



Domestic production over unchecked globalisation

sanskritias.com/current-affairs/domestic-production-over-unchecked-globalisation



(Mains GS 3 : Effects of liberalization on the economy, changes in industrial policy and their effects on industrial growth.)

Context:

Recently at the Global Technology Summit in Delhi organized by the Ministry of External Affairs and Carnegie India, External Affairs Minister S. Jaishankar said that democracies are facing unique challenges from technology and countries will have to find the balance between using technology for progress and tackling vulnerabilities and threats created by it.

Double-edged sword:

- Technology is a “double-edged sword” as we contemplate the future of technology, the role of innovation, the importance of sustainability and inclusion, and the needs to localise emerging technologies.
- In a globalised and technology-driven world, the mastering of key domains has become an expression of power and technology is now a “metric to measure a nation’s standing like never before”.
- While technology has opened up new vistas of progress, it also helped create greater vulnerabilities and threats thus a recurring theme in global governance has been to find the right balance.

Increasing capabilities:

- The **COVID-19 pandemic** has brought India's capabilities and need for more domestic production rather than unchecked globalisation.
- India, with its size and ambitions, must have robust reliable national capacities even as it works to forge partnerships with others in the realm of technology.
- The number one purpose for technology partnerships for India is to increase capabilities, and at the same time, the country needs to continuously strengthen its domestic supply chains.

The big takeaway:

- The big takeaway from the COVID is an argument for shorter supply chains, more national capacities and neglected domestic supply chains.
- Example: In health, years of a certain kind of economic logic caught us in a situation where we were unprepared with basics but when the COVID hit us growth in Indian health technology in the past two years had been "incredible".
- Thus to ensure sustainable technology growth, the nation must seek more education, skills, start-ups, supply chains and jobs to be created internally.

Seems protectionist:

- Many countries have criticised the Indian economy for not opening up for imports, particularly after disagreeing on terms for a mini trade deal with the U.S., and walked out of the 15-nation Regional Comprehensive Economic Partnership of Asian countries that included China.
- Prime Minister Narendra Modi's "Aatmanirbhar Bharat (Self-Reliance) initiative", launched in May 2020, after the beginning of the pandemic, was also perceived internationally as a protectionist move.
- However, despite economic globalization, national competition and advancement of national ambitions has become very much a reality in the last few years.

Natural partners:

- British Prime Minister Boris Johnson speaking at the summit described the UK and India as natural partners with their shared culture of innovation and entrepreneurial spirit.
- India and the UK are working together on many projects, including on 5G and telecoms, and Britain is working with the Tata Group and Godrej on green technologies that will power both countries to net zero.
- Technology is also a key part of the India-UK Roadmap for 2030 and the two sides will help shape a "new technological age based on the principles of freedom, openness and peace".

- Joint venture between the U.K.'s Astra Zeneca and India's Serum Institute of India (SII) to produce the Covishield vaccine is a prime example of a joint success.

Conclusion:

With the growing importance of technology, it is important to ascertain whether the technology is “trusted, transparent, reliable and resilient”.