ABSTRACT

We are in a world where geographic distance is losing meaning, and the idea of shrinking the world is a threat to nationalism. It is observed that growing economic inequality, trade deficit, unemployment rate, cultural imperialism, are the major cause for increasing disenchantment among the people of the developed countries. This economic uncertainty resulted in the rise of xenophobia and nationalism worldwide, and consequently, anti-globalization populist blocs are becoming popular in diverse economies. The waning effects of globalization have led to deglobalization in the form of rebuffing the existing trade pacts and raising import tariffs. This research is multilevel study which is carried out at macro level, country level, industry level, and firm levels.

In the first phase, the determinants concerning globalization's socio-economic impact are explored. TISM-P approach is used to establish the interplay among the selected determinants. Conceptualized model deduces that increasing globalization has improved trade, foreign investment, technological transfer, production rate, and employment generation rate worldwide. Analysis discerns that policy liberalization has boosted economic growth and reduced world poverty. Then, the determinants accountable for growing deglobalization thinking are looked over. TISM-P approach is employed to establish a relationship among the identified determinants. In addition to it, the determinants accelerating the deglobalization process are ranked in accordance with their effect. The analysis infers that the determinants that have accelerated the globalization process are now leading to its backlash. Studies suggest that challenges like growing economic inequity, immigration, technological development, free trade policy, cultural imperialism, and job dislocation have lowered the marginal benefits of globalization.

The second phase discourses the impact of globalization and growing deglobalization thinking in-country case situations. India’s case is taken to examine the effects of globalization
on its varied aspects. Policy reforms in 1991 have changed the country's landscape and positively influenced every aspect of the country. Results demonstrate that India witnessed an increase in FDI, migration, trade, and cross-border knowledge flow after pro-market reforms. In the second section, it is observed that liberalized policies, immigration, free trade, and ease of technology transfer have reduced the fringe benefits of globalization in the United States of America. Diverse studies argue that increasing job deficit conditions, economic disparity, and trade imbalance are accountable for growing displeasure among the American people. The United States policymaker should make policies to generate more employment opportunities for local people.

In the third phase, the impact of globalization and deglobalization on the auto business is debated. Analysis construes that both exports and imports of automobiles and auto components have increased in India after policy reforms. Pro-market reforms have allowed Indian auto firms to expand their operations in the global intra-industry trade. It is observed that the increase in exports has encouraged the Indian auto firms to intensify their production competence and hire more employees. Another case of the U.S auto industry is taken. Globalization has also changed the outlook of the motor industry in the U.S. Foreign companies are enthusiastic about investing more in the U.S auto industry owing to the growing demand. Domestic sales of the light vehicle in the United Sales have endured many ups and downs over the years. However, it is noted that domestic production and export were reduced during the recession, but soon they improved after policy restructuring.

The fourth phase explores the impact of the extent of globalization and deglobalization on firm performance. To comprehend the impact of globalization on firm performance, two Indian-originated auto firms, namely Tata Motors and Mahindra & Mahindra, are chosen based on their extent of globalization. Results demonstrate that both the auto giants have improved their profitability by extending their operations in the international market. In the second part
of this phase, the de-internationalization strategy of General Motors and Ford are conferred. Earlier, GM and Ford used to make motor vehicles for all, but soon it realizes its mistake and discontinues many of its non-performing brands. It is fascinating to note that, profitability of both the auto makers have improved after adopting partial deglobalization strategies.

Many scholars who support the international economy believe that globalism is increasing political and economic association and lowering poverty worldwide. Quite a contrast, detractors see the other side of the global economy, particularly rising unemployment, economic inequality, environmental damage, labor exploitation. Though globalization supporters and critics have divergent opinions about the international economy, both believe it is a potent force.