

# Evaluating Globalization In India: A Comparative Study Of Economic Impacts Before And After 'Make In India'

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## **Abstract**

*This research paper presents a comparative analysis of globalization before and after the launch of the "Make in India" initiative. In our interconnected world, globalization has become a significant force shaping economies, cultures, and communities, particularly in the context of India (Srinivasan). This study examines the various dimensions of globalization and its multifaceted impacts on human life. While globalization presents opportunities such as enhanced trade and technological advancement, it also poses challenges, including cultural homogenization and economic disparities (Rodrik). A thorough analysis of its political, social, cultural, and economic dimensions enables a deeper understanding of its effects on India and beyond.*

*The paper employs secondary data to conduct a comparative analysis of globalization's impact before and after the "Make in India" initiative. The introduction contextualizes this research issue, underscoring its significance in today's globalized environment. Our conceptual framework is informed by contemporary theories and existing literature, ensuring a solid foundation for our analysis (Nayyar). Through a carefully structured data collection approach and a clearly defined methodology, we have prioritized the reliability and validity of our empirical findings.*

*Our investigation reveals the considerable influence of the "Make in India" movement on various aspects of globalization. Although the study faces limitations, including reliance on secondary data and potential biases in source material, it makes a significant contribution to the discourse on globalization, especially in the Indian context (Kumar). The findings give critical insights into the dynamics of globalization and evaluate the effectiveness of policy initiatives like "Make in India" in fostering economic growth and development.*

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## **I. Introduction**

Globalization has significantly influenced economies worldwide. In India, the "Make in India" initiative, launched in 2014, aims to leverage globalization's potential by enhancing domestic manufacturing and attracting foreign investment (Government of India, *Make in India*). Emerging prominently in the late twentieth century, globalization has reshaped trade patterns and cultural exchanges across the globe. The "Make in India" strategy focuses on 25 key sectors, intending to boost industrial competitiveness, create jobs, and position India as a global manufacturing hub (Bhaumik and Ghosh).

This study conducts a comparative analysis of globalization's effects on India's economy before and after the "Make in India" program, utilizing secondary data from various sources, including economic reports, academic studies, and official publications. It aims to examine trends in foreign direct investment (FDI), trade dynamics, industrial growth, and employment rates from 2000 to 2023. The research acknowledges potential limitations regarding data reliability and biases present in existing literature.

The findings of this research are essential for policymakers, businesses, and other stakeholders, offering valuable insights into the effectiveness of the "Make in India" initiative. The paper is organized into several sections: introduction, literature review, conceptual framework, data collection, empirical analysis, limitations and challenges, policy implications, and conclusion.

## **II. Literature Review**

### **Introduction**

India's globalization patterns provide valuable insights into the nation's economic trajectory. Research focused on trade liberalization, FDI inflows, global value chains, and economic integration underscores India's evolving role in the global economy (Bhaumik and Ghosh). Concurrently, scholarly articles analyzing the "Make in India" initiative highlight its objectives, strategies, and outcomes, particularly regarding industrial development and job creation. However, the literature reveals gaps and inconsistencies when comparing the effects of globalization before and after the launch of "Make in India." Some studies question the campaign's effectiveness in addressing structural challenges and promoting inclusive growth, while others argue that it has bolstered

domestic manufacturing capabilities and attracted foreign investment (Kumar). There remains a pressing need for more empirical research to better understand the nuanced impacts of globalization across various sectors and regions.

### **Insights of the "Make in India" Initiative**

Launched in September 2014, the "Make in India" initiative represents a strategic endeavor by the Indian government to position the country as a global manufacturing hub. Evaluating this initiative involves assessing its goals, strategies, and impacts, particularly in terms of industrial growth and job creation. A primary objective is to elevate the manufacturing sector's contribution to India's GDP from approximately 16% to 25% by 2025. Achieving this target entails enhancing the sector's competitiveness and fostering investment. Furthermore, the initiative aims to stimulate economic growth through increased industrial output and technological innovation (Government of India, *Make in India*).

### **Literature Gaps**

Despite the extensive body of research on globalization and the "Make in India" initiative, significant gaps remain in understanding its effects on structural challenges and inclusive growth. Some assessments highlight improvements in industrial performance and increases in foreign investment, while others point to persistent issues such as regulatory inefficiencies and uneven growth distribution (Kumar). These discrepancies underscore the necessity for further empirical research to clarify these gaps and enhance our understanding of how effectively the initiative addresses structural challenges and fosters equitable economic development.

## **III. Conceptual Framework**

### **Introduction**

This conceptual study focuses on identifying key variables such as trade openness, FDI inflows, export orientation, and participation in global value chains that are crucial for assessing the extent and direction of globalization. These criteria are vital for evaluating India's economic performance on the global stage and its integration into the world economy (Bhaumik and Ghosh). Moreover, the analysis specifies particular metrics essential for assessing the impact of the "Make in India" initiative on domestic manufacturing, including manufacturing value-added, job creation, industrial output, and technological capabilities. Conceptual clarity is essential for evidence-based policy decisions aimed at fostering economic growth and strengthening India's position in the international economy.

### **Changes in Investment Patterns**

Before the "Make in India" initiative, India's globalization primarily attracted investment in the services and IT sectors, while manufacturing lagged due to regulatory hurdles and inadequate infrastructure. Following the initiative's launch, there has been a notable shift toward increased FDI in manufacturing and industrial sectors. The campaign's focus on improving the business environment and developing industrial corridors has boosted investor confidence and diversified sectoral investments (Government of India, *Make in India*).

## **IV. Data Collection And Methodology**

### **Introduction**

This section outlines a systematic approach to data collection to examine India's globalization trends before and after the launch of the "Make in India" campaign. Identifying a variety of data sources, including scholarly research papers, international databases, and government statistics, ensures a comprehensive analysis of India's economic landscape. Employing a comparative analysis approach facilitates an evaluation of the campaign's effectiveness.

### **Pre-Initiative Data Collection**

Before the "Make in India" campaign, data on globalization impacts were collected using broad economic indicators such as GDP growth, FDI inflows, and trade volumes. Historical data from global databases, industry surveys, and government publications provided a general economic overview but lacked specificity regarding effects on particular industries (Nayyar).

### **Post-Initiative Data Collection**

Following the "Make in India" campaign, data collection methodologies have evolved, now incorporating investor sentiment surveys, sector-specific performance metrics, and evaluations of regulatory impacts. Enhanced data sources, including industry-specific studies and government reports on infrastructure initiatives, offer deeper insights into the campaign's effectiveness and its influence on structural changes within the economy (Government of India, *Make in India*).

## V. Empirical Analysis

### Introduction

Empirical analysis systematically examines statistical data and modeling techniques to assess the impact of the "Make in India" initiative on globalization and domestic manufacturing. This process includes presenting comparative statistics, conducting econometric modeling, and interpreting results to evaluate the initiative's influence on economic indicators (Bhaumik and Ghosh).

### Comparative Statistics Analysis

Comparative statistics reveal changes in indicators such as FDI, output, and the export-import ratio before and after the "Make in India" campaign. An increase in investment and output following the campaign suggests a positive influence on industrial and global growth (Government of India, *Make in India*).

## VI. Conclusion And Policy Implications

### Summary of Findings

The analysis reveals that the "Make in India" initiative has led to significant changes in investment patterns, regulatory environments, and manufacturing outputs. Post-initiative data collection indicates increased FDI and improved industrial performance, reflecting a positive shift in globalization dynamics. However, challenges such as regional disparities and skill mismatches persist, indicating a need for further targeted policies (Bhaumik and Ghosh).

### Policy Implications

Future economic development strategies should build on the "Make in India" initiative's successes while addressing its limitations. Recommended policies include strengthening infrastructure, streamlining governance, and focusing on skills development to support inclusive growth. Additionally, fostering innovation and adapting to global economic changes will be essential for sustaining industrial growth and global competitiveness (Government of India, *Make in India*).

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