

# Globalisation with Responsibility: Impact of Globalisation on Human Rights

Jean Maria George

Assistant Professor in Economics, Christ College  
(Autonomous), Irinjalakuda, Kerala

## Abstract

Protection of basic human rights is one of the most pressing and elusive goals of any nation. The developmental initiatives of a nation, therefore aims at the ultimate welfare of its citizens. The socio-economic consequences of globalisation are mostly anti-poor and anti-marginalised in nature in India. It is therefore important to strengthen the human face of globalisation. The positive impact of globalisation on the growth and development of economy is remarkable, however, on the other side, it lacks normative principles of justice and humanity. Social and human rights responsibilities and values have rather neglected or sometimes been discarded and side-lined while economy aims for profit maximization. Globalisation, fuelled by profit-making deeds and serving business ends spills over a remarkable aura that has shaped the global trend to an unparalleled level. Economic dimensions of globalisation have acquired a status higher than human values or even above fundamental human rights, which are going to be seriously affected by current global trends. The claims of anticipated growth which was always been propagated by its proponents, like the alleviation of poverty or increase in prosperity, has not happened for the majority of world's population. Compromising human freedom and dignity to the considerations of business is too high price to be paid in the 21<sup>st</sup> century. It is in this context that the question of how to manage globalisation effectively and more people friendly acquires significance.

This paper mainly focuses on discussing the linkages between globalization and human rights, exploring the impact of globalisation on human rights and will conclude with a range of propositions, which could possibly be the best measures to deal with globalisation's negative impacts, which would not impede globalisation but would make its players more accountable and socially responsible.

**Keywords :** Globalisation, Human Rights, Developing Economies, Welfare, Global Village, Profit Maximization, TNCs

## Introduction

Globalization, a source of great dynamism, is a major development process that creates greater economic, political, social, and cultural interactions across the globe. It is conceived as turning the whole world into one global village in which all people and institutions are increasingly interconnected and all the fences or barriers are removed. It further portrays our daily life as living in a world where interactions across borders appear significantly greater and faster than in the past, and which can be attributed to certain advancements in technological, social, and economic

organization of humanity. The trend, at present, is a shift from a world economy based on national market economies to a borderless global market economy increasingly governed by one set of rules.

Globalization including its various dimensions – from political to economic, social, cultural, and technological – is defined in varied ways. *Giddens* states globalization as something where 'local happenings are shaped by events occurring many miles away'. *Dunning* explains globalization as 'connectivity of individuals and institutions across the globe'.

The protection of basic human rights is the major goal of any nation. All the developmental initiatives adopted by the nation are ultimately for the welfare of its citizens. Human Rights, defined in a basic manner means the inalienable rights that every individual holds irrespective of his individuality or any national boundaries but it does have a wider meaning involving dignity and provision of proper means to livelihood. Owing to Globalization, there has been tremendous loss of livelihood among the weaker sections engendering the breach of the fundamental right to livelihood and work provision. Globalisation, which propagates a paramount revolution in the development of a nation, seems to be a bane in many ways than a boon.

The 1990 UN Global Consultation on the Right to Development as a Human Right, stated that the right to development is an inalienable human right with the human being as the central subject to the right and that all the aspects of the right to development set forth in the Declaration of the Right to Development are indivisible and interdependent, and these include civil, political, economic, social, and cultural rights. It was further maintained that the right to development is the right of individuals, groups and peoples to participate in, contribute to, and enjoy continuous economic, social, cultural and political development, in which all human rights and fundamental freedoms can be fully realized. A development strategy that disregards or interferes with human rights is the very negation of development. Globalization increases the disparity between nations and reduces national governments' ability to protect their citizen. Important decisions concerning the development of the global company are made in international forums where the most powerful countries make decisions that are good for themselves but not necessarily in the public interest.

The role of TNCs in this globalized world has become too important to be ignored. TNCs are the economic entities or cluster of economic entities that do not confine their activities to one single state, but have multiple layers or ownership and control and simultaneously operate in several jurisdictions. The claims of anticipated growth and advantages of any nation and its people, which was always been propagated by its proponents, like the alleviation of poverty or increase in prosperity, simply has not happened for the majority of world's population.

Thus what actually happens is that, while profit maximization has become the core business of the TNCs, human rights are no longer significant.

Economic issues have, in effect dominated the social, cultural and political ramifications of globalisation. Therefore, it is worth to note that economic globalisation and the emergence of TNCs tend to have significant impacts on human rights. People are also well aware of its business-driven character, which has much impact upon their lives, especially the downtrodden sections of any society. In India, the socio-economic consequences of globalisation are anti-poor and anti-marginalised and hence it is an urgent need to strengthen the human face of globalisation.

### **Objectives**

The major objectives of the paper are:

1. To identify the linkage between globalization and human rights
2. To understand the extent of violation of human rights due to globalization
3. To suggest some remedial measures for the protection of human rights in a globalised world

### **Methodology**

The study is mainly descriptive in nature. It is based on secondary data which is collected from different sources available, including various books, journals, articles, publications, thesis works, government sites, etc.

### **Consequences of Globalization–Positives & Negatives**

In the debate on the possible consequences of globalization, there are both positive as well as negative opinions. On considering a cost-benefit analysis, non-economists generally tend to oppose globalization as they expect the costs associated with globalization to exceed its benefits, particularly in developing countries. On the contrary, supported by a number of empirical studies, most economists strongly believe the net effect of globalization is positive. It is true that globalisation produces winners and losers between and within states. Looking closely at the impacts of globalization on

developing countries, one would observe both sides of the coin, in that it has both positive and negative impacts.

### **Positive Impacts:**

Globalisation is a reality and an unavoidable factor in the present day world system. Like any new initiatives or development policies, it has also its good and bad sides. Even though this new system has affected many in numerous ways, its incredible positive impacts to the nation as well as its people cannot be ignored. Some of the positive impacts due to globalisation are discussed below:

- Globalization is considered as a positive development as it will give rise to new industries and more job opportunities in developing countries.
- Globalization facilitates advanced industrialization in developing countries, and has thus reduced global income inequality
- Globalisation facilitates more access to capital flows, technology, human capital, cheaper imports and larger export markets
- Economic globalization, in terms of trade liberalization, was found to be effective in increasing productivity and institution-building in societies, which leads to faster economic growth
- Globalization also boosts the competition between countries all over the world as well as within any particular country.
- Globalization paves the way for forming closer bonds with the rest of the world and facilitates wider worldly exposure. It creates greater opportunities for firms in less industrialized countries to tap into more and larger markets around the world
- There is sufficient access to foreign funding from industrialized nations to developing countries to reduce poverty, which is one of the main goals of globalization. And the spending of these funds on improving the education, health, social, and transport infrastructure of the developing nations also aids in improving the standard of living of the people.

- Through globalization, the whole world is opened and the developing countries now have access to new markets, especially through the inflow of foreign direct investment to developing countries.
- Globalization helps in bringing different governments together so that they can work together towards achieving common goals; which is a great way of spreading global awareness regarding common concerns and issues.

### **Negative Impacts:**

The debate on the pros and cons of globalisation is long lasting and remains unresolved. This is mainly due to the fact that both positive as well as negative impacts of it are true or a reality which has to be accepted to a certain extent. In spite of all the positive impacts already discussed, there are many negatives due to globalisation, some of which are discussed below:

- The present picture is that globalisation is not truly global in its policies, as a large part of the world population remain excluded from the so-called benefits of globalisation, thus, polarising the world between impoverishment and prosperity.
- There always remains a fear that increased globalization may lead to loss of control over economic and political decisions, particularly in many developing countries and may also threaten their traditions, language, and culture.
- One of the most common and very serious drawbacks of globalization is that it is widening the gap between the rich and poor. The present situation is that the rich people are becoming richer and poor are becoming poorer. This is a very pathetic situation, especially observed in developing nations.
- Outsourcing is a major impact of globalisation. As a result of it, globalization may deprive an entire country of its jobs and resources. This is because globalization takes jobs away from one country and provides it to another country;

hence leaving lots of people without the opportunities that they deserve.

- Although people belonging to different cultures and countries get a chance to interact with each other, there is always a risk of some loss in tradition, values and cultural boundaries.
- Many times the competition is observed to be unhealthy. It seems to be between two incomparable powers, like between some poor retail sectors and the gigantic multinational companies.

Thus, it is very important and high time to strike the balance between the positives and negatives of globalization so that balance can be restored in nature and its living species, making life more smoother and better here.

### **Globalisation and Human Rights : Exploring Linkages**

Globalisation and human rights are inter-linked in many aspects and are unavoidable from the point of view of the development of any nation. Global development is sometimes viewed as being responsible for disenfranchisement, exploitation, and other forms of human rights abuses. Globalization is often considered as a curse as well as a blessing to human rights. On the one hand, economic integration in trade and investment generates incentives for governments to abuse poor and disenfranchised people, so that repression, exploitation and human rights abuses arise. On the other hand, improvements in human rights are sometimes attributed to the spread of liberal ideas, which is one of the key dimensions of globalization.

With respect to human rights, proponents of globalisation make two important, interrelated claims: (i) the first is that globalisation will, through the spread of "free market" capitalism, generate economic growth, which in turn will lead to the eventual elimination of poverty throughout the world and; (ii) that this reduction in poverty will, ultimately, lead to the development of civil society constituencies who will, in time, advance claims for democracy and human rights. In this way, globalisation is presented as being a positive agent for the promotion of human rights and the general improvement of human well-being on a global scale.

These two propositions, taken together, constitute the "promise of globalisation".

Globalisation, defined in terms of free flows of goods, services, capital and financial resources across borders, is the single most important factor responsible for spreading the open societies across the world. This globalisation, with its multifaceted nature has made multifarious impact on human life. Human Rights, which are universal, inalienable and indivisible in nature, are obviously affected by this transition. Human rights have been very intrinsically related with the globalization policies in the world and have had immense ripple effects.

The mode of development in globalisation is inherently favourable to certain classes and nations, which shows clear discrimination in many aspects. It is quite true that mere creation of wealth does not ensure right to development for every human being. Democracy is considered as the best model of ensuring rights, to individuals as well as groups, facing many dilemmas due to this process of globalisation. But it seems that globalised model of development is weakening democratic movements and ability of democratic societies to protect human rights. The pity picture reveals that while a significant number of people live in conditions of extreme poverty and deprivation, another major part of the world population live in considerable affluence. Those underprivileged sections never feel the heat of globalization at all. They continue to remain poor & poorest as they were.

Human rights and the global economy might initially appear to be a quite odd combine, intended to oppose and diverge, with one concerned with human wellbeing, the other with economic wellbeing. But, if properly and efficiently administered and implemented, it can be viewed that the two intersects in terms of their goals, their operations and their institutions. Globalization as a concept is neither pro human rights nor anti human rights, but the fact is that it could offer opportunities for promotion of human rights as well as abridgement of human rights. It is the responsibility of the concerned authorities to decide whether globalization should be a boon for human rights or bane and take necessary steps or actions to make it as a system with responsibility and a fortunate development initiative for the society and the nation as a whole.

### **Impact of Globalisation on Human Rights**

Globalisation has a fundamental impact on human life and their rights, and the debate of its good and bad remains unresolved. The positive impact of globalisation on the growth and development of the economy is remarkable, but the pity picture on the other side of the coin is one which is devoid of any normative principle of justice and humanity. Although most literature agrees that globalization is a current reality, the human consequences of globalization remain controversial. In aiming for the profit maximization, social and human rights responsibilities and values have sometimes been discarded and sidelined. It is a pity that human rights are likely to be influenced by any important change in social activity, such as economic globalisation. Globalisation fuelled by profit-making deeds and serving business ends, spills over a remarkable aura that has shaped the global trend to an unparalleled level. But it is as if economic dimensions of globalisation have acquired a status higher than human values or even above fundamental human rights, which are going to be seriously affected by current global trends.

Though the arrival of MNCs as a result of globalisation benefits the consumers and has some positive impacts on human rights, its involvement in human rights violation and also generating environmental and other such social hazards are well recognized. These corporations make enormous wealth, but they also create risks both to humans and to the whole ecosystem. The "international bill of human rights" holds states accountable for realization of human rights. But the situation in the contemporary era is that, it is the private global players that are frequently the most egregious violators of rights, and as far as their accountability is concerned they are accountable to none. Investment contributes to development, but the question is, for whose development and at what cost. It is the responsibility of the state to examine these questions in any developmental activities or initiatives. But it seems to be doubtful that states are able to exercise a reasonable amount of control over these critical aspects of development. The truth is that, most developing countries have simply not experienced the claimed benefits or any real benefit from the onset of globalisation. Its real fruits are being enjoyed only by the fewer powerful sections of the society.

Impacts of globalisation on human rights are multifaceted. It affects the human lives from different angles. Some of the major threats of globalisation on human rights are:

- a. It leads to widening the gap between the rich and the poor, making rich richer and the poor much poorer. The weakness of international rules, bad policies and weak governance in developing countries, and corporate practices which prioritise short-term profit over long-term human development undermines the capacity of poor countries and poor people to benefit from many globalisation policies and activities. In many times, economic liberalisation has been accompanied by greater inequality and people are left trapped in utter poverty.
- b. Many of the internationally proclaimed human rights underlined by the Universal Declaration of Human Rights (UDHR) have been violated due to globalisation and the emergence of TNCs. In their excessive thirst for profit-making, they completely neglect the value of human lives. The rights most likely to be violated by the TNCs include non-discrimination, women rights, life, liberty and physical integrity of the person, civic freedoms, employees rights, child labour, slavery, forced and bonded labour, right to food, health, education and housing and lastly, the environmental rights. All these are ignored with the advent of globalisation.
- c. The emphasis on competitiveness and economic development due to globalisation has had negative effects on such vulnerable groups like migrant workers, indigenous people, women, etc. as such, globalization has been cited as a major factor in violations of the right to life, the right to protection of health, the right to safe and healthy working conditions and freedom of association in many countries.
- d. Direct investments are more often found as an obstacle. Private companies often have the upper hand when it comes to foreign direct investment, and most

investments are only made if they are “investor friendly.” In practice, what happens is that the employee rights or protection from forced displacement fall by the wayside. For example, thousands of families are forcibly resettled by mining companies, especially by those that work in mountaintop removal. Often this is done without adequate compensation. This is a clear violation of human rights. Local or regional governments and monitoring bodies are often tainted by corruption and do not pursue reports of abuse.

- e. Another major impact is that these MNCs had greatly influenced the government policies and deteriorated the powers of the government, especially in developing economies. Multi-national organizations, through the rapidly created “global environment” have utilized their resources and influencing capacities to weaken the power of local governments and have had much threatening effect through large-scale displacement of masses, job cuts and poverty.
- f. Globalization has also resulted in informalization of labour. Only 8% of the labour force in India is in the formal economy while 90% work in the informal economy with no legal protection or security and are subject to different kinds of ruthless exploitation.
- g. Also, it can be noted that the gap between international laws and practice is getting wider. This points to the fact that those laws which are made for the protection of human rights are only in paper and not in actual practice.
- h. The authors of Global Issues states that globalization has a negative influence on humanity as it seems to be resulted in the violation of the fundamental right to work. In 1995, the ILO announced that one third of the world’s willing to work population was either unemployed or underemployed.
- i. Many companies, including TNCs got rid of their unionized labour force and moved

their operations to low wage and depressed areas to avail themselves of the large supply of unorganized and unprotected, mainly female labour. Mathews George Chunakara describes the state of workers in developing countries after globalization as a race to the bottom, and the bottom means slave like conditions.

It is a fact that globalisation is an unavoidable and a necessary advancement in the present world scenario and also human rights play important roles to ensure the survival of TNCs and their business ends. The only question to ask therefore is how to manage globalisation effectively and more people friendly. This will make us to think about the solutions and measures to solve negative human rights impacts posed by economic globalisation.

### **Suggestions for Globalisation with Responsibility**

In a resolution on the question of the impact of globalization and its effect on human rights, the United Nations General Assembly recognizes that: ‘while globalization offers great opportunities, the fact that its benefits are very unevenly shared and its costs unevenly distributed represents an aspect of the process that affects the full enjoyment of all human rights, in particular in developing countries’. The United Nations General Assembly emphasizes that: ‘While globalization, by its impact on, inter alia, the role of the state, may affect human rights, the promotion and protection of all human rights is first and foremost the responsibility of the state’.

Members of the world Trade Organization when negotiating and implementing international rules on trade liberalization should bear in mind their concurrent obligations to promote and protect human rights, mindful of the commitment made in the Vienna Declaration 1993 that human rights are the first responsibility of governments. While the WTO agreements provide a legal framework for the economic aspects of the liberalization of trade, the norms and standards of human rights balance this by offering a legal framework for trade liberalization’s social and ethical dimensions. The human rights violations resulting from globalization are failures of governance. Human rights law is capable of monitoring and regulating foreign

investment. Respect for human rights requires governments to protect, promote and fulfill obligations.

It is to be kept in mind that managing globalisation is about identifying, establishing and adopting policies and initiatives to minimize the negative effects of globalisation whilst at the same time harnessing its positive effects. The truth is that globalisation is indeed an inevitable and present reality and hence the needed necessity is of developing effective strategies for addressing its consequences.

- In this regard, it has to be considered that states and the international community have a duty to respect, protect and guarantee human rights. That means they have to keep an eye out for situations in which private companies or other actors stand in violation of these rights. They also have a duty to guarantee particularly disadvantaged groups, their human rights, using whatever resources necessary.
- The TNCs will have to ensure that they are “socially responsible entities” within the society in which they operate. They should be made aware that human rights is the fundamental aspect in any nation and all the development policies adopted are ultimately for the welfare of the nation and its people.
- There are greater role for human rights activists in this regard. Human rights activists, politicians and academics all over the world are now calling for private actors to respect and protect human rights in their fields of responsibility.
- Another possible measure is by imposing legally binding rules on the TNCs by which human rights are never violated. Every state has a duty to control the operations of the TNCs operating within their jurisdictions and ensure that human rights are well protected, since state has the responsibility to protect human rights in all its aspects.
- Also, globalisation process, mainly through TNCs should be given proper guidance to

instil human rights principle within their working environment so that the human rights will never face any threat. It is therefore important to restate that the most crucial issues with regard to managing globalization from the perspectives of developing economies are the evasion of marginalization and the eradication of poverty.

- The widening gap between the laws and practice must be seriously addressed and removed. Those laws which were made for the protection of human rights in the globalised world should be properly implemented and any flaws on the same should be addressed with utmost care.
- Media plays a major role these days, in drawing attention towards those parts of the world where human rights are violated for the benefit of the rich and powerful. The reach and influence of media and the increased media coverage helps in bringing timely measures and thus will definitely leads to improvement in human rights.

It becomes relevant that the nation must have the obligation to ‘*respect, protect and fulfill*’ the basic human rights on the socio-economic matters while assessing the impact of globalisation. The global economy and human rights are two most prominent features as far as any economy is concerned. But as each keep on to strive for attention, the best bet for victory lies in ensuring the success of each other. Thus, managing globalisation means adopting policies and initiatives to minimize the negative effects of globalisation whilst at the same time harnessing its positive effects.

### Conclusion

In the era of globalization, the struggle for human rights has become more complex and challenging. Realizing human rights, especially economic and social rights are becoming increasingly difficult. Globalization could, in fact, help in the realization of human rights. However, what is needed is that the process of globalization needs to be harnessed to suit the interests of human rights. The primary onus, in this case is on the architects and actors of globalization who present globalization

as a panacea for anything and everything. Thus the need of the hour is nothing but to take up the best measures that would deal with the negative impacts of globalisation, without impeding it, but would make its players more accountable and socially responsible. Without addressing the issues of common man, there is no meaning to development and democracy in India. Thus, what is required or more important is maintaining balance between globalisation and protection of human rights. The real challenges that we face is to understand better the emerging socio-economic forces and forms of globalization, to shape them to serve our needs and to respond effectively to their deleterious consequences.

Business needs human rights and human rights needs business. The rationale behind this is that business cannot prosper in an environment where fundamental human rights are not respected. Hence, any issue affecting human rights should not be seen as insignificant by business and corporations, as acquiescence to human rights principles will reflect their reputations and thereby existence in an economy. Thus, the TNCs should take each and every step with extreme care and prudence. In fact, only after the least advantaged can taste the promised benefits, could one legitimately claim that globalization has a human face or that it is an "indisputably" good thing, not just for the selected few but for everyone. An ethic of responsibility, thus, shifts the focus towards challenging the unfair initiatives as part of globalisation that abuse the universal human rights regime to perpetuate poverty and injustice worldwide and offers practicable remedies or solutions to the problems at hand. Accordingly, globalisation with responsibility is the most appropriate way out.

Human rights are what make us human. They are the principles by which we create the sacred home for human dignity. The achievement of human rights and social justice is of superior value than the protection of free markets and profit making. With this principle in mind, we can help ensure that globalisation will advance human rights with responsibility. The notion that should guide all of us in this process is that human dignity and freedom are beyond profit. These are the only values that make our life being worth of survival.

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