

## Experiences of globalization in Indian economy

■ ANCHAL PAWAR AND ANIL GUPTA

Received : 15.07.2011; Revised : 15.12.2012; Accepted : 12.01.2012

### ABSTRACT

In spite of adopting the policy of mixed economic system based on socialistic pattern of society, the economy could not feel comfortable, particularly after 3<sup>rd</sup> or 4<sup>th</sup> Five year plans (1951-74), for the welfare of common men. Desired objectives in different sectors could not be achieved. This all necessitated the policy planners to resort to some measures for the overall betterment of the people as well of the economy, which took shape in the form of 'economic reforms' of 1991. Globalization is the outcome of such reform measures. Present observation relates to the experiences of such 'economic reforms' after 1991 in the economy. However, this is restricted to foreign trade only in terms of the scope of the present analysis. It was found that India could gain well in the domestic market as well as in the foreign markets in post-globalization era. Forces of globalization are required to be used in accordance with the prevailing environment of the domestic economy.

**Key words :** Globalization, Indian economy

**How to cite this paper :** Pawar, Anchal and Gupta, Anil (2012). Experiences of globalization in Indian economy. *Internat. J. Com. & Bus. Manage*, 5(1): 73 - 78.

**P**rocess of globalization seems to be in view with the policy reforms – package of 24<sup>th</sup> July 1991 in India stressing on the needs of privatization, modernization and liberalization. All the four terms belong the same 'family' of economic-reforms.

In the present context, globalization means opening up the economy to foreign direct investment by giving the facilities to foreign companies to invest in different fields of economic activities in the country, removing the constraints and obstacles to the entry of Multinational Corporations in India.

Impact and effects of globalization may be attempted by including the economic, social, political and cultural considerations in the context. Economic factors may well include the domestic as well the external factors. Probable

aspects may include the estimates of foreign trade across exports and imports according to broad principal-commodities groups, balance of payments across current and capital accounts and other monetary movements, direction of foreign trade across broad groups of countries, foreign direct investment, portfolio investment, foreign institutional investors' investment, foreign assistance, inflows and outflows of foreign capital, non-resident Indians' deposits across different foreign currency accounts etc. for the choiced reference term.

Based on random choice, the reference term is taken as from 1990-91 through 2003-04. This is just for the reason that it covers a sufficient period during post-economic-reform-era for the Indian economy.

### Objective:

In terms of the scope of present analysis, this observation on globalization efforts in India relates to examine the experiences of globalization process to strengthen the economy through foreign trade estimates across exports and imports, and, thus considering the trade balance estimates for the choiced reference tern in post globalization-era in the

#### MEMBERS OF THE RESEARCH FORUM

##### Correspondence to:

ANCHAL PANWAR, Department of Management, Singhania University, PACHERI BERI (RAJASTHAN) INDIA

##### Authors' affiliations:

ANIL GUPTA, Department of Economics S.D. College, MUZAFFARNAGAR (U.P.) INDIA