GLOBALIZATION: THE MISSING LINKS WITH NATIONALISM, ETHNOCENTRISM AND PATRIOTISM

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ABSTRACT

The global business development in this Millennium is attributed to the rampant growth of Multinational companies. The purpose of this paper is to explore different insights in Globalization, Nationalism and Ethnocentrism and to understand the relationship among these phenomena in Business management. Exploratory research design was adopted in which after reviewing of literature selective perspectives pertinent to recent researches are segregated and administered into a brainstorming session. This area can be explored for formulating the research problem in the present-day context where the demarcation between globalization and localization is fading away. The output of the brainstorming is categorized into two – (i) Points laying stress on the review of literature (ii) Points which leads to new perspectives. The different perspectives which were used are (i) Monetary stabilization (ii) Cultural changes and diffusion of culture (iii) Companies becoming big (iv) Technology and Data transfer. The factors influencing and steps to be taken to renegotiate national identity can be studied. The outcome can be used for further research to substantiate with the hypothesis. The outcome gives a guideline to Marketers to build strategies for a global brand to be seen as regional brands.

KEYWORDS Ethnocentrism, Globalization, International Business, Nationalism, Patriotism

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INTRODUCTION

Globalization changed human lives everywhere. The integration of societies and national economies as well as disassociations have been a matter of interest and discussions in all sections of the population. Globalization refers to free cross-border movement of goods, service, information, and people. It is the phenomenon which creates networks of connections among actors at multi-continental distances, mediated through a variety of flows including people, information and ideas, capital, and goods. The entry of the Internet and modern technology has reduced the cost of transportation and communication. economic, political, cultural, social, and technological interactions that leads to the establishment of transnational structures and the integration of economic, political, and social processes on a global scale (Dreher, Axel, Noel Gaston, 2007).

Globalization can be seen as a socio-economic process which symbolizes the economic development of a country. In this sense, India witnessed Globalization during the first century when Alexander the Great made eastward link with Chandragupta Maurya connecting Mediterranean, Persia, India, and Central Asia. In the modern Globalization era, India witnessed an economic liberalization plan during 1990 after which economic growth galloped and now India is one of the fastest-growing economies with an average growth rate of 6-7 per cent per annum and a significant rise in the per capita income and standard of living.

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OBJECTIVES

Twenty-five years since India had achieved globalization in all dimensions, yet anti-globalization protests are seen in several parts of the country. Recent Youth Movement in Tamil Nadu to bring back "Jallikattu" – a traditional bullfight festival which was banned by the court, saw uproar against globalization policy of the government. The protestor voiced to ban Multinational companies. Even a few places witnessed consumers boycotting products of Multinational firms. These kinds of incidents motivated the researcher to understand why people are against Globalization. And why and how people connect issues pertinent to Nationalism. Also to understand why people connect ethnocentric views and patriotism with Globalization.

METHODOLOGY

Exploratory research design was adopted in which after reviewing of literature selective perspectives pertinent to recent researches are segregated and administered into a brainstorming session. The area can be explored for formulating the research problem in the present-day context where the demarcation between globalization and localization is fading away.

India has around 32 per cent of the population in the age category of 20 – 40 years (census 2011). This youth population is the major group in terms of voters' population and is going to be the future productive segment. Engineering students who read newspapers or watch television news daily were selected as the target audience. This group is considered as the reference group who has a good awareness of global happenings. The sheer importance of this group is very much evident through their active involvement in social media which is also kept one of the selection criteria. The researcher moderated the brainstorming session in this group along with the help of a scribe.

REVIEW OF LITERATURE

Economic Globalization

The evolution of the global economy by the way of increasing direct foreign investments and the conversion of International business to Global business better explain Globalization. The capital with its all forms is the main resources with its volume and speed is not only on the increase, but the easiness in fund transfer is also remarkable (Lupan, 2010). Though there are different definitions and different meanings interpreted globally, a unique interpretation was given by Charles wolf Jr., "Globalization is the increased speed, frequency and magnitude of access to national markets by non-national competitors." The parameters in measuring globalization are the market integration, reduction in prices, wages and real interest rates, percentages of GDP through exports (Wolf, Charles, 2000)

Competition at global level forces companies to produce on larger economies of scale and these larger companies make force local companies out (Angel, 2001). "It is true that Globalization is accompanied by increased inequality in income (although the former doesn't necessarily cause the later)" (Wolf, Charles, 2000). Globalization brings interdependence, but the asymmetries of that dependence along with the hierarchical flow and the relative position will help to shape the nature of global power over the next decade (Angel, 2001). There are enough case studies and data to substantiate that the poor wage earners get benefit in exporting sector or in sectors where foreign investment comes and contrary poverty rate increases in the previously protected sector which were exposed to import. Again the winners and losers are among the poor affected and

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supported in certain sectors (Harrison & McMillan, 2007)

Economic globalization is different from political integration, culture integration, various countries' sovereign interest's integration. In the line of Economic globalization, the national interests are fundamental to resist "the interference of new liberalism, neither take the old rigid closed, nor change the nature of society, we should adhere to the correct direction of the reform, improve the socialist system with Chinese characteristics" (Wang & Jia, 2015)

Cultural Globalization

Geert Hofstede defines culture as the collective mental programming which is being shared by members of a nation, region or group but not with members of other nations, regions or groups (1983). Culture can influence the acceptance of new ideas and products. Both male and female respondents in an empirical study in South Korea have favourable attitudes towards economic and cultural globalization – gender has no impact on attitudes (Suplico, 2008)

It is understood that consumer culture is exhibited at three levels – one at the Global consumer culture level, the second at National consumer level or Regional level and third is the Individual consumer level. Marketing strategies are formulated by understanding the three (Mooij, 2015). Marketers have to reach consumers one way or another, and this is generally done via mass media through which individual consumer cannot be identified. Although the internet allows reaching individual consumers by following their buying behaviour, the costs are high and it is not easy to link to personal values. Tracking individual customers' value orientations are costly and time-consuming and may not only be conducted for high net worth or frequent customers

Upon investigating with conjoint analysis, different types of products concerning global vs. local brand perception, the authors say that cultural characteristics are more important for high involvement products and vice-versa. Whereas some of the previous studies state otherwise also. Global consumers are more led by visual cues that symbolize global status and prestige and membership of a particular global group. Local advertising elements have often been related to self-congruity and self-relevant thinking which could be a more cognitive and central process. (De Meulenaer, Dens, & De Pelsmacker, 2015).

Technology Globalization

The internet is highly useful in accessing information from the past and becomes part of life, work and study. Internet brings transparencies and government, people use all kinds of patriotism education and publicity. Under the background of economic globalization, no matter where you are, no matter when you are contributing – this is facilitated by technology (Wang & Jia, 2015)

Nationalism

Nationalism is developing and maintaining a national identity based on shared characteristics such as culture, language, race, religion, political goals or a belief in common ancestry (Triandafyllidou, Anna. 1998). Nationalism like patriotism, which includes a sense of pride in the nation's achievements. But along with taking pride, it means others are inferior to you. Nationalism, unlike patriotism, is keen in exhibiting and celebrating with others.

Ethnocentrism

Ethnocentrism is judging another culture solely by the values and standards of one's own culture (John T. Omohundro, 2008). Consumers' openness to foreign culture, conservatism and fatalism determine the level of Ethnocentrism. Also, consumers show their ethnocentricity in selected local consumer

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products. Therefore foreign importers from countries of dissimilar culture may want to restrain using the products' country of origin. Ethnocentrism as part of consumers' "emotional factors" play a vital part in determining the consumers' preference for either local or imported products and so marketers need to understand consumers' motivation for buying domestic versus imported products (Kamaruddin, Mokhlis, & Othman, 2002). In an empirical study conducted in China, it was found that the associations of nationalism had a strong link to foreign policy preferences than patriotism (Sinkkonen, 2013). 'In a globalized world, many features of nationalism seem to have a revival - Mixing cultures and newly emerging hybrid cultures make it hard for people to find their identity and let them turn towards their own culture" (Christian von Campe, 2008). Many Indians migrated to the United States and elsewhere twenty-five years before are coming back to lead a life with the property they earned yesteryears.

Patriotism

"Patriotism in the conditions of globalization is not focused on national isolation and self-sufficiency: it is aimed at the presentation of cultural achievements of the nation to the world with the use of modern communication technologies. Understood this way the patriotism could become a counterbalance of westernization and condition of successful development of a national community" The homeland is considered as brand made up of the economic, cultural and political image and patriotism in today's context is to promote this to the world (Kuzmin, Kuzmin, & Komelina, 2016)

Singapore government during the eighties introduced policies to break down the barriers separating ethnic communities and forge a Singapore identity. Government's use of integrated school, bilingual education, public housing, and the promotional of a national identity (a cultural institution) as bridging institutions to assist in the implementation of multiracial policies. The equal treatment of the four streams of education – Malay, Chinese, English, and Tamil – laid the foundation of Singapore's multiracial policy development and subsequent implementation of the bilingual education system. The integrated schools with common curriculum gave importance to the English language to prevent conflict based on ethnic difference. The government measures of promoting English, economic growth through international trade and multinational corporation, led Singapore to achieve political stability and economic growth, they have led to a weakening of social bonds which are critical for patriotism. Patriotism in political leaders and citizens gave ways to find measures to renegotiate national identity (Kluver & Weber, 2003).

RESULTS AND DISCUSSION

It was well established with a preliminary discussion that the group is well aware of the intricacies of Globalization, the deep-rooted establishment of the phenomenon and the benefits and misfortunes. The group came out with enough cases and reasons to justify that the societies from different part of the globe are connected through language, transportation, trade, families, tourism, and educational exchanges. The other dark sides of this are the illegal flow of money, money laundering, and drug as international commodities, arms trade, and prostitution. Though the perspective of Globalization is viewed in different dimensions, the study considering the target group has shortlisted few areas of study, such as (i) Monetary stabilization (ii) Cultural changes and diffusion of culture (iii) Companies becoming big (iv) Technology and Data transfer.

It is irrational when people protest against

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Pepsi for drawing water which other local company also does. But the underlying thought is Pepsi doesn't add any economic value to local society. The balance between what Multinational firm takes and return is the question? The nationalistic measures taken by President Donald Trump in the US is seen as "against foreign nationals". Maybe, but the measures are not against cultural pluralism. Ultimately is it argued that whether every national including your people are being accommodated equally? Nationalism is something which becomes alive when the economic wellbeing gets affected.

Segregating the Financial globalization from the Economic globalization, the panel feels that globalization is much a political force when it comes to implementation. It may be told as a compulsion that we may be isolated from the mainframe economy. But it is not so, India has enough wealth to take care of its industries and population. Many economists also feel the same. Some way or the other it is the easy money which is coming in, keep an eye over the market.

The case of Singapore, one of the fastest grown globalized country says that it has lost its cultural identity. Different ethnic groups mixed up and have given a unique identity of its own. But there are people to regret that they have lost their original culture. May be an emotional value which guides every human being in his society is being present in a different form. This is where the anti-globalist are worried. The recent protest happened in the southern part of India, in Tamil Nadu, the youth population came to know about the importance of their own culture, which happened when they are emotionally charged with different issues. These type of unrest then and there educates people on the disadvantages of globalization which creates fearsome that their native original culture may extinct.

Over a period, due to successful positioning and regionalization of multinational brands, many Indians are not able to differentiate native brands from Multinational brands. Most of the FMCG products of Unilever, P&G, and Reckitt Benckiser are seen as native brands. What criteria according to a common consumer is that which differentiate a native company form foreign company? Is it the country of origin or the shareholders' pattern etc. much nuances which cannot be understood to define the stamp as a foreign company? Also, globalization paves way too many industries where consumers do not have knowledge and awareness on business brand. These attributes to the characteristics of globalization to be emotional rather than rational. Patriotism in consumers makes them take pride when their native firm achieves at the global level.

Technology transfer across all industries is comfortable after the boom of Information Technology. Technology is seen as the binding force which binds all forms of globalization vis. Political, Economic, Financial and Cultural. Though all are interrelated, technology is one which is used in communicating the existence and at times used to manipulate. The nationalism and the globalization as thoughts both exist in the same person. The person who went out of the country praises globalization again wishes to settle in his native place at his home country in search of their identity. In this process Technology in its part connects everyone in the form of a global village. Earlier, going with the Product life cycle theory of international business, developing countries become the production ground for developed countries, where economy and employment development happens at the cost of environmental degradation. Recent years green technology adopted in developing economies envisages real development.

If we analyze the effects of globalization with some specific measures, then the stories of failures outweigh the benefits. In India, if we consider the overall industrial

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development, the average annual growth rate of Indian Industry has declined from 7.8 per cent to 6.7 per cent, in the post-reform period as compared with the pre-reform period. And there was again a decline in the manufacturing sector comparing these two periods (Kumar, 2014). Though there is a conceptual clarity between Nationalism and Patriotism – well explained through different researches, our brainstorming session showed many overlapping between two. Further discussion led to the conclusion that the transition towards globalization away from ethnocentrism will be smooth and less conflict when economic progression is fast. Singapore is the best example of this.

CONCLUSION

Various factors which differentiate a foreign company from domestic one varies in different geographies in different period. This area clarifies the common cultural aspects between the two nations. The impact of national identity in consumers while he chooses a product needs to be identified. The factors influencing and steps to be taken to renegotiate national identity can be studied. The nationalistic role played by those who have migrated to another country. The globalization of native culture and its impact on the consumers of native land. The globalization of Green technology and its impact on localizing products. The work of Green organization around the globe in bringing globally acceptable products and services. Prioritizing different forms of Globalization and its comparative impact on Nationalism. This trend prediction helps policymakers and marketers to undertake precautionary work to accommodate globalization and Nationalism. Most prominent antecedents of Nationalism and ethnocentrism needs to be deduced so that it's overlapping with globalization can be ascertained.

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