
THE SOCIO-POLITICAL EFFECTS OF GLOBALIZATION ON THE IT INDUSTRY

Yoga Sundara Praneeth Veturi, LL.M (IPR), Jindal Global Law School, O.P Jindal Global University

ABSTRACT

This research looks at the enormous changes that have occurred in the IT sector because of state policy liberalization and subsequent globalization. Import substitution has helped indigenous IT firms to improve their technical skills over time, but globalization poses a threat to their very survival by jeopardizing their technological capabilities, which have been painstakingly created because of import substitution. Even if Indian IT businesses appear to be adjusting to the changing environment, a renewed focus on local application development for the domestic market, as well as a drive for IT diffusion rather than just production, would be essential to ensure the industry's sustainability. The 1990s' economic and policy climate, advises against blanket solutions but stresses the importance of having regulatory mechanisms in place to secure maximum value from information technology while also keeping up with the industry's rapid technological shifts.

Keywords: Globalization, Information Technology, Social effects, Law, effects.

Introduction

Globalization is a process that allows distinct social entities to interact and integrate in terms of economic investments and international trade. A rising amount of evidence implies that it's more of the same than anything new. Many advances in trade arrangements have been brought about by the trend, which has influenced the economics of commercial and public sectors globally. Others contend that information technology and globalization are independent concepts with just minor overlaps in terms of impact.

Numerous studies have been undertaken on the two concepts and how they relate to businesses throughout the world. Using this paper, we will investigate the socio-political implications of globalization and the information technology sector on business. The primary purpose of the inquiry is to discover how civilizations involved in the globalization of the information technology sector are affected. There is already a lot of interest in these two areas since they have the most influence on the global economy in several ways. Following that, the research will look at the various ways in which technological and communication platform globalization has helped society. Data from previous research on the interrelationships between the two theories will be gathered, and the influence on the economy will be analysed.

Globalization

As the name implies, globalization is the connection and integration of people, businesses, and governments from all over the globe into one system. Since the 18th century, technological advancements in transportation and communication have increased globalization. International commerce and the flow of ideas, beliefs, and cultures have both risen because of these increased global connections. It's important to remember that globalization is largely a process of economic contact and integration that has social and cultural implications. Disagreements, on the other hand, have long been a feature of globalization's past and present.

Globalization affects the economy in many ways, including the flow of commodities, services, information, and money. A rise in international trade opens new opportunities for businesses to trade products and finances. Due to the removal of trade obstacles, it is now easier to create worldwide marketplaces.

Globalization has been aided by transportation and telecommunications advancements such as

the telegraph, the Internet, and mobile phones, which have all contributed to the increased interconnectedness of economic and cultural activities throughout the world. Globalization has been attributed to the European Age of Discovery and expeditions to the New World, but other experts believe it began much earlier, as far back as 3000 BC.

As of the early 20th century, the word “globalization” had replaced the French term “mundialisation.” It took on its present meaning somewhere in the second half of that century, and it became widely used in the 1990s.

When large-scale globalization started in the 1820s, economies and cultures throughout the globe were more interconnected. This continued until the late 19th and early 20th centuries. International commerce and transactions, money and investment movements, migration and human mobility, and knowledge diffusion were highlighted by the International Monetary Fund (IMF) in 2000. Business and work organisations, economics, socio-cultural resources, and the natural environment all have an impact on and are influenced by globalization processes. Three main categories in the academic literature describe globalization: economic, cultural, and political.

Defining Information Technology

In the field of Information Technology (IT), the use of computers to produce, process, store, retrieve, and share all types of electronic data and information is the standard. In contrast to personal or leisure technologies, information technology is often utilised in the context of commercial activities. Integrated technology is regarded to be a subset of information and communications technology (ICT).

It is generally agreed that an information technology system (IT system) is a communications system, but it is more specifically agreed upon that it is a computer system – consisting of all hardware, software, and peripheral equipment – that is operated by a small group of information technology users.

The Sumerians in Mesopotamia established writing about 3000 BC, and since then, humans have been storing and retrieving knowledge, changing it, and transmitting it to others. Information technology, in its modern sense, was first used in a 1958 article published in the Harvard Business Review, in which authors Harold J. Leavitt and Thomas L. Whisler

commented that the term “information technology” had “been around for a long time.” “The new technology does not yet have a single well-known name associated with it. It will be referred to as information technology (IT).” It is divided into three categories: processing methods, the use of statistical and mathematical approaches to decision-making, and the modelling of higher-order thinking through computer programmes.

Even though the phrase is usually used as a synonym for computers and computer networks, it also refers to other information delivery technologies such as television and telephones. There are many items or services related to information technology that is available in an economy, including computer hardware, software, electronics, semiconductors, the internet, telecommunications equipment, and e-commerce.

Socio-Political Effects of Globalization on Information Technology

Information technology has revolutionised the way individuals, companies, and governments communicate. Globalization has benefited greatly from technological advancements in recent decades. Globalization requires corporations to build procedures, infrastructure, and strategies that are aligned with globalization. To attain this purpose, organisations should integrate information technology into their worldwide business strategy. The examples of firms using information technology to establish global strategies indicate that information technology has permanently transformed how organisations do business. As both big and small businesses go ahead, global action becomes even more critical. Without a solid IT infrastructure, organisations will quickly learn that they cannot compete with their rivals who are using information technology in their businesses. The capacity of firms to generate value and obtain competitive advantage has diminished as more individuals get access to the same sorts of technology. If current IT trends continue, the IT market will soon become a commodity, with interchangeable systems, services, and vendors.

Companies can no longer adopt IT and expect it to deliver value. Following the strategic requirements and difficulties of an increasingly competitive and global environment, the corporation must deploy functional technology to help execute that goal. Companies like Wal-Mart, UPS, FedEx, and Dell have already identified a worldwide strategic problem that needed to be addressed and have used information technology to build a competitive edge that no one else in their sector has yet achieved. Innovating, integrating, and collaborating are required to successfully develop and manage a global corporate plan. IT and strategic demands must be

better aligned to generate a distinctive and difficult to imitate competitive edge. Technologies will continue to disrupt established business processes and generate new opportunities for your organisation.

More Impacts of the Information Technology Industry's Globalization

People migrate to new markets and possibilities in distant places to take advantage of intense globalization. Globalization of the IT sector will likely foster the same tendency as manufacturers will move into new markets to advertise their products. The sector may provide employment, which might encourage individuals from diverse locations to migrate to take advantage of the opportunity.

Most importantly, information technology has facilitated global mobility and communication. People may now use the Internet to research a location and its potential, as well as plan their immigration. Globalization of the information technology sector has led to the integration of diverse regions by bringing in new players for commercial or other objectives. Patterns illustrate each country's readiness to support technological research and development, implying a future devolution of developers to each state. This may encourage travel between the areas to ensure all projects and possibilities are explored. There is a worry that foreign actors may threaten the flow of labour, money, and knowledge. Most of them support regulating migrations to preserve indigenous people.

Globalization has led to trade blocs, reducing the importance of nation-states. Collective regional tactics remove most nations' ultimate sovereignty. It allows them to pursue a common goal by pooling resources and methods, a change from the old political structure based on sovereign sovereignty. Most economies establish laws to guarantee that they comply with the union agreements. Globalization and the IT industry's desire to grow into new areas may have a positive effect on these economies. With democracy as their major priority, firms will want to invest in politically stable places. For most states to be a participatory market, this need from the IT industry may impact how they govern.

Conclusion

The interaction between the two notions also demonstrates that they are interconnected, with one thought having the ability to either restrict or strengthen the other. It is this aspect that has

accelerated the processes of globalization that have taken place in many communities and economies. It makes information technology a major contributor in ways such as the development of jobs and the facilitation of speedy communications that increase the efficiency of corporate operations. The globalization of the information technology sector has a variety of effects on the integration of communities, as well as on the governance structures in diverse ways. It also has an impact on migratory patterns, which are influenced by the information that individuals get about certain areas and their economic circumstances. It has an impact on the way civil society and non-profit groups carry out their operations as well since it facilitates the dissemination of knowledge and information about a specific location.

Bibliography

1. Trask B.S., *Globalization and Families: Accelerated Systemic Social Change* (Springer 2010)
2. 'Development of the Telegraph: World Changes Due to the Telegraph Predictions' (*Imagining the Internet*, 2009) accessed 25 October 2021.
3. *Globalizations* (Taylor & Francis) accessed 25 October 2021.
4. Committee on the Environment, Agriculture and Local and Regional Affairs, *Globalization and Sustainable Development* (Report, Doc. 9660, 2003) 25 October 2021.
5. Scott P.J., Cornet R., McCowan C., 'Informatics for Health 2017: Advancing both science and practice' (2017) 24 *BMJ Health & Care Informatics Journal* accessed 25 October 2021
6. Butler, Jeremy G., A., 'History of Information Technology and the Systems' University of Alabama accessed 25 October 2021.
7. Leavitt H.J., Whisler T.L., 'Management in the 1980's' (1958) *Harvard Business Review* accessed 25 October 2021.
8. Nurul Sarkar, 'Computer Networking & Hardware Concepts' (2006) *Information Science Publishing* accessed 25 October 2021.
9. Gamboa E.C., 'Globalization of Industry Through Production Sharing' *The National Academies Press* <<https://www.nap.edu/read/1101/chapter/11>> last visited Oct 25, 2021
10. Morabito V., 'Business Technology Organization' (*Springer*, 2013) <<https://link.springer.com/book/10.1007%2F978-3-642-32698-1>> accessed 25 October 2021
11. *Digital globalization: The New Era of Global flows* (McKinssey & Company, 2016) accessed 25 October 2021.

12. Orozalieva K., 'Impact of Globalization on Socio-Economic and Political Development of the Central Asian Countries Digital Commons' (Digital Commons @ University of South Florida, 2010) <<https://digitalcommons.usf.edu/etd/1730/>> accessed 25 October 2021.
13. Berger S., 'Globalization and Politics' (2000) 3 Annual Reviews of Political Science <<https://www.annualreviews.org/doi/abs/10.1146/annurev.polisci.3.1.43>> accessed 25 October 2021.
14. Cable V., 'The Diminished Nation-State: A Study in the Loss of Economic Power' (1995) 124(2) *Daedalus* <<https://www.jstor.org/stable/20027296>> accessed 25 October 2021
15. 'Information and communication technologies and their impact on and use as an instrument for the advancement and empowerment of women' (Expert Group Meeting, Department of Economic and Social Affairs, UN, 2002) <<https://www.un.org/womenwatch/daw/egm/ict2002/>> accessed 25 October 2021.
16. 'Globalization Benefits and Challenges' *Lumen* accessed 25 October 2021.