covering the basic strategic and core industries. The State's catalytic, participatory and regulatory role in bringing about planned socio-economic development of the country matched the blossoming and growth of the public sector into a pivotal sector of the Indian economy. The move toward liberalization of the Indian economy and dismantling of Nehruvian State-directed Planning took place under Indira Gandhi, with some relaxation of price controls, import restrictions, and creation and expansion of industries. Rajiv Gandhi seemed much more favorably inclined to free market principles and began a process of liberalization of the system of import controls and "licensing regulations" as well as limitations on the expansion of existing industrial enterprises. There was a sudden spurt in industrial production in the sphere of consumer durables followed by a corresponding "consumer boom". For a while, it appeared that the Indian economy was on a new growth path, but it was short-lived. India had to turn to the World Bank and the IMF for help. India managed to do without this help very soon and then embarked on a course of cautious liberalization. What was started under Indira Gandhi in the early 1980s was taken further by Rajiv Gandhi in the second half of the decade. It was christened as India's "New Economic Policy" to take the country into the twenty first century. The New Economic Policy was intended to revive Indian industrial growth which, after the impressive performance in the fifties and early sixties, had virtually stagnated. The liberalization of the 1980s had resulted in jobless growth, declining employment and a huge debt. This was a period of intermittent incremental liberalization. The external debt crisis, which surfaced in early 1991, brought India close to default in meeting its international payments obligations. The balance of payments situation was almost unmanageable and the rate of inflation was high. The underlying fiscal crisis was acute. It was the outcome of persistent mistakes in economic policy that accumulated through the 1980s. Fiscal deficits, met by borrowing at home, mounted steadily. Further, the receipts from foreigners, in hard currencies, like the US dollar, were less than payments to foreigners, leading to current account deficits in the balance of payments. It led to borrowing abroad which grew larger steadily. The internal imbalance in public finance led to a rapid accumulation of internal debt that the government owed to its people. Besides the economic factors, there were some political factors also which had a bearing on the economic crisis that surfaced in June 1991. According to Jalan (1991), the breakdown in law and order following the announcement of implementation of the Mandal Commission report, the Ram Janambhoomi-Babri Masjid conflict in Ayodhya, and the fall of the V.P. Singh Government in November 1990 contributed to the dismal ethos.

## Economic Reforms since 1991

The Government of India adopted policies of globalization, liberalization and market economy in the wake of the serious economic crisis that enveloped the country by the middle of 1991. This crisis led the government, in June 1991, to pursue the New Economic Policy (NEP), based on stabilization and Structural Adjustment Programmes (SAP) in which, in return for loans, the Government of India undertook to reduce its role in the economy through a policy of liberalization, deregulation, privatization and globalization. There were two distinct analytical steps to these reforms:

(1) A macro-economic stabilization programme (IMF inspired) essentially focusing on reducing the twin deficits in balance of payments and in the State budget in the short run.

(2) Structural Adjustment Programme (World Bank inspired) in the fields of trade, industry, foreign investments, public sector and financial sector.

Structural adjustment and reform seek to shift resources from the non-traded goods sector to the traded goods sector and within the latter from import-competing activities to export activities, and from the government sector to the private sector. Apart from such resource allocation, structural reform also seeks to improve resource- utilization by:

- (i) Increasing the degree of openness of the economy; and
- (ii) Changing the structure of incentives and institutions in favour of private initiative and against state intervention.

The general economic philosophy was to rely more on market forces, dismantle controls as far as possible by relying more on prices and winding down the public sector in the hope that the vacuum would be filled by the private sector (Bhaduri and Nayyar 1996: 33). In conformity with the “Washington Consensus”, the Government of India embarked on a wide-ranging reform of the policy regime beginning in July 1991. The resultant structural policy changes were in relation to the industrial sector, the trade regime, foreign investment, foreign technology, the public and the financial sector. These structural reforms implemented by the government represented a radical departure from the development strategy of the past four decades.

The reform process, which began in early 1990s, was not India’s first experiment with economic liberalization. The first attempt was a short-lived episode of hesitant liberalization in the mid-1960s, which coincided with substantial devaluation of the rupee. The second endeavor was in the late 1970s with a focus on trade liberalization in a comfortable balance of payments situation. The third attempt was the package of economic policies introduced in the mid-1980s when liberalization of trade regime gathered momentum and the process of industrial de-regulation was set in motion. These liberalization episodes were perceived as correctives for an industrializing economy in transition but did not contemplate any fundamental changes in the objectives or the strategy of development. However, the changes in 1991 were significant enough to be characterized as a shift of paradigm.

It is worth highlighting the three dimensions of the contrast between the past and the present. First, focus on efficiency and growth in the economy rather than on growth with social justice as in the past. Secondly, reducing the role of the State in the economy as it had led to inefficiencies, and placing a great reliance on market forces in the process of economic growth and development. Thirdly, integrating the Indian economy into the world economy, as this would bring in competitive pressures to force Indian firms to modernize and upgrade their technologies. This would lead to benefits of specialization based on international division of labor and make the latest products available to the Indian consumer who had, till date, put up with shoddy local goods. It was deduced that, in due course, the difference between Indian and world prices would disappear as India became completely integrated into the world system of production. The paradigm shifts in the Indian planning from “growth with stability” to “growth with social justice” to “empowerment with development” and finally to “neo-liberal development” is clearly perceptible. The core of the new paradigm of neo-liberal development is that economic activity should not be guided by physical controls or State intervention. Instead, decisions about investment, production and consumption should be based on relative prices and the market mechanism. Further, world prices are to be the basic determinant of resource allocation. The consequent restructuring of the economy, it is presumed, would impart both efficiency and dynamism to

the growth process. Rapid economic growth, it is hoped, would lead to an eradication of absolute poverty. Hence the salient features of the new economic reforms are:

1. Export promotion as against import substitution.
2. Reliance on the market in place of direction by state.
3. Prominence of the private sector instead of dominance of the public sector.
4. Openness for international economy to foreign capital rather than an accent upon protected domestic activities.

The process of economic reform is generally either “strategy-based” or “crises-driven”. The reform process in India did not become strategy-based. It was neither shaped by the economic priorities of the common man, nor did it have a long-term view in terms of development objectives. It was crises-driven. Economic reform, which is crises-driven, irrespective of whether the crises is an external shock or an internal convulsion, is more difficult to sustain and less likely to succeed.

### **Theorizations on Globalization**

Globalization is the new regime of tempo-spatial connectedness and joining of societies and nation-states. It strives to make the world as its market where all the people are being brought as buyer and seller in unequal terms. Held et al. (1999) identify three theoretical positions in relation to globalization, those of the hyperglobalisers, the skeptics and the transformationalists. Hyperglobalisers argue that globalization is a real and powerful phenomenon and represents an unprecedented change in recent years and that global flows have undermined the existence of the nation-state. They are primarily concerned with politics and power. Sceptics like Hirst and Thompson argue that the idea of globalization is overrated and that the current levels of inter-connectedness are not unprecedented. Some skeptics focus instead on the process of regionalization which is an intensifying activity within major financial and trade groups. Transformationalists see globalization primarily as a social phenomenon and analyze it in terms of qualitative change that is transforming many aspects of the current global order but agree that the old patterns still remain.

An analysis of some of the approaches to globalization and their applicability in the Indian context is needed. Wallerstein (1974) has stressed the centrality of capitalism to the process of globalization (both past and present). For him, the logic of historical capitalism is necessarily global in reach. The entire globe is operating within the framework of singular social division of labour called the capitalist world economy. The world economy is conceived as having a distinctive, unequal structural arrangement with core, semi-peripheral and peripheral areas, each of which has a specific functional role in sustaining an overall integrity of the system. The economy, therefore, embraces both processes of global, integration and fragmentation, which produces instabilities and contradictions. This dichotomy, Wallerstein believes, will eventually lead to its collapse. Giddens (1990) and Robertson (1992) conceptualized globalization in terms of cultural economy perspective, that is, as a process of historic progression of the world. Instead of a single causal logic, they stress the multiple causal logics of globalization as a historical process. Giddens stresses on the four discrete and intersecting dimensions of globalization: capitalism, industrialism, surveillance and militarism. He considers globalization as a consequence of modernity. It involves “time-space distance” and “dis-embedding” of social relations. The increased interconnectedness leads to reflexivity i.e increase in global awareness and consciousness. Even in India, especially in the urban areas, social activity is constantly informed by flows of information and analysis which subject it to continuous revision. Global migrations, both legal and illegal, have forced a rethinking of the concept of citizenship. The notion of dual citizenship, which former Indian

Prime Ministers A.B Vajpayee and also Manmohan Singh promised in the Pravasiya Bhartiya Diwas, is the result of such reflexive processes in India.

The world is being increasingly characterized by extensive connectivity or interrelatedness and extensive global consciousness, a consciousness which continues to be more reflexive. Robertson (1992) defines globalization thus: “Globalization as a concept refers both to the compression of the world and the intensification of consciousness of the world as a whole; both concrete global interdependence and consciousness of a global whole in the twentieth century”. The first part of the definition, global compression, refers to the arguments of theories of dependency and world-systems. It implies the increasing level of interdependence between national systems by way of trade, military alliance and cultural imperialism. For Wallerstein, the globe has been undergoing social compression since the 16th century, but Robertson asserts that its history is much longer. India has always had trade relations and cultural exchanges with people away from the “geographical expression” called India. We have redefined and relativized our culture and society over a period of time because of these contacts. Contemporary globalization, which initiated because of economic reforms, has deepened and intensified the contact. The essential character of globalization resides here in the consciousness of the global i.e. consciousness by individuals of the global situation, specifically that the world is an arena in which we all participate. Robertson illustrates the essential processes of relativization involved in the progression toward the experience of globality. India is also witnessing the relativization of societies and the Indian State is becoming increasingly regulatory rather than being interventionist. Based on Robertson’s arguments of two interpenetrating processes, India is also witnessing the universalization of particularism (as in the nation-state) and the particularization of universalism (the appropriation of the universal in local contexts, such as unisex wardrobe and Valentine’s Day celebrations in India). Robertson’s concept of “glocalization” explains many such phenomena in India. There is a reassertion of local identity, culture and economy with demand for protectionism and religious revival. What Shiv Sena is asking for in Maharashtra is an example.

Giddens (2000) also talks of tension between local revivals and globalization when he talks of fundamentalism vs. cosmopolitan tolerance. McDonald’s in India is another example of how globalization has become localized. Beef and pork burgers are not sold in India for obvious reasons. Even pizzas in India are sold with typically Indian garnishing. While trying to understand the global culture, Appadurai (1996) talks about “ethnoscape”, i.e. landscape of persons who constitute the shifting world in which we live: tourists, immigrants, refugees, exiles and other moving groups and persons. He talks about “technoscape”, i.e. the global configuration of technology that moves at high speeds across various kinds of previously impervious boundaries. He also talks about “mediascape”, which refers to the distribution of electronic capabilities to produce and disseminate information, as is now available throughout the world. Ideoscape means flow of ideas and ideologies. The point that Appadurai wants to make is that the combination of ethnoscape, technoscape, mediascape and ideoscape lead to the globalization of culture. Appadurai considers globalization as disjuncture, where the global cultural system produces a vision of cultural confusion and chaos. It can be argued that it is not disjuncture or disorder but continuity in the form of creolisation and change of cultural identities. Mingling of cultures leads to fusion and new products (Hannerz, 1992). Take the example of Hinglish, a language formed by the mixing of English and Hindi languages; an example of cultural hybridization in India. The de-territorialized Indian ethnic diaspora in the Silicon Valley in the US and Keralite plumbers and waiters in Dubai acquire transnational cultural traits leading to the process of cultural hybridization.

Castells (1996) argues that globalization and informationalism have contributed to a new experience of time and place in the network society of the “Age of Information”. This borderless and timeless society creates changing networks of social interaction and produces new social relationships. This can be applied in analyzing the Indian context. The internet, the mass media and ICT in India have dissolved boundaries, got people closer and changed the social interaction pattern, now based more on capital and symbols. They have produced new virtual and electronic relationships on social networking sites. Technological advances have altered the social and economic life completely. Oommen (1998) talks of the cultural impact of globalization and the “birth of a New World Society”. According to him, the consequences of globalization could be discerned through four interrelated processes - homogenization, pluralization, traditionalization and hybridization. The process of homogenization of cultural patterns and institutional arrangements initiated by the revolution in transport and communication, accelerated by the modernization project, climaxed with the onset of globalization. In the cultural context, homogenization manifests in evolving a common lifestyle and consumption pattern, i.e. dress (for example, jeans), food (for example, McDonalds), music (for example, popularity of Michael Jackson). However, homogenization is more visible in certain other contexts: nuclear family, monogamous marriages, parliamentary democracy, private property and western technology. The homogenization process is characterized by the displacement syndrome, i.e. movement towards homogenization is taking place through the process of displacement. For example, South Indians are wearing pyjamas and not just lungi. Some of the old elements are displaced but some others are retained and new elements are added. Oommen also talks of the process of pluralization accompanied by Accretion Syndrome. Pluralization concedes and commends the co-existence of a variety of consumption and institutional patterns. For example, along with Mc.Donalds, other modern varieties of junk food and along with Michael Jackson, other recent styles of pop music have come to be accommodated. Thus, pluralization created a space for a variety of life-patterns and institutions, i.e. accretion. The hegemonizing tendency of globalization gives birth to a loss of meaning and an erosion of identity to the non-west. This leads to the resurrection of roots, a search for identity, a process of traditionalization accompanied by a revivalist syndrome. Globalization, thus, proffers fundamentalism. Finally, Oommen, talks of the process of hybridization with ‘mutation syndrome’. The crossbreeding of the traditional and the modern, the local and the global, gives birth to hybridization which creates new cultural elements and social patterns which are neither traditional nor modern, neither local nor global. These four processes, operating independently and in interaction give birth to a new world society. It is not a movement from tradition to modernity, simplicity to complexity, and heterogeneity to homogeneity, but it produces new permutations and combinations giving birth to variety and pluralism.

### **Social and Cultural Consequences**

All countries which have adopted neo-liberal policies follow the IMF line which thrusts export promotion at the cost of real development and import substitution. Structural adjustment is an essential part of the program and leads to misery and food riots. IMF has a record of leaving devastation behind in Africa and Asia. Neo-liberals never worry about the welfare of the poor or about culture or ecology. The Economic Reforms in India integrated India with the rest of the world market and liberated it from constraints of time, space and currency. It brought about changes in patterns of communication, technology, production and consumption, which in turn led to gradual transformation in caste, tribe, family, village and occupational structure or, to put it generally, the way in which people live and work. This is because people, capital, goods, information and images are flowing around the globe at an intensified speed. Appadurai’s cultural flows, in terms of ethnoscaples, mediascaples, financescaples, technoscaples and ideoscaples, are happening in India. This is erasing diversities of our culture and transforming our thought systems. Coke, McDonalds, Nike, Ford and

other international products are being consumed by the middle and upper class Indians. All these are not causing homogenization but giving rise to a *mélange* culture, leading to a postmodern world of differences, disjuncture, new social movements and pluralization.

### **Widening Disparities and Violence**

Liberalization has often been identified as a new form of economic imperialism of technologically advanced, richer and stronger nations as against the relatively underdeveloped, poorer and weaker ones. Liberalization as a policy is not congenial to poverty-alleviation but often leads to poverty-perpetuation through various forms of exploitation. While the economic reforms of the 1990s did much to liberalize and stimulate growth, the direct beneficiaries were the affluent urban dwellers. Social reforms have lagged behind economic reforms. The trajectory of development with the LPG model now has created two Indias – one that has access to modern state, technology, market and the other which is way behind. With the withdrawal of the State in education and health sectors, the divide between the two Indias has increased, creating crises. It has resulted in social oppression and brutalization of the poor. India seems to be distancing itself from the Gandhian principles of bridging the gap between the metropolis and the countryside. The chasm between the glittering upper class lifestyle of cities and rural poverty is increasing day by day. The widening of regional and interstate disparities during the 1990s, despite overall economic liberalization, highlights the importance of strengthening slow-growing states. Wealth is generally more concentrated in urban rather than rural areas where the majority of Indians live. Economic growth also tends to be higher in wealthier states in the south and west such as Gujarat and Maharashtra than poorer states like Bihar, Orissa, and Uttar Pradesh in the north and east. Investment naturally flock to the more developed regions equipped with infrastructure advantages. Additionally, with mounting pressure from internal migration from states like Bihar, investing in human development and poverty reduction in states left behind, is key to enhancing a national stability that allows liberalization and growth to proceed simultaneously.

Besides inequality and exclusion, another darker side of globalization is violence. It leads to violence of all kinds – physical, in terms of displacement of people by developmental projects and also ethnic upsurges (creation of Special Economic Zones and land acquisition has led to more Maoist violence) (Pandey 2010), against children, in the form of child labour; and against women, minorities and the marginalized sections of society. Urban middle class India has benefitted from the fast growth of white-collar jobs in IT sector, but the blue-collar jobs in India's manufacturing sector have grown only marginally. This has caused widening disparities not only between classes but also different sectors of the economy, leading to social crises. There are many unintended consequences of India's technological growth, leading to a risk society which Beck (1992) had talked of. Besides global environmental risks (for example, global warming) and health risks (GM food), the contemporary social life has been witnessing a series of changes leading to social crisis, such as erosion of traditional family norms, many unconventional jobs and heightened job insecurity, multi-cultural identity amidst global signs and images and shifting employment patterns. All these are socially disruptive and bring tension to the fabric of society.

### **Income Inequality and Brewing Tension**

Globalization gives a premium to people with high levels of education and entrepreneurial skills, who are better equipped to survive and succeed in a competitive world. As a consequence, the unskilled labour, uneducated workers and marginalized population are likely to benefit less in a more competitive economy, with both public and private players in the market. The economic reforms have meant loss of livelihood to many people in traditional jobs like rag-picking (because of import of waste paper from developed countries), silk-spinning (because of Chinese thread and yarn), vendors and hawkers in cities (because of FDI and super-

markets) etc. Thus income and wealth inequality is amplified. If economic growth is to continue, employment opportunities must be made available to India's rural poor. India must strengthen labour-intensive industries like manufacturing if it is to reduce poverty and increase growth in rural areas. Fewer workers are being employed in the agriculture sector as the use of machinery and labour-reducing cropping techniques have increased. Only around 0.1% of India's population are benefiting from employment in India's rapidly growing outsourcing, IT, and services industries. In the globalized version of capitalism, people of the countries where corporations are headquartered, are also ignored through outsourcing since wages in countries such as India, China and the Far East are very low and the difference goes into the corporate pockets. The lives of these IT professionals, business executives and managers have become very stressful because of excessive pressure to efficiently perform and compete in this 'hire and fire' environment.

## Digital Divide

Social transformation is happening because the economic reform measures have affected the lifestyle of the Indian urban middle class (Pandey 2010). It is believed that they would gradually percolate down to the villages. Globalization provides a useful means to develop technologies necessary for production of goods and services that improve our well-being. The new economy focuses on technological progress, increasing opportunities and increasing use of computing and information technologies. The internet access is differentiated by location, social class, gender, ethnicity, age and education, collectively referred to as 'digital divide'. (Castells, 2001). The Information, Communication, Technology (ICT) plays an important role in shaping uneven development within the economy. In India the development of the "shrinking world" due to "time-space compression" has led to new social divisions between those who have access to ICT and those deprived from it.

## Undermined Reservation Policy

While caste is often portrayed as a feature of fading importance in Indian life, concentrated mainly in rural areas, the caste system continues to assert itself through social inequalities and voting patterns. Efforts to address caste inequalities by affirmative action have been mixed and are confined to the shrinking public sector. The increased competition of economic liberalization has worked to further undermine caste privilege in business circles by creating the need to hire, based on merit rather than caste. Although there is an ongoing debate to introduce reservation policy for the marginalized castes in the private and corporate sectors, nothing substantial could be done because of the fierce resistance from other castes.

## Conclusion

Economic reforms in India in pursuit of globalization have made the country a consumer society. There is also a growing culture of consumerism and a commodification of culture (Pandey 2010). Indian urban life has been transformed with a new-found consumer spirit and the burgeoning information technology industry. While the social consequences of this consumerism boom are frightening enough, the environmental implications are also serious. The rapid rise in production of luxury goods has serious ecological consequences from resource extraction (mining, tree-felling, etc.) to production (pollution, working hazards, etc.). Besides consumption, environmental impacts are too felt in the increasing wastes, which are generated. In this respect, the phenomenal rise in the use of plastics, detergents, and other non-biodegradable or hazardous materials in the last few years are alarming. Thus, the economic reforms in India accelerated flows and connectedness of people, goods, technology, information and capital. At the same time, globalization has intensified exclusion, marginalization, and disconnections among different classes of people and regions. Different people are looking at the reforms from their own perspectives. The upper class is very happy with

the ongoing reform process. They have more televisions, more channels on cables, more imported goods and so on. Nobody is ashamed of conspicuous consumption any longer. The middle class is seeing this as an opportunity of its advancement to the upper class. Many feel that making money one way or the other will get them into the high consumption category. The lower classes want jobs and less inflation. The economic reforms have created mutually opposed tendencies like universalization and particularization, homogenization and differentiation, integration and hybridization` in India. Although these reforms have transformed an ailing, developing economy into a market economy attracting foreign direct investment, but is still far removed from self-reliant and indigenous development. It would not be out of place to mention Freire (1970) here who exhorted, though in a different context: “We need to embark on a fierce struggle to recreate the world” (Words: 5256).

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