Globalization, its ethos and Indian work organization – an overview
Arunava Narayan Mukherjee
Budge Budge Trunk Road, Chakmir Campus,
Maheshtala, Kolkata – 700141 West Bengal, India.

ARTICLE INFO
Article history:
Received: 8 December 2010;
Received in revised form: 27 December 2010;
Accepted: 1 February 2011;

Abstract
This research will explore conceptual framework of Globalization and subsequently discuss how Globalization affected contemporary work organization in general and Indian work organization located in special economic zones (SEZs) in particular. This research is an exploratory qualitative study. It is based on extensive review of literature summing up the findings on the topic in question. Finally an answer to the issues discussed in the systematic literature review has been suggested at the conclusion.

Keywords
Spiritual quest,
Materialistic Interpretation,
Origin,
Development of current trend,
Indian scenario.

Introduction
According to Malcolm Waters (1995) famous for his book titled Globalization, Roland Robertson was one of the early users of the term. The Oxford Concise Dictionary of Sociology (1994) defines Globalization as a theory that “examines the emergence of a global cultural system. It suggests that global culture is brought about by a variety of social and cultural developments…”. Globalization as a social process has got an ancient origin. Scholars have traced the root of early globalizing processes in the dissemination of religion and culture, interactions of people, groups, communities mainly by way of trade, commerce and economic activities from the time immemorial. Sociology is generally regarded as the study of society. And as the horizon of society has widened from local to global sphere, the subject matter of sociology has become the study of the global society. Globalization is a matter of macro-sociological interests and development. The study of Globalization deals with the connectivity of broad processes of technological, economic, political, cultural interrelationships. If one looks at the economic, cultural or media connectivity worldwide, one should have a general understanding of society and social institutions. Sociology analyses the flows and processes in society at the local, national or global levels. Since the 1970s, sociology has begun to redefine its scope and field as the social scientific study of the global processes. The term “globalization” has got its origin in Japanese usage, and was for the first time used in English by Professor Roland Robertson, a British/American sociologist. His interest and knowledge of Japanese society led him to coin the term “globalization” in Japan in Japanese language, a term used by the marketing experts which meant that products of Japanese origin should be localized – in nature which will suit the local taste and interests at the same time, the products are global in application and access.

Some authors are of the view globalization is the worldwide spread of “westernization”. This opinion does not reflect the whole reality. Westernization is not the same as globalization. But, westernization can be seen as an aspect of globalization.

Certain institutional features and cultural traits that originated in the west were planted in many other geographical regions lock stock and barrel under the framework of global interconnections and diffusion or as an imposition under colonial age. John Meyer have very appropriately used the idea of isomorphism (a term borrowed from science, botany, in particular, which means replication of the same form yet separated from the main source) to elucidate this process (Khandker 2004).

Process of globalisation - an outline with interpretation

Spiritual quest
Historically globalization can be viewed as an Indian concept. A hymn in the ancient Vedas defines it as ‘Vasudhaiv Kutumbkum’ meaning that the world is one family. The Old Tamil poem ‘Kural by Thiru Valuvar depicts the world as a village. Great Emperor Ashoka believed in the philosophy ‘there is no higher duty than the welfare to the whole world.” Perhaps he was the first King in the history of human civilization who preached universal philanthropy and ordained this philosophy as the mission of the state. According to him, “All men are my children. Just as I desire happiness for them in this world and the next, so I do for all men.” Swami Vivekananda’s interpretation of Vedanta is global in its content and core. The New World Order which Swamiji visualized was based on the concept of ‘Jiva is Shiva’ i.e. all human beings are equal and that a happy union of the best of East and West would make the world a better place to live in and contemplate.

In the Indian life spiritual growth of the world is as important as the globalization of economy. It is not a current phenomena but it is very much there since the ancient times. Western way of life tries to solve the problem by emphasizing on how much a man can possess, and Indian tradition teaches us to solve the problem on how little a man can live with.( Khullar 2005 )

Materialistic interpretation
A dormant form of today’s “globalization” existed by way of interaction among various communities, civilizations of the
world since the ancient times through trade and commerce which was accelerated with the development of technology. Gradually with the emergence of Mercantile Capital and practice of Bill of Exchange which led to the formation of various vibrant maritime business centres of the world, the process of globalization was becoming more and more distinct. According to some Scholars the origin of the modern form of globalization lies in the development of capitalist state system of modern Europe.

With the active help and cooperation from the state and navy the Enterprising Merchants and navigators of different states of Western and Southern Europe could reach to the big continents of Western Hemisphere by crossing Atlantic and could grab the golden opportunity of exploiting the vast natural and human resources of those places. With the development of capitalism the merchant capital was moving from one country to another.

At the end of twentieth century in many countries of the world specially countries inhabited by people of black and brown skin and Latin American countries under the patronization of the British Empire, policy of Laissez Faire- a vital instrument for accelerating international business was assuming stronger and formidable shape day by day. And gradually the trends of globalization emerged during different times in various ways with the growth and development of capitalist system.

**Origin and development of current trend and Indian scenario**

Nicholas Kaldo of Cambridge University, UK has described the economic performance of world capitalism for the period of 1950 to 1965 as a long, secular boom. By 1965 the capitalist system had acquired qualitatively new features. The system of production, which was broken up into horizontal and vertical segments, had spread worldwide through transnational corporations. These corporations, under US hegemony, dominated the global system and governed its evolutionary process by controlling the most advanced technological sectors. This process of internationalization oriented the national elite to the international markets- who preferred to collaborate with foreign capital for export purposes than develop technology indigenously to meet domestic demand.

With productivity declining and trade deficit rising in the US during 1965, the global system launched a fresh offensive on the peripheries of enforcing new investment priorities which reshaped their production systems. This offensive exploited the vulnerability of the developing countries, pushing them into the trap of external debt, made them dependent on technology, creating compulsion to purchase armament and resorting to enslaved consumption pattern.

Thereby it subjected their further development to the logic of the redeployment of transnational capital. It eroded the autonomy of the peripheries so far their national plans for development are concerned. It reduced the ruling classes of all peripheralised countries to a set of “subordinate and peerless transmission belts for world capital.”

The ideological offensive during the 1980s is known as the so-called “supply side of economics and politics” whose principal message was that the best way to manage the economy was not to manage it. Propped up by the supply side of economics and politics world capitalism gained new vigor during the 1980s. Besides the internationalization of production and technology, which integrated national markets into the global market, world capitalism in the 1980s was characterized by globalized investment in stocks and shares, financial operations, information system and cultural values.

Over the last decade the advanced countries have coopted the national elites of the developing countries through trade and investment. This integration could be made possible by the transnational corporations, which control international finance and mobile technology. In this process intrafirm and international flow of goods, capital, services and technology play an important role, and whose major value-adding function is the integration organization and management of those flows.

However, this globalizing function is only partial reality. The truth is Capital technology and management are highly mobile internationally. The elasticity of supply with respect to any given location is high, but so far the total elasticity of supply is concerned it is low.

Due to scarcity of total supply, they earn high rents. On the other side, there is the “ground level personnel”, who are large and rapidly growing unskilled and semi-skilled labour forces of the low-income countries constrained with limited mobility across frontiers they are in highly elastic supply locally. Their earnings are very low. Global integration leaves them out in misery. A large number of them are bound to remain unemployed or underemployed.

The expansion of transnationals has not only created economic dualism but also given birth to a transnational business civilization, in which the social and political elites worldwide accept the similar values, customs and taboos. Backed by the international electronic media, the spread of cultural influences from the global elites threatens indigenous values and very much disorients national culture.

Under globalization this is how supply side of economics and politics works. It has projected a new face of world capitalism; obsessively profit-oriented, anti-welfare state, negating the development census of the 1960, delegitimising the nation-state, and accentuating communal fascism in the developing countries.

All developing countries including India have been willy-nilly accommodating and adjusting to this process of globalization. The Indian State and the national bourgeoisie could not prove to be capable enough of developing the forces of production in accordance with national priorities and virtually surrendered their economic sovereignty.

Development industrialization, could not integrate all sections of the society rather made the Indian big business class subservient to foreign capital and alienated it from the other national social classes. Under the severe pressure of globalization, a significant section of the Indian business class was compradorised.

Like the former mercantile elements and zamindars of colonial period, the compradorised business class transferred to the holders of transnational monopolies a large proportion of the surplus which was extracted through exploitation of local workers and peasants and the cumulative external debt became a Trojan horse for transitional capital.

The development model has also produced a powerful middle class, comprising of urban industrialists, traders, professionals and salaried groups, and rural well-to do farmers who are driven by its own interest and new values of materialistic opportunism. They developed a consumerist outlook and was nurtured under an import intensive consumption boom.

Thus, dependent industrialization shaped by globalization has created in India a class of industrialists shamelessly subservient to foreign capital and a middle class obsessed with
Western culture and intensively consumerist in outlook and orientation. These upper layers of Indian society are being integrated as juniors with the global investors and world bureaucracy. This can be called a process of compradorisation from the point of view of the Indian society. It stands for a development impasse. The crisis has led the economy to a new dependence on external forces which undermines the political will to adopt the path of independent, self reliant development. (Swamy 1995)

**Three stage theory of globalization**

Prof. Upendra Baxi has thrown a new light on stages of globalization. According to Prof. Upendra Baxi one may distinguish at least three historic processes or stages of “globalization”. “The first long phase of “globalization” accomplished colonial imperialism, over long stretches of time and space throughout the world.

The contemporary second phase of “globalization” is marked by international efflorescence of concern for human rights and standards of international justice which will chasten the arrogance of sovereign power everywhere.

The third phase of “globalization” running concurrent with the second, has been marked by a steady rise of forces of late capitalism, foreseen by Karl Marx, manifesting multinational hegemony and the dominance of international financial institutions both emerging as suprastatal centre of authority.

The second phase of “globalization” was indeed dramatically different colonial/imperial phase. In the halcyon of decentralization and self determination of the most peoples of the Third World and the emergence of the United Nations system as prime weapon of the weak, “globalization” signified a new vision of the sixties and seventies by epochal enunciations of human rights.

Since the inaugural Universal Declaration of Human Rights, developments in recognition of individual human beings against and over state power are, indeed, remarkable.

Not merely do they protect and promote basic human rights, categorized as civic, political, economic and cultural rights of individual human beings but we see a steady expansion of conferment of basic human rights to specific human collectivities or groups such as women, indigenous peoples, radically discriminated, physically disabled, mentally ill and disposed peoples, remarkable are articulations of rights to self determination, economic and cultural rights of individual human beings, right against apartheid, right to environment, immunity from genocide, right to development of people and states.

The new culture of globalism also saw that human rights were not directed only against state power; increasingly, they were addressed to formations of civil society, welding power over people.

Therefore in this phase globalization is a realization of the culture of “globalism”. In the spirit of globalism in the mid-eighties globalization appeared as description of those values which take the real world of five billion people as an object of concern, the whole earth as the physical environment, everyone living as the world citizens, consumers and producers, and with a common interest in collective action to solve global problems."

The passage from “Globalism” to “Globalization” is marked by discursive practices where collective interdependence becomes collective dependence where consumption needs of industrialized societies being to enjoy ontological priority over the minimum basis needs of the wretched of the earth in the Third World.

“Globalization” processes bring us to the threshold of a new political and civic culture, indeed to a point of basic transformation in the languages of politics.

The soft evocative languages politics which invoked symbols of “socialism”, “secularism”, “social justice”, “human rights” have all but disappeared to be replaced by hard languages of economic/technocratic management of power relations and structures. The new vision of “globalization” is Social Darwinism updated for the next century; already strategic and military analysis is moving towards eradicating all possible threats from the millenial losers and terminal poor.” (Baxi1992)

**Virtual reality**

The quick availability of information through advanced technology based mediums of communication like Internet, electronic mail and portable telephones etc. have accelerated the ‘virtuality’ of work.

A virtual organization is a network of corporations, based on information technology which comes into existence to meet the dynamics of the global market. In this way the virtual organization gains benefit with regards to the traditional hierarchical systems. This new form of organization emerged in 1990, which is also known as modular organization, network organization or digital organization.

The virtual organization is a social network where all the horizontal and vertical boundaries are removed. It comprises of individuals working out of physically dispersed workspaces, or even individuals working from mobile devices and not working from any particular workspace.

It is the coordination-intense structure, basically of certain patterns and relationships, and communication and information technology function as its backbone.

The information and communication technology (ICT) acts as the lifeline by coordinating the activities, combining the workers’ skills and resources in order to achieve the common goal.

There is a creation of network relationship which permits contracting, manufacturing, distribution, marketing, or any other business function. In a virtual organization, small group of executives overseas directly any activities that are done-in-house and coordinate relationships with other organizations.

**Characteristic features of virtual organization**

- Flexibility of Power
- Informal communication
- Flat organization comprising of multidisciplinary teams
- Goal / Target orientation
- Dynamics
- Homework, Operation from Home
- Customer orientation/ Customer Care/ Customer Service
- Organization without boundaries
- Sharing of fact, information and knowledge

The driving force in a virtual organization is the virtual team as every organization requires a team to perform its activities in an orderly manner. In a virtual team, members primarily interact through some combination of electronic communication system to remain connected with dispersed members who never occasionally or rarely meet face to face. In virtual organization people communicate online using mediums like WAN, videoconferencing or email.

The Concept of virtual teams has become matter of considerable interest for the Scholars in recent years. Within global organizations, the virtual team mobilizes collaboration and team work among a geographically and temporarily separated workforce (Hammer & Champy, 1993; Lipnack & Stamps, 1997).
Such collaboration may also extend beyond the boundary of organization by way of linking partners in joint ventures and contractors who are located in various places.

Emergency information and communication technologies such as groupware, Internet and desktop videoconferencing systems are the tools used by global organizations which facilitate such collaboration to enable the workforce to share knowledge and expertise.

Virtual team working requires trust relationship. Research findings have shown that personalized trust relationships are very essential for continuous virtual team working. Such personalized trust relationships are generally established through face-to-face interaction and by way of socialization.

The use of information and communication technologies does not seem to be adequate enough for establishing, reproducing such trust relationships due to their inability to provide access to the basic stage of participants activities (Schwarz & Nandhakumar, 1999).

**Effect of globalisation on today’s work organisation**

Globalization, the international spread of capitalist exchange and production relationships, is undoubtedly a very destructive and cruel process. Capitalist development is a process of “creative destruction.” In the words of Joseph Schumpeter.

As accumulation takes place competition forces firms to be creative in order to survive, and those firms which are not creative are destroyed. In a world of markets and competition, winners are matched by losers, and creation and destruction become one and the same. Losers, however, are not simply impersonal firms or abstract inefficient technologies.

In the reality losers are people, always workers, as individual and communities. Creative destruction stands for the unemployment of real workers, the destitution of real communities, devastation of the environment, and disempowerment of the populace. (MacWean Arthur1994)

Let us look into the global scenario. In early nineties of last century it was postulated as a result of globalization. In Mexico, peasants are likely to face extinction as a class as they are driven off their land by competition from large-scale U.S. grain producers.

In the United States, itself many worker with comparatively low-level and task specific skills-such a s broom makers in Alabama, glass makers in West Virginia, and workers belonging to auto production industries throughout the country- will lose their jobs or suffer from drastic wage reduction. And currently in the year 2007-2008 things have only turned worse.

According to a recent Report of ILO, five crores of people who are working in about thousand Special Economic Zones or Export Processing Zones situated in seventy countries around d the globe work for more than eight hours a day.

For example, workers in these zones in Bangladesh and South China work for about sixteen hours a day, in Indonesia and Philippines twelve hours a day and in Sri Lanka fourteen hours a day. No better is the condition of workers in the private organizations and Call Centres in India. Historic May Day struggle for eight hours work has lost its relevance in the D Day of global capital !

The international organizations like IMF, World Bank, W.T.O. etc. create such as environment world over that facilitates global capital to become more dynamic, mobile and flexible. In order to establish and consolidate the “Reign of Market” these bodies have even invaded into the domain of the function of the state which resulted into the surrendering of the power of States in major scale in connection with distribution of wealth in the hands of the forces of market.

Besides there are Capitalist Enterprises in the form of multinational and transnational companies which are developing global network of business making the local enterprises there ancillary.

Thereby developing a coordination between global and local capital. And when this global capital operates it not only reshapes the field of economy but restructures the entire social gamut and periphery of human action which includes, system of governance, legislation, values, convention, Tradition, appraisal of human expertise etc.

The march of global capital does not tolerate any opposition in any shape or form in its way. It builds road for itself destroying other avenues and makes it sure that everybody travel through that.

It creates a new culture, new language and a new social life-a culture of exploitation, a language of oppressive command and a polarized and colonized society – where a certain section of people are at the centre capable of utilizing the dynamics and mobility of global capital and the rest are bulk of marginalized men out of the circuit of global capital. Here lies the genesis of today’s work organization.

The labour of these marginalized men are at the disposal of the class who control the global capital. No longer exists the concept of permanent Workforce who will enjoy the job security for the entire service life till retirement in this age of hyper competition. Definite working hours, social security, employee welfare are gradually becoming extinct.

Now it’s an era of outsourcing – most preferred is the Workforce who are multi-skilled, whose labour is cheap and can easily be exploited and who silently surrender to the policy of hire and fire.

Permanent Jobs are virtually evaporating. According to the Havard Economist Pal Crugman, in developing countries the workers are in a helpless state- the choice in front of them is not between “bad jobs” and “good jobs” but between “bad jobs” and “no jobs”.

Labour has lost its inherent strength, it’s meaningful or meaningless subject to approval or rejection of global capital. Not only labour but the structure of work organization had to be transformed under the influence of global capital.

**Factors responsible for transforming the organization under the influence of global capital:**

There are convergence of factors, economic, technological, informational and political leading to the emergence of innovative forms of organizing. Tightened international competition of the global economy is pushing firm to think and act globally and locally. There are efficiency drives towards cost reduction, pressures to concentrate manufacturing resources regionally and to simplify complex matrix structures by way of de-emphasizing country organizations.

Transnational Companies are consolidating internal networks between functions, divisions, countries and regions in order to expedite the transfer of knowledge and skill and are investing in alliances and other partnerships to complete through cooperation. Technological change is shortening product life cycles in many industries compelling firms to build organizations with maximum flexibilities.

Advances in information and communication technologies are enabling network formation and its utilization and at the same time permitting a quantity and quality of hierarchical control and external knowledge sharing possible.
Besides Deregulation has been major driving force both for increased economic competition and for causing cultural and people change in organizations. New skills, knowledge, attitudes and standards are now required in industries and firms previously protected from competition.

**Changing organization structures**

The new competitive environment has created a dual pressure for the traditional hierarchical structures. First, the heavy hierarchical layers of middle managers have become too expensive; Second these layers have constrained the information flows and quickness of response required for flexibility and innovation.

As a result, firms have apparently been resorting to widespread delayering in order to remove these expensive barriers to action.

Simultaneously with removal of layers took place increased decentralization at operational and strategic level. Increased operational decentralization has been necessary both to improve response times and to harness the on-the-ground knowledge of operating managers. Strategic decentralization increases the profit-orientation and accountability of business managers. Decentralization into smaller units helps to develop cross-functional and cross-boundary teams. Nowadays instead of rigid traditional structures, organizations are more horizontal and more flexible, project based forms of organization. Structures are becoming more horizontal in character, projects being the vehicle for bridging the ‘divisions’ of traditional division organization (Ghoshal and Barlett, 1995).

It has been observed, Large-scale drives high hierarchies; wise scope stretches horizontal relationships. Delayering and more interactive processes are likely to be accompanied, therefore, by decreased scale and increased focus on narrower spans of activities.

This correlate of changing structures and processes is reinforced by regular increased competitive pressures forcing companies to emphasis on “Core Competencies” redrawing their boundaries around what builds their true competitive advantage. This pressure is exhibited in the shift of business towards smaller, decentralized units. Hierarchy and scale negatively affect the strategic flexibility required for competing in increasingly hyper-competitive environments.

(Khatik et al 2005)

**Globalisation and contemporary indian work organisation**

As a result of globalization trade liberalization has taken place resulting into formation and proliferation of Special Economic Zones which are expected to provide livelihood opportunities for thousands.

It is indeed true that these “foreign territories”, within “national boundaries” enjoy huge tax concessions and financial incentives, provide livelihoods to thousands of people. But it is also equally important to know what sort of employment do the zones create and are the benefits of SEZs in terms of employment sustainable?

Since industries in most of the zones are export-oriented, the emphasis is on minimizing production costs so that prices remain competitive in the international market. It is the workers, especially women, who bear the burnt of tough competition in the global market.

To meet production targets, they are forced to work harder and longer until they burn out or quit. They work 10-12 hours a day, without overtime, and get daily wages ranging from Rs 30 to Rs 70. The pressure to meet stiff targets often means that workers can hardly take any time off, even to visit the toilet. “Each of them has a token number, and every time they go to the toilet the number is entered against their names.”

Management checks the register to find out how many entries are made. If there are many entries against a person’s name, Management can even make a deduction from worker’s salary or stop their increment”.

Even pregnant women do not get any consideration when work targets are set, and that they too are compelled to work standing or sitting for hours at a stretch. Companies reportedly prefer unmarried women who are thought to be more efficient and more easily available for overtime work.

According to workers of SEZ some companies employ women on condition that they shall not get married or become pregnant in the near future.

Stiff targets, overwork and an unhealthy working condition seriously affect the health of workers. A study on female factory workers, of MEPZ, done by Padmini Swaminathan, director, Madras Institute of Development Studies, revealed that the women suffered from various ailments like frequent headaches due to tension and intense concentration at work, acute back pain, joint pains, swelling in the legs, severe abdominal pains, and various types of allergies, skin ailments, and piles.

The majority of women working in the garment units have been detected suffering from respiratory disorders such as asthma, persistent cough and breathlessness.

Although trade union activities are not banned inside the zones, strict restrictions on the right to join trade unions, the right to collective bargaining and the right to strike are common features of all the zones. Companies campaign strongly against trade unions and threaten employees with dire consequences if they associate or join with such organizations.

Unlike in many other countries, in India, labour laws are also applicable to SEZs, but in practice these laws are hardly implemented. Workers hardly benefit from labour legislation, not just because the laws are not implemented properly but also because there are certain lacunas in the existing legislation concerning zones. For instance, all zones in India have been declared ‘public utilities’ which restricts workers from going on strike and reduces the scope for collective bargaining.

In the name of creating an investor-friendly environment, many state governments have formulated such SEZ policies that do not uphold and protect workers’ rights and interest. Let us take Kerala for example.

By virtue of Kerala’s SEZ policy, the powers of the labour commissioner are delegated to the development commissioner. Further, except in emergency situations, state government agencies themselves require prior permission from the development commissioner to inspect industrial units in the zone. Besides, the zones are exempted from the Contract Labour (Regulation and Abolition) Act, 1970. (Suchitra 2007) A recent field study conducted by Sunanda Sen and Byasdeb Dasgupta in...
three major SEZs in India confirms a state of severe insecurity in terms of job contracts, income and other labour status for those who are employed in these highly subsidized and growth-oriented SEZs. The state of working conditions and the level of security availed of by the workers of these zones seem to be at a critically low level.

**Conclusion**

In a very simplified manner it can be said human units through the process of evolution, has grown from the condition of single families into tribes, then gradually came city-states and nations and now the world has become of what is known as "global village" where all the nations and the people of the world have become highly interdependent.

The phenomenon of globalization is the consequence of natural process of evolution and reaching this state of total interdependence has been the destiny of mankind. It is not the invention of anyone or any particular nation.

Therefore we can subscribe to the view of Prof. Sefidavsh, problem of the world is not with globalization, but is with not knowing how to live under the new reality.

On the contrary, the globalization, which came about due to the rapid development of systems of communication and Technology, may be considered a wonderful opportunity for the people of the world to unite and harmonize their interests in order to best benefit from the material and cultural resources of the world, which requires call of conscience love for humanism and mother earth.

Here India is destined to play a significant role. In the words of Tagore: Thou shall give and take, unite and confer but no one is going to go back from this great Indian Land of humanity.

**Acknowledgement**

Much of this paper draws heavily on the works of scholars whose name has been cited in the body of the article. I acknowledge my indebtedness to the scholars.

**References**