

Social Exclusion & Human Development in Globalization

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One of the important features, which would accompany us through this millennium, is globalisation and its effects on developing countries. "Globalisation" has now become a byword in our conversation, especially in discourses that have got anything to do with contemporary socio-economic issues. The word has come into common usage in the mass media, most recently referring the global economy as experienced in the Asian economic crisis, the rapid transfer of capital across national boundaries, the relocation of manufacturing plants with the cheapest labour and the manipulations of currency speculators. The society is manipulated and taken over the reins of competition, individualism, profit and exploitation for profit.

Globalization:

The term globalisation embraces a wide spectrum of meaning. It means 'making worldwide', making universal and accepting a common standard or norm for the whole world. It also referred to us a common cultural process that tends to generate a common set of values, a common frame of reference, and a common approach to problems of human conditions. If one dominant culture bears financial and political power, it tends to bring all other cultures and people in line with its own norms and patterns leading to Social Exclusion. That is what happening today with the process of globalisation. An eminent scholar on globalisation, Robertson, defines it as the "Crystallization of the entire world as a single place", and the emergence of "global-human conditions" "It is a process of transnationalization of capital and production based on a single logic of exchange", says Roberto Verzela.

In short, globalisation is a phenomenon in which the world is thought to be shrinking because new technology and new practises are bringing inhabitants of the earth together.

Globalization and Human Development:

Many social scientists argue that the central feature of the present globalised economy is a composite of four elements; technological change, creation of global economy and its inter dependence, political globalisation and globalisation of ideas. Scholte proposes as a cause of modern globalisation is convincing and comprehensive: Rationalism, Capitalism, Technological innovation, Regulative structures are the primary forces which have resulted in the globalisation of today.

1. **Rationalism-** Rationalism separates society from nature. The ideals of maximum production and high profits in a globalised corporate economy are born of rationalism, which presents itself as a trans-world truth erasing boundaries between countries.

2. **Capitalism-** It is a second course of globalisation. In capitalism, there is a increasing quest for surplus and profit. It is opposite of subsistence. Economy in which production is mainly for basic consumption for needs. By contrast accumulation of wealth or multiplication of profit is a central tenet of capitalism. In Capitalist mode of economy the accomplishment of surplus is the aim not only in agriculture, industry and transport but also in education and health.

3. **Technological innovation-** Thirdly, technological innovation is another important course of rapid globalisation. Technology has helped to overcome territorial limitations in social relations and commercial transactions. Without this technological assistance-transport, communications and data processing- globalisation could not have become such a major force of the world. Some go to the extent of naming technology as a single force behind globalisation.

4. **Regulating Structure-**Lastly, the rationalistic approach, the capitalistic view of life and technological innovations are someone or something to facilitate the activities. A regulatory framework to confirm transaction, without which no change can occur in society, is needed. In this sense legal and institutional commitments have helped globalisation to become an accepted form of the economy. Countries and world organisations set rules and encourage this process. Regulatory organisms like the International Monetary Fund, the World Bank and the World Trade Organisations framed rules for global relations through standardisation process.

These four fold determinants- Rationalism and capitalism as structural impulses; and technology and regulatory framework as actors – lie behind globalisation. We can compare globalisation as a virus and today this virus has affected the whole world. This microbe is going to stay with us for a long time. There is a process and chain effect associated with it. Especially on developing country like India has wide driving back. All the same, one cannot attribute all the injustices that plague Indian society for ages to globalisation. This virus is not totally destructive nor is every byte in the 'globalisation file' corrupt. There can be strings of bytes that produce good effects.

The US department of commerce has targeted India as one of the ten countries that hold promise for large incremental gains in US exports. Washington perceives India as the last of the ten big emerging markets to open its doors to international commerce in a significant way.

Effect of Globalization on Social Exclusion:

Globalization with their vast pools of capitals they have been waiting at our doors for long. Now that the doors are opened, their enthusiasm knows no bounds. They are running riot and already influencing the political environmental, economic, cultural and social aspects of our life. This is happening all over the world where there are willing consumers and Governments. Globalisation if it has had any meaning for the developing countries should help to improve the lot of 85 % of the world population living in these countries. Globalisation is helping 15 % of the population of the industrially advanced countries. They are able to take advantage of the unequal bargaining power at World Trade Organisations and force the developing countries to open up their potentially huge

markets to foreign goods and services and capital and financial flows without giving adequate concessions in return.

The effects of Globalisation in different areas are discussed below-

1. Information and Communication- Communication has been made easier. An acceleration of social mobility and strengthening of the middle class may have occurred. Advertisement creates a lot of problem. Just look at the varieties of foreign cars being advertised every day. By advertising, wants are artificially created which cannot be satisfied. The available real income cannot cope up with artificially created wants. Children may be deprived of milk, but the latest toy will be bought of the pressure effect of advertising on the child (and parents)!

2. Income patterns- We certainly have not globalised in our income pattern. In all developing countries this is the scenario. There is no globalised income, though some people in the developing countries may get income somewhat comparable to the income pattern of affluent countries. This itself is a problem because of its social effect.

3. Price- Another effect is the increasing globalisation of the prices. Globalisation of prices goes without much change in real incomes. Though there are sizeable variations in living standards and cost of living between developing and affluent countries, trade liberation and deregulation of domestic commodity markets under the structural adjustment programmes, combined with devaluation of currency, reduce a 'dollarization' to domestic prices. Domestic prices including the prices of basic food items are brought up to the world market levels.

4. Labour- There is internationalisation of commodity prices, but no internationalisation of the wage structure. Definitely two distinct 'labour markets' and subsequent wage structures are operative in the global market system. This duality in the structure of wages and labour costs definitely exists between rich and poor countries. But prices are unified and brought up to world levels. The wage and labour costs in the Eastern European and the developing countries are as much as 70 times lower than in the affluent countries. Besides, there is no globalisation of labour to absorb the increasing labour force. On the other hand, the multinational companies would bring in their consultancy and engineering force to a developing country, which is already burdened with unemployment. Also the modern communication system works for the benefit of the rich countries. There are doctors sitting in New York who have their personal secretaries doing their clerical job from Bangalore, and getting a salary according to Bangalore pattern, definitely not a Newyorkian salary!

5. Knowledge- There is no globalisation of knowledge. Mechanisms like trade related intellectual property rights prevent the globalisation of rights. In yesterdays, the present developed countries got themselves developed by the mechanism of what we call "reverse engineering", that is by imitating a technology for which they do not have to pay. How did Japan, U.S.A, France or Germany develop? Something was invented, and people just imitated. But today this is not allowed. The globalisation of knowledge is actually prevented by the instrumentality of international treaty. The multinational companies are not interested in transfer of knowledge as a result the Research & development has also decreased.

6. Capital- The argument is that economic development would take place if capital is allowed freely and the production will go up with the indigenous cheap labour interacting on it. With the increase in production growth will take place? What is the direction of capital flow in India? Where is the technology transfer? There are McDonalds' restaurants Kentucky Fried Chicken, Pepsi, Coca Cola etc.: these are the areas of investment. Will the Multi nationals invest in making roads, railway lines, and clean water facilities, public distribution systems housing projects? The whole ideology is that private enterprise is the key to development. Public investment is a waste. So privatise everything – such is the market slogan .The investment pattern is itself is faulty. Investment comes in where there is quick profit. At today's discount rate, anything, which matures after six years, has no value. Nobody will invest in long-term project. Because given the average profit range of 12 to 16 per cent, one will not invest in anything that will give returns only after 3 years. Looking for quick profit, people do not invest in long-term projects for social profit. We have not globalised finance and the movement of capital. This is done on an erroneous theory that a 'free market' would allocate capital optimally for an all-round, worldwide development.

7. Food Corps- Export-oriented production affects the generation of food crops for domestic use. Food then will have to be imported. Initially; this might be cheaper than home-grown food products. However once a country becomes dependent on this import, Transnational Corporations will dictate the prices. Food will become unaffordable to the poor. This will aggravate malnutrition. Globalisation demands cut in subsidies to Public Distribution System. Ration rice available in Bombay at Rs.5/- per kg in January 1995 began to cost Rs8/-a kg in March in the same year. A 60% increase in 3 months! A cut in subsidy combined with a shift from food grains production to export-oriented farming will increase chronic hunger that prevails in India and induce famines.

8. Heath- Health of the poor is the worst hit by globalisation. For example infant mortality rate went up by 3.1 to 90.9 by percent during the same period. This is not surprising. SAPs demand reduction in government spending on health care. As a result Primary Health Care gets axed first. Still another suggestion of the WB is user-fees in the hope that quality of services; provisions of drugs and medical supplies can be improved through this form of cost recovery. Studies, however, reveals that user-fees discourage low-income groups from approaching hospitals.

Challenges on Human Development:

A collective human consciousness can speak for justice, freedom, equality and truth. In India the Government hoped that liberalisation would attract foreign investment in key areas like power, petroleum and telecommunications. But the multi nationals were more interested in marketing consumer goods since India's consumer class exceeds the total population of the U.S.A and Europe. Their competitiveness alerted the Indian industries that acquired more professionalism, new technology and manufactured export oriented product. Access to capital at the micro level investment in social development, including ,microfinance, agriculture, women's right ,health and education: and ensuring more political engagement and transparency are strategies that a new cadre of international social development researchers and practitioners are exploring to address the underlying social conditions that leave so many behind.

Some of the insights are discussed below as to how human development professionals should meet these challenges:

1. **Clear focus of Development Professionals-** Social development professionals tend to have clarity of focus. In microfinance they need to think more commercially which needs courses in skill-based subjects like finance, accounting, organizational management rather building capacity in people and the community. The human touch is important. But other skills like lobbying, non-profit management, research skills, law, business, and health, perhaps are crucial. By being interdisciplinary we have more tools. Do not try to fix societies. One of the most important aspects of social development that is missing is training in politics. Social development professionals need to realize their potential as politicians and policy makers and changers that can penetrate inequalities in access to vital services like of financial, social, and legal which comes from interdisciplinary thinking.
2. **Good governance-** It is hard to effect change without good governance and politicians who are not corrupt. High rates of corruption burdens the poor disproportionately – public health services, education, public distribution food, and provision of water are all highly susceptible to corruption. In developing countries like India and other countries, social activists and social development professionals find themselves on front lines of mobilizing communities against corruption and exercising laws and politics that are on books. Social activists and development professionals are taking on the problems of the poor and advocating with the central governments to do something-documenting cases, mobilizing people to fight public – interest litigation, using right to information laws and moving governments towards greater transparency and accountability, thus enabling poor to see how being informed, active, and engaged that results in better delivery of services.
3. **Cultural Sensitivity-** We often miss people's voice and assume that we need to do an intervention with our outsider knowledge base and resources. As a result, our efforts often become insensitive to localized culture. We need to step back and study the people and the issues as they exist before we plan interventions. Effective human development work demands strategies that are culturally relevant, politically viable, and economically sustainable. That should be part of social development education and training: that they are not going to go in and change everything. The way we affect is by enabling people to understand how they can assert themselves and the power that resides within them.
4. **Sustainability-** If there is any program funded by a funding organization for certain period of time then it must not disappear after that organization leave. That is of course different in disasters or post –conflict situations where we have to provide short time services. But over all we need to focus on sustainable local programs and to think in a more market oriented way. Social development professionals have great skills working with people, but they need to focus on what they leave behind. In India we have diminishing social services due to corruption, red-tape-ism, and diminishing top-down dollars. So there is a need for microenterprise, to make people independent and self sufficient, not dependent on welfare. We need to develop programs that continue to effect positive change in communities even after the grant of money and aid workers disappear.
5. **Mobilizing Communities-** mobilizing communities to assert their needs and preferences with governments from local to central will be a crucial. To address the issues we need to consider dimensions beyond income and resources. The social service organization need to build credibility, establish reputation and never go around the rules or misdirect donations to get the people trust them. The social service organizations need to remember those principles that guide them.

Conclusion:

The desire for globalisation of states for human development and alleviation of Social exclusion and the direction of reform depend on social cohesion in the society and willingness on the part of the decision makers as well as the articulate public opinion in favour of the downtrodden. Under a Government that is market- friendly, the poor who have no asset like land, social security, employment, and other income yielding enterprises are kept out of the market, denying them the benefits brought in by globalisation. Economic disparity that exists today generates grave social upheavals resulting in violence. When basic human needs of food, shelter, clothing, and leisure are set aside in favour of personal profit for the elect and impersonal market, a moral outrage would be the natural response of any conscientious person.

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