PREVIOUS YEAR QUESTION UPSC 2023 · 20 marks

Critically examine the impact of Globalisation on the developing countries of the world.

FLOW SNAPSHOT — how the answer moves

Intro routes

R1 globalisation reshapes developing world (economic/social/cultural) → record two-sided → opportunity bundled with dependency + inequality R2 verdict neither rejection nor celebration → stake the line: the case is for reform

Body flow

gains real: markets opened, exports + FDI up, growth (China, India), tech transfer → **Bhagwati** (*In Defence of Globalization*): tool against poverty → China 36% → 6%, Vietnam middle-income → social gains (health, education, exchange) → but gains unevenly captured → North = 23% of people, 85% of income → **Stiglitz**: rich-poor gap widens, advanced nations reap disproportionate rewards → dependency school (**Frank**, **Wallerstein**): drain periphery → core = development of underdevelopment; Southern elites tied to MNCs → IMF/WTO reliance narrows sovereignty, invites external shocks → cultural imperialism + environmental degradation + labour exploitation → **Roy**: "mutant variety of colonialism"

Counter-view

against dependency pessimism → benefits real but conditional → **Sen**: gains need infrastructure + governance → **Stiglitz**: fix democratic deficit in IMF/WTO

Conclusion routes

R1 opportunity real, but present terms deepen dependency + inequality → reform, not rejection, for inclusive growth R2 double-edged process → the need is the right balance of openness and regulation

Globalisation has reshaped the developing world across economic, social and cultural life and its record there is two-sided. Open markets brought opportunity, but on present terms that opportunity comes bundled with dependency, inequality and cultural erosion.

Jagdish Bhagwati, in In Defence of Globalization argues that China's poverty rate fell from 36% in 1990 to 6% in 2011, and Vietnam reached middle-income status. Wider trade also brought better healthcare, education and cultural exchange.

Though only 23% of humanity lives in the industrial North, it earns 85% of world income. Joseph Stiglitz shows that globalisation widens the rich-poor gap within & between nations, with advanced economies reshaping disproportionate rewards.

Andre Gunder Frank and Immanuel Wallerstein describe a drain of wealth from periphery to core, producing the development of underdevelopment, with the ruling elites of the South tied to MNCs. Reliance on developed economies and on the IMF & WTO narrows sovereignty and exposes states to external shocks, while cultural imperialism, environmental degradation & labour exploitation follow. Arundhati Roy calls it "a mutant variety of colonialism".

As Amartya Sen argues, developing countries gain only with the right infrastructure and governance; and Stiglitz would correct the democratic deficit in the IMF and WTO.

Globalisation offers real opportunity, but on present terms it deepens dependency and inequality. The task is not to discard it, but to reform it for inclusive growth.