

## Abstract

**Title: Impact of Globalization on Sovereignty: A Study of India and China**

**Key words:** Sovereignty, globalization, terrorism, insurgency, multinational corporations, foreign direct investment, cyber and maritime security, global economic crisis

In the contemporary times globalization has emerged as the popular model for development of the states. Many political and economic thinkers consider that globalization is the extended form of capitalism because it follows the same strategy as are applied in the capitalistic model of development. Its edifice stands on the principles of more freedom with minimum or no regulations. This approach of globalization is considered against the core notion of sovereign power of any state and India and China also come into this category. Globalization is called as the advance phase of capitalism because most of the activities under the process of globalization are comparatively same as followed by the capitalist forces.

Today globalization has reached to every corner of the globe which reflects on its nomenclature. The basic foundation of globalization is based on negative liberalism where there is minimum role of the state and its duties are related with law and order and rest of the things are left for the market forces. This is the reason that agents of globalization demand complete freedom from the states. When the agents of globalization get freedom to do whatever they want and in this way they actually challenge the sovereign authority of the state.

The concept of globalization is based on the expansion of economic activities of the countries across the globe with borderless relations among them. It believes in the exchange of trade, ideas, information, social norms and culture for the betterment of everyone. It has integrated the whole world into global village. Though the integration of the nation-states is based on the mutual consent for the mutual benefit but the developed and powerful countries have dominating role in the expansion of globalization across the globe. The dominant behaviour of the developed countries is issue of concern for the developing countries including India and China because they consider it as a threat for their sovereignty. If sovereignty of any state is being compromised by any of the factors whether internal or external, it is issue of concern for the government as well as to the responsible citizen of that country and such factors should not be adopted or allowed by them to enter with in the territory. But in case of globalization it has been seen that the countries are very much aware about the negative consequences of globalization and its impact on the sovereignty of the states, in spite of this majority of states have allowed it to enter into in their territory.

The same case also applies with India and China because both the countries were aware about the negative consequences of globalization even then they allowed it to enter into their territories and at the same time they also ensured that there would no hurdle in the path of globalization for which they reformed their rules and regulation in such a way that today globalization has strengthened its feet in both the countries. Now these forces of globalization are giving challenges to the sovereignty and integrity of both the countries. If sovereignty of

provide economic assistance to only those countries which accept the dictations of the USA. It was proved when both the institutions denied giving economic assistance to India in 1990-91 because it was not ready to liberalise its economy which was very long demand of the USA since early 1980s.

In the same way, the behaviour of the World Bank was more in having the command over the developing countries in which India and China were the main targets because both the countries were highest receivers of the economic assistance by the Bank. Whenever the Bank got opportunity, it forced both the countries in accepting its dictations. This was very much visible when the Bank forced both the countries to accept the SAP provisions. The main agenda of the Bank has been to accelerate the process of liberalization in both countries. Ultimately it got success on its agenda.

In late 1980s and early 1990s, India was very much depend upon on the IMF and World Bank for the reconstruction of its economy due its poor economic condition. But both these international institutions took the due advantage of India's weakness and imposed their arbitrary terms and conditions which India was not willing to accept but ultimately it had to accept those terms and conditions for its survival. This type of behaviour adopted by the IMF and World Bank exposes the hidden agenda of these institutions that in the name of the economic assistance actually they want to serve their own purpose.

China also witnessed the same behaviour of the IMF and World Bank when it approached to IMF for the economic assistance in 1981. It forced China to adopt the structural adjustment programmes which were nothing but the guidelines prepared by the IMF and World Bank to accelerate the process of liberalization in the developing countries.

The role of WTO was quite similar as of the IMF and World Bank. When WTO was established, the USA was at the top of its power and prestige because of the disintegration of the USSR and failure of the socialist economy and this factor played important role in having the command of the USA in the formulation of rules and regulations of the WTO. In this way the USA got opportunity to insert those provisions in the provisions of the WTO which were protecting the interest of the developed countries especially of the USA. The developing countries like India and China are struggling even at present to protect their interest. Doha Round of the WTO which took place in 2001 is good example of this fact that there was uneven distribution of powers and so the developing countries had initiated their fight led by India against the developed countries. The supremacy of the USA can be seen from the fact that China had to struggle for six years to get membership of the WTO and China had to compromise with its own ideology, and also with sovereignty when it had to agree with those terms and conditions which were against the interest of China.

Thus it can be said that the notion of sovereignty of India and China is being compromised by the forces of globalization.