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Competitive Exams Essay Contest Feb. 2009: Robin Gupta: Third Award

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Globalization and Urbanization

Globalization and Urbanization are the terms which are interlinked with each other in spite of the very dissimilar definitions. Globalization is a process of economy which deals with trading across the borders for mutual growth and thus making world as one urban city. Where as urbanization is a growth process of economy through which the rural areas are developed into a high living standard area that is urban area. Both concludes to growth and prosperity, but are some what different in their perceptions.

In the world where we live globalization is very essential for a country to grow. When trades are done at a higher pace with different foreign countries, foreign capital starts to flow in which thus increases foreign direct investments and this in turn increases our GDP by significant numbers. This is a basic economic policy which human beings are dealing from a very early stage of their civilization. These policies brought industrial revolution in many western countries. Which in turn let their financial condition to grow and prosper and now they have most advanced cities. The citizens of these countries have a better healthy life style.

Today India is soaring high in economy, its GDP is increasing, economic condition is getting better, more number of people are getting employed, per capita income is increasing which means people are getting rich and their life style is getting better, the people under poverty line are decreasing. More and more villages are getting good infrastructure and loans are getting waived off due to substantial growth of our service sector and thus urbanization is taking place around the villages and the concept of r-urbanizationa recent term in use can be visualized in the countryside areas as many barren and unused lands are been taken up by many companies for SEZ purpose. This in turn is increasing job prospect for many skilled workers who use to earn less through agriculture. Indeed globalization is one of the important factors that led to all this development. it's just because whole world has united and has come so close that demand of quantity with quality has increased many folds. That is why India has come up with so many shopping malls, multiplexes, and many desi Indian handicraft shops has directly opened their outlets in foreign countries. This has been possible only because of globalization. This economic reform of the 1990's has given India such an economic boost that it is at present second fastest growing economy after China. India

has already flexed their economic muscle and if this pace of globalization and thus trading continues, it won't take more than ten years to become a super power.

But as we know everything has both positive and negative side, similarly globalization has both sides. Till a year back we saw a very prosperous side of globalization, but now as the recession hit American economy, the globalization factor made the business in various countries feel serious jolts. This happened because of over dependence on American economy which actually happened because of this globalization factor. haven't the other countries relied on each other for export and import to this extend the scenario would have been much different.

In India where GDP was sailing to near about 9.5 % , due to this global meltdown it is expected to come down to around 6 – 7 % . This meltdown ripped off many jobs and about 20 lakhs people in India are jobless to date. This in turn has affected the urbanization process severely, as government is going on poor funds for growth. Thus here the main villain is the globalization.

Hence we saw that globalization was the messiah, who brought unbelievable economic growth in India, and thus helped in urbanizing the villages and also to raise the status of people. But again due to over dependence on this kind of policy we saw the global meltdown and thus causing unemployment, poverty and thus reduction in economic growth, which thus caused recession in urbanization. So we can say that over dependence is the main culprit. A balance is therefore required to grow and prosper efficiently.

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