Vulnerability and Globalisation
Perspectives and Analyses from India

Edited by
N. Jayaram and D. Rajasekhar

RAWAT PUBLICATIONS
Jaipur • New Delhi • Bangalore • Hyderabad • Guwahati
Contents

List of Figures and Tables ix
Preface xiii

1 Introduction: Globalisation, Its Discontents and Beyond 1
N. Jayaram

Part I Perspectives

2 Globalisation: Towards an Alternative View 29
D.N. Dhanagare

3 Social Justice in a Globalised World: Encounters with State and Civil Society 62
P.K.B. Nayar

4 Globalisation, Middle Class Consumerism, and the Declining Welfare State: Some Sociological Reflections 94
Manish Thakur

5 Gandhi and Globalisation 114
M.V. Nadkarni

Part II Analyses

6 Vulnerability and Globalisation: On Protection, Power, and Identity in India 133
Michael Walton
Figures
6.1 The ratio of exports and imports to GDP in India, 1980–80 to 2006–07 135
6.2 The ratio of foreign direct investment and portfolio investment to GDP in India, 1990–91 to 2006–07 136
6.3 Proportion of households reporting major shocks in the preceding year in selected villages in Karnataka, Madhya Pradesh, and Orissa 138
6.4 India's Inflation Rate, 1970–71 to 2006–07 152
6.5 Real wages per worker and employment in India's organised industrial sector, 1981–82 to 2004–05 153

Tables
8.1 Key household indicators 210
8.2 Distribution of households by visible indicators of poverty 210
8.3 Distribution of households by income categories 211
8.4 Average LIVS, HD, and LS indices by income categories 212
8.5 Distribution of workers by top priority given to social security needs 212
8.6 Hanuma's household socio-economic profile 215
8.7 Basava's household socio-economic profile 218
9.1 Share of agriculture in GDP and employment 224
9.2 Characteristics of operational landholdings 224
Globalisation is a process, more than the state of a given situation. There can be a narrow, purely economic view of the process, a broader but still an anthropocentric view, and a still broader view comprising the whole global eco-system. These three views or dimensions of globalisation are first discussed briefly, before going into the question of how Mohandas Karamchand Gandhi (Mahatma Gandhi or Gandhiji) (1869–1948) would have looked at the whole process. The intention here is not to oppose either globalisation or economic growth totally, but to emphasise the need to be sensitive to their downsides, since these downsides may have serious repercussions on the poor and the deprived in whose name these two processes may be tried to be defended. This sensitivity is the essence of Gandhian approach to this or any problem. Unfortunately, such sensitivity is rare, or more formal than real, more said than done. It is found easier to dub honest Gandhians like Medha Patkar as anti-growth, than to address their real concerns. Gandhiji would certainly oppose reckless growth and globalisation, but support if these two processes were humane, poor-friendly, and environmentally benign.

In its narrowest, economic view, globalisation means an increasing integration of national economies through trade in
goods and services, and freer corporate investments and other financial flows across countries. It involves accelerating international division of labour, in which multi-national or trans-national corporations play an increasing role. More significantly, it involves accelerating marketisation at two levels – goods and services, and money – both encompassing the whole world, almost breaking free of national boundaries.

When the earlier policy of import substitution gave way to a policy of export orientation and trade liberalisation in India in the early 1990s, the main justification given was that the earlier protectionist regime had spoilt Indian industry and made them indifferent to the need for constantly improving quality of their products. The so-called consumer sovereignty was crushed under the heels of industrial monopolists. It was hoped that throwing open our economy to fresh winds of international competition would compel these spoiled brats of monopolists to develop some quality consciousness and undertake responsibility for research and development activities in Indian industry which had been long ignored. It was also expected that trade liberalisation, competition, and globalisation in general would unleash the hitherto bound entrepreneurial forces, and bring in new technology on a wider scale, which, in turn, would step up the rates of economic growth. All this would make it possible to release more resources for poverty reduction and social security. It was emphasised that, while the earlier policy concentrated on distributing the given national cake, the new policy would increase the size of the cake itself, which would be more beneficial for all concerned including the poor. While this is a convincing argument when considered in isolation, it is good to remember that the beneficial results, particularly for the poor, would depend on the type of economic growth generated by globalisation, on whether the elite who control the process of economic growth would be willing to share the gains of growth with the less fortunate, and on whether the poor themselves are empowered enough to assert their rights.

This change in policy in favour of liberalisation and globalisation has attracted paeans of praise from many – economists and journalists alike (see Das 2000; Bhagwati 2004, for typical praise). There is also no dearth of detractors of
globalisation: a very eminent example of which is Nobel laureate Joseph E. Stiglitz (2002). To illustrate the success of this policy in India, it has been usual to point out at the fantastic success of our passenger car industry. The consumer earlier had a choice of only three brands of petrol guzzling cars, and a long wait was unavoidable before getting a car (except, of course, for the powers that be!). In less than two decades, the scenario completely changed, where the consumer has not only a choice of many brands of cars of international standards with a lot more fuel economy, but the long wait also is no longer necessary. So, ‘Competition Zindabad!’, ‘Liberalisation Zindabad!’, ‘Globalisation Zindabad!’, and ‘State Control Murdabad!’ But before an uncritical enthusiasm overwhelms our intellect, we need to put this example itself in a balanced perspective. This craze for private transport, which is mainly a consequence of globalisation directly and indirectly, has also led to traffic jams in almost all cities, terribly congested roads, and uncontrolled vehicular emissions. Secondly, has public transport witnessed a similar revolution as the private car industry? Yes, the railways have registered a remarkable progress both in passenger comfort and economic viability, but this is an area where there was hardly any globalisation of the level witnessed in automobile industry. And, ironically, the Indian Railways is also a prominent public monopoly, the dreaded enemy of liberalisers! In spite of being less globalised, the railways provide a sharp contrast to the general state of public road transport. This is only to show that globalisation by itself cannot yield miracles. On the other hand, it may result in unanticipated adverse consequences too. What matters more is whether the government knows what it should do, and is willing to exercise its intervention, when needed, in national or public interest.

While international trade in goods and services began much before, globalisation of financial capital and movements of hot money are a distinguishing characteristic of the present era of globalisation. Indeed, financial flows across countries in the form of foreign direct investments (FDIs) may give a boost to the economy through not only an increase in national income and employment, but also through product innovation, new technology, and quality improvement. But such investments form
only a part of the total financial flows, often a small part, the magnitude of its proportion varying from time to time and from country to country. Marketisation of money in a globalised economy is a strange phenomenon! It goes much beyond giving credit for production or consumption purposes. A significant part of it is unrelated to either production or consumption, and may be unrelated also to any welfare consideration. It only serves the purpose of satisfying the speculative and the betting instincts in man, and serves hardly any other economic purpose. Yet it is common to welcome this dimension of globalisation, and to include inflows of hot money as part country’s assets, however volatile they may be. This has no meaning, unless the governments of the countries concerned are strong and effective enough to control outflows. But, the moment the governments show some inclination for it, the inflows are also immediately and adversely affected! Even FDIs are adversely affected. Not to speak of political arm-twisting from governments that lead global capitalism, whenever the governments of developing countries dare to control financial flows. Globalisation of capital flows is an explicitly economic process, which does not eschew political factors either as a cause or as an effect. Economic instability, induced by hot money movements, could very well, and very quickly, lead to political instability as well.

A broader view would still be focused on the human dimension, but would go beyond purely economic activities, and would comprise a greater interaction between countries in the sphere of culture, language, and religion. In a sense, the process of globalisation began much before the modern era, in which military expeditions, traders, and missionaries played a major role. Earlier to the present modern phase of globalisation, it was more explicitly a political process, which included the economic, but mainly taking the form of colonialism. Migrations of people across continents also played an important role, often coupled with invasions, since the pre-colonial era itself. Even now, when the process of globalisation is more pronouncedly economic, it has not eschewed migration of people and cultural interactions. However, while migration of people was the major means of interaction earlier, it is no longer necessary now. Interaction takes place now mainly
through media and communications and publicity campaigns. But the term ‘interaction’ in the present context of globalisation may well have become passé. ‘Interaction’ would have been more relevant in the pre-colonial days, but subsequently it has given way to dominance even in the sphere of culture. While invaders’ culture dominated the affected countries in the colonial era, what takes place now is the dominance of market culture in the globalisation era and a replacement of most of the traditional way of life and culture in favour of a homogeneous market culture, where culture itself becomes an instrument of global capitalism. The colonial era permitted some cultural diversity, both because the colonial powers themselves had some distinct boundaries for their colonies and also because they showed some tolerance to local cultures to keep down discontent. The globalised market culture has no such boundaries, nor any inhibitions.

A still broader view of globalisation is about processes taking place in the global eco-system, in which human intervention – more accurately, market intervention – plays an increasing and often adverse role. Migratory birds may have been early ‘agents’ of globalisation, which started much before human intervention began to make an impact. But that was a part of nature’s working, and certainly a harmless or innocent globalisation compared to the present which represents nothing short of marketisation or commoditisation of nature itself.¹ Under its auspices, destructive aspects of economic growth have been intensified significantly and at the global level, like fast shrinking drinking water resources, degradation of land, depletion of ozone layer, climate change, declining capacity of the oceans to absorb excess carbon from the air, depletion of bio-diversity, and increasing extinction of wildlife. Global eco-system knows no political boundaries of countries, since environmental impact of human intervention in one country spreads to other countries too in no time. Normally, however, globalisation is discussed mainly in terms of its narrowest, that is, economic view, but we can hardly afford to close our mind to other aspects.

Precisely because the process of globalisation, in all its three aspects, cuts across political boundaries, it becomes so much more difficult to tackle. Individual countries can always point an
accusing finger at others and say: 'They have done it. Let them mend themselves first before we do!' Collective action, which is no easy matter even within a society or country, becomes all the more difficult at the international level. The major difficulty is not that it is impossible, but that political leaders have their fingers deep in the market pie!

Globalisation in the modern, dominantly economic, sense was not an issue of discussion during the days of Gandhiji. Instead, it was colonialism — also a globalising force, which, of course, Gandhiji challenged with all his might with significant success, through his own moral weapons of truth and non-violence. But how would he have looked at the present avatar of globalisation? Directly, he may not have commented on this process, but these is a lot in the Gandhian thought which is germane to the present process, and can help in better understanding globalisation through a Gandhian perspective. A Gandhian perspective would not only help us in analysing the nature of globalisation, but also factors and agents behind it, and its impact, and what is more, in finding a solution. The Gandhian perspective gives a set of useful criteria to analyse and assess, rather than a priori settled conclusions, leaving his followers to do their own analysis.²

Strictly speaking, a scholar ought to go through all 100 volumes of Collected Works of Mahatma Gandhi to know his views on any topic. His essential writings are, however, also available at least in two compilations (Iyer 1993; Mukherjee 1993), which have been mainly used for this paper.

It is important to dismiss in the first instance a naive view of Gandhian perspective on this issue. According to this view, since Gandhiji stood for swadeshi, swaraj and self-reliance, he would have opposed globalisation per se. This view offers a settled a priori conclusion about globalisation, and with it, about any mechanisation and international trade, particularly imports if not exports. We do not have to labour much to debunk this naive view before we go to the more correct and sophisticated view of Gandhian thought on the matter. This is because Gandhiji himself debunked this naive view, which had appeared in his own lifetime. His stand on globalisation per se can be summarised in his own famous words:
I do not want my house to be walled in on all sides and my windows to be stuffed. I want the culture of all lands to be blown about my house as freely as possible. But I refuse to be blown off my feet by any one of them. (quoted in Rolland 2004/1924: 70–71)

Gandhiji conceded the literal meaning of *swadeshi* as using what is locally produced. But he also explained the more important, broader and overriding meaning of *swadeshi* as ‘reliance on one’s own strength’ (cited in Iyer 1993: 362). What he meant was that so long as one relied on own strength, taking care that this strength is not eroded, one was free to use what was produced elsewhere. He warned his followers against making a ‘fetish’ of *swadeshi*:

To reject foreign manufactures merely because they are foreign and go on wasting national time and money to promote manufactures in ones’ own country for which it is not suited would be a criminal fully and a negation of the *swadeshi* spirit. A true votary of *swadeshi* will never harbour ill-will towards the foreigner, he will not be moved by antagonism towards anybody on earth. *Swadeshism* is not a cult of hatred. (cited in Mukherjee 1993: 78)

Gandhiji’s stand on this was made clearer through his distinction between ‘swaraj’ (self-rule) and ‘independence’. He preferred the former as a better, more inclusive and positive term, which meant freedom of choice and freedom to act, whereas the latter term was rather negative and narrow. It could even imply isolation from the world, which could hardly be any country’s goal. He made it clear that ‘I do not want India to be a frog in the well, unaware of what happens outside the well’ (cited in Iyer 1993: 409). Gandhiji wanted India to become a predominant member of the World Commonwealth (not so much to dominate, as to help other countries and uphold moral values in the world economy and politics) (Iyer 1993: 352–54; Iyer 2000: 348–49).

Gandhiji’s first and foremost concern was with the freedom of the individual, since, for him, individual was the basic unit of the economy, polity, and society. A country’s freedom has no meaning unless every individual in it has freedom, and this freedom was not just negative (such as freedom from the foreign yoke, freedom from hunger) but positive (to be a free moral agent, free to resist any abuse by authority, and exploitation by others). Gandhiji said,
'Swaraj of a people means the sum total of the swaraj (self-rule) of individuals' (cited in Iyer 2000: 353). The individual, of course, carried a responsibility not be selfish and be concerned about the welfare of others, as much as her/his own. In stressing the importance of the individual, Gandhiji did not mean an individual in isolation. The individual could freely associate with others in cooperative or collective action. Gandhiji asserted clearly:

The sum and substance of what I want to say is that the individual person should have the control over the things that are necessary for the sustenance of life. If he cannot have such control, the individual cannot survive. Ultimately, the world is made up only of individuals. (cited in Mukherjee 1993: 289)

Gandhiji’s emphasis on individual or on village swaraj did not mean exclusiveness and isolation. He made this clear more than once. For example, he said:

... every village will be a republic and panchayat having full powers. It follows, therefore, that every village has to be self-sustained and capable of managing its affairs even to the extent of defending itself against the whole world .... Ultimately it is the individual who is the unit. This does not exclude dependence on and willing help from neighbours and from the world .... Such a society is necessarily highly cultured in which every man and woman knows what he and she wants and, what is more, knows that no one should want anything that others cannot have with equal labour. (cited in ibid.: 83)

Gandhiji’s insistence on decentralisation was mainly to take care of the individual. This decentralisation was as important in economics through following the principle of ‘small is beautiful’ as in politics through following the principle of village swaraj. Freedom of the individual certainly involved freedom to associate with others on equal terms and form groups, but the latter should not so dominate the individual as to be oppressive. This principle is pertinent in any discussion of globalisation, since multi-national corporations, which, in particular, are so much a part of globalisation, and global capitalism, in general, may well involve oppression of the individual. In a situation where not merely the state but even the civil society and its institutions make way for the market forces, the individual becomes simply a non-entity, despite
the formal elections. Gandhian approach would require a check on this danger.

There is evidence to indicate that this danger is not just imaginary but real. For example, globalisation in India appears to have created more jobs in the unorganised or informal sector than in the organised sector, thereby pre-empting unionisation of labour. A more liberal hire-and-fire policy was allowed even in the organised sector. This has weakened trade union movement in India considerably. To the extent that this movement is an inherent part of democracy, democracy itself can be said to have become weak in the process. By curtailing labour rights, the possibility of labour asserting its right to an increased share in the growing national income is also pre-empted. An increase in inequality thus became inevitable. Real democracy is not just a political ornament to be worn only during festivals of elections. Real democracy protects the rights of the underdog and protects their interests.

Since every individual is important, no individual’s deprivation can be justified by the enrichment of other individuals, even if they are more than the number of individuals deprived. That is why, in Gandhiji’s village republic, there was no place for economic and social inequality or caste oppression. This stress on individual assumes significance in the processes of industrialisation, economic growth, and globalisation. These processes cannot ride on the back of exploitation or exploited individuals, because this would amount to violence. No economic and political or social process should be violent, whether it is industrialisation, mechanisation, urbanisation, or globalisation. And violence means not just injury, but also deprivation. If a process inevitably involves a gain for some and deprivation for others, those who are deprived have to be compensated for their loss of income, livelihood, or welfare, in such a way that they are not only not worse off, but even better off than before, so that all are equal gainers. Unequal gains also constitute injustice and violence, which have no place in a Gandhian system.

This Gandhian requirement or condition has an important implication for development projects as well as economic processes. A compensation mechanism is more easily implemented if those who are deprived are only a few but the gainers
from the project/process are large in number, and if the amount of compensation required is smaller than gain. From out of the large gain, the small loss can be easily compensated, and the burden, if it can be so called at all, can be shared by the large number of gainers. If, however, the loss is huge and the gain is small, and if the losers are many and the gainers only a few, then such project has to be just given up. In such a condition, it is impossible to compensate the losers. Though this is economic common sense, with which anybody would agree, complications are introduced right at the planning stage when the few gainers have a political clout and mislead the government into believing that the gainers are large in number and the gains are huge from the project, underestimating deprivation significantly and deliberately. Only the direct economic costs are reckoned in such cases and social costs are ignored or highly underestimated. One has to be careful if this indeed is the case with globalisation too. Are the costs of globalisation, including ecological and cultural costs, borne by the large mass of people huge compared to the gains going only to the elite few? If this is the case, compensating mechanisms and income transfers to the poor and the losers can only be a farce.

To make the matters absolutely clear and simple, Gandhiji gave a criterion, which he called a ‘talisman’. He said:

Whenever you are in doubt, and when the self becomes too much with you, apply the following test. Recall the face of the poorest and the weakest man whom you may have seen, and ask yourself if the step you contemplate is going to be of any use to him. Will he gain anything by it? Will it restore him to a control over his life and destiny? In other words, will it lead to swaraj for the hungry and spiritually starving millions? (quoted in Mukherjee 1993: 91)

For Gandhiji and his eminent spiritual disciple, Vinoba Bhave, economic development meant antyodaya, the rise and the development of the marginalised and the poorest, and not a mere increase in the per capita income of the country as a whole. They would not mind economic development, but it had to pass this test. In the context of globalisation from a Gandhian view, it is crucial to check if it works mainly in the interest of the elite and the multi-national corporations, with only crumbs offered to the poor.
Globalisation would get Gandhian support only if it is the most effective tool to end poverty and deprivation. But globalisation by itself may not be of much help unless special efforts are made to empower the poor, by equipping them with not only formal literacy but also skills and knowledge, and access to productive assets, credit, and proper markets for their products and services. It will also depend on whether democracy and a voice for the poor is strengthened or weakened by globalisation.3

Gandhiji's advocacy for swadeshi has to be understood in the light of the above principles preached by him. Gandhiji felt that his test of whether the poorest of the poor are benefited, could have a palpable meaning only in swadeshi, as he understood it. He laid down what he called as the 'law of swadeshi' for its votary, which was to 'dedicate himself to the service of the immediate neighbours' (Mukherjee 1993: 76). If everyone took care of his immediate neighbourhood and ensured that it is free from injustice, poverty, and deprivation, the world would be a much better place to live in, he thought. He asserted: 'Pure service of ones' neighbours can never from the very nature, result in disservice to those who are remotely situated' (ibid.: 76). Not that he was against any altruism to benefit distant lands and people. The law of swadeshi is violated only if such altruism, or for that matter, any economic activity, involves 'a culpable neglect of immediate neighbours' (ibid.). This did not mean making a fetish of swadeshi, against which also he warned (ibid.: 78).

Gandhiji looked at the human problem in a holistic way. Economic was only one aspect, and he was equally concerned with the social, political, cultural, and the spiritual. It follows that the impact of globalisation on poverty and deprivation is only one dimension of the consequences to check. Other dimensions to check from a Gandhian perspective would be the impact on environment and the global eco-system, on the freedom of choice of the individual as well as village and a country, status of individual, impact on democracy, cultural diversity, and human rights.

One of the favourite arguments in support of globalisation has been that those who have adopted it, especially export-orientation, have done well in removing poverty, deprivation and illiteracy. A
little deeper reflection, however, would show that countries who have made a success of globalisation were politically strong and did not suffer any loss of political strength in the process of globalisation. Countries which had already taken care to remove poverty through land reform, mass literacy, and universalisation of school education did better in this regard, and could thus make a success of globalisation as well. But countries, where local democracies were sabotaged by the vested interests of multi-national corporations, could not be a success story in globalisation. Countries, where their freedom of choice remained in tact, and which had the courage to control and even manipulate globalisation to their advantage, alone made a success of themselves. It is often said by its votaries that globalisation per se is benign, but unequal social structures and political strength of countries are another matter altogether, since the latter do not owe their origin to globalisation. Such an argument forgets that globalisation cannot operate in a vacuum, and that it not only can perpetuate but also accentuate inequality within and between countries, if this inequality is not effectively addressed.

The risk of globalisation adversely affecting global environment and the eco-system arises mainly from its inherent tendency to promote limitless consumerism, particularly on the part of the elite and the middle classes. The evidence that globalisation has been promoting widespread vulgar consumption, not so much to meet one’s needs as to flaunt one’s status, is conspicuous enough. In Gandhian view, unbridled consumerism is morally and spiritually degrading. It diverts the human spirit from nobler purpose of life, and deprives him/her of peace of mind which is necessary for real happiness. It has been promoting an intense rat race between corporations, and between countries, affecting adversely individuals’ physical as well as mental health. This pernicious competition is producing impatience, unhealthy rivalry, intolerance, and perpetual discontent with what you have even if you become a billionaire. Increasing violence in the world in all spheres is only a reflection of this spiritual malady.

Consumerism is not spontaneous. It is often induced by business interests, promoting their products. It is the unbridled and unscrupulous variety of capitalism that has to take the primary
responsibility for resource depletion. The state is often found to be inept and sometimes too corrupt to counter this. It has been, for example, widely alleged that political leaders are hand in glove with quite a few private mining interests in a particular district of Karnataka. Mining leases may be given for a specific area legally, but the allottees are allowed to illegally mine neighbouring areas also, with the political leaders enjoying a share in the spoils. When 'leaders', who are supposed to be people's protectors, become predators, who can protect ordinary citizens? This is widely believed to be happening. One can see wide ranges of hills levelled down, with the huge dust settled on agricultural fields and forests nearby, and converting the landscape almost into a desert. Most of the iron ore mined is exported, the price of which has increased by eight to ten times within half-a-dozen years. The case above is a concrete example of what globalisation can do to nature.

The crux of this example is that the social costs are largely, if not wholly ignored. The irony is that this is done often in the name of maintaining our competitiveness in the world market! Open cast mining, particularly on catchment slopes, which is environmentally the most destructive, seems to be more prevalent than better types of mining. As a result, rules State of India's Environment – Citizens' Report 6, that such mining has played havoc with the nation's water resources (Banerjee 2008: 10). Has it helped the local poor - the 'immediate neighbours'? Has increasing the size of the national cake by these means improved the share of the poor in the cake? The same Report also mentions the lands having rich mineral wealth also have rich forest cover, on which a significant number of forest dwellers depend for their livelihood. Ironically, lands with rich resources have also large concentration of poverty! Ironically again, the exploitation of these resources has done hardly anything to reduce this poverty. On the other hand, deprivation has only deepened and widened to cover many fronts. This would be hardly surprising for Gandhiji, because he always insisted that means cannot be justified by ends, and that violent means cannot lead to good results. He observed: 'They say “means are after all means.” I would say “Means are after all every thing.” As the means are, so is the end' (cited in Iyer 2000: 362).
Following the spread of a western variety of consumerism, globalisation also tends to homogenise culture and even attitudes to life. Individual ‘national’ cultures tend to obliterate numerous local cultures within a country, and the ‘national’ cultures themselves tend to conform to a uniform global elitist lifestyle and culture, suppressing diversity, artistic creativity and even freedom in the process. Even if the economic impact of globalisation in terms of employment, poverty, and deprivation is somewhat in dispute, its adverse impact on the global eco-system, on cultural diversity and attitudes to life, seems be so conspicuous as to be beyond dispute. Gandhiji made a trenchant critique of the modern civilisation as early as in 1909 through his booklet *Hind Swaraj* (reproduced in Mukherjee 1993: 3–66). Perhaps his critique of globalisation would have been even more forceful.

It is, however, pertinent to remind ourselves that Gandhiji would not have been against globalisation *per se*. If we could manage globalisation in such a way that we can avoid its adverse impact, he would not be against it. In particular, we need to check if globalisation (i) reduces or aggravates poverty and deprivation, particularly among the poorest; (ii) reduces or aggravates inequality, particularly between the poorest and the rest; (iii) suppresses or protects the individual and his control on his livelihood and freedom of choice; (iv) suppresses or protects democracy, self-rule, and the capacity of countries, represented by their governments, to take care of the welfare of their own citizens in national interest; (v) erodes or protects the cultural diversity of all people, their moral status and their spiritual health; and (vi) erodes or protects the environmental health of the earth, along with its diversity. In Gandhian perspective, all these tests are important.

But, do we have the competence and resourcefulness to control globalisation in a way that local initiatives, cultures, and freedom are not curbed, and the Gandhian individual would be in control of the process, rather than be its helpless victim? Our hope for this lies in strengthening the civil society which can stand up against a corrupt state and make it effectively play its duty-bound role of taming the market forces. And, who can strengthen the civil society except the committed Gandhian individuals, who will not be fooled by the empty promises of global capitalism? Gandhian
teaching would require on the part of all individuals vigilance about what is going on around them, courage of conviction, and enough activism and institutional development to take up public causes and strive to enhance the welfare of all.

Interventions and Responses

A. Ramaiah: Are Gandhian teachings and principles relevant to solving the problems of dalits? Would not dalits benefit from globalisation, as it may help them escape from an oppressive local society?

Response: It depends on how far dalits can control the process of globalisation to their advantage and benefit from it. Gandhi opposed untouchability and discrimination against dalits with all his might. His village *swaraj* was based on the principles of equality and non-violence. Both these principles are against the oppression of dalits. Globalisation *per se* may not help dalits to escape from local oppression and inequity, if agricultural labourers and other informal labourers are excluded from its benefits, and if they have no escape from low-paid occupations.

Michael Walton: In emphasising the role of the individual, how did Gandhiji view the problem of reconciling individual freedom with group interests? Is not social action by groups a valid weapon for social change and reform?

Response: Gandhiji was not against collective action at all. In fact, all his life, he was busy mobilising mass opinion and mass action. He could see that group action or collective action is more effective than the actions of isolated individuals. But individuals' association with groups has to be voluntary, and group action should not rob the individual of his dignity as an individual, his creativity and livelihood, and be free from oppression. Gandhiji also emphasised duties more than rights, and the importance of sacrifice on the part of individuals for the sake of collective welfare, but this had to be moral and voluntary, and not involving oppression and violence.
Notes

1. Michael Buraway (2007) speaks of three waves of marketisation associated with the commodification of labour, money, and land (read, Nature) respectively. In the third wave involving nature, ‘every thing is up for sale’, ‘nothing is sacrosanct’ (ibid.: 339), and marketisation is ‘truly global in its causes and ramifications’ (ibid.: 347), with ‘no place to hide from the storm of marketisation’ (ibid.: 346–47).

2. Narendar Pani (2001) speaks of the Gandhian method, which he also calls an inclusive method, and according to him, this method has to be distinguished from Gandhiji’s theories and judgements. Whether his method can be wholly isolated from his theories and judgements is disputable, but there is something like a Gandhian method which can be applied to situation and problems which may not have prevailed during his times. It has some generality or universality. The essence of the method is to include all aspects of the problem, and assess both the actual and logically anticipated consequences so as to have a holistic and balanced perspective. In order to minimise the subjective element in such an analysis, it is important to be conscious of and detach oneself from any selfish interests, irrespective whether they are personal interests or interests of the class one belongs to. The Gandhian method is not amoral, but is influenced and guided by his values of truth and non-violence and welfare of the poorest of the poor.

3. These are theoretical conditions. If they are fulfilled in practice, they should have an impact in terms of reduction in poverty. But has poverty actually declined? To test this, this author had earlier made an analysis of cross-country experience, and also of experience over time within a country – India. But the results were not conclusive in the former analysis. As for India, poverty has no doubt tended to decline, even while exports as per cent of GDP and ratio of exports over imports, have both tended to increase (Nadkarni 2002: 559–68). Subsequently, poverty may have declined even more, thanks to the introduction of the National Rural Employment Guarantee Scheme (since renamed as the Mahatma Gandhi National Rural Employment Guarantee Scheme). But, the decline in poverty on the whole has been painfully slow, and inequality has tended to accelerate. Even while absolute poverty may have slightly declined, relative poverty has increased. There is thus no room for complacency.
References


