

## The Role of Globalization In The World

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### Abstract

Globalization is not a new phenomenon to business field. The period between 1870 and 1913 played a growing trend between globalization. But after 1980 globalization achieved a great progress in the economic reforms of developing countries. Of late, achievements, in technology, communication and internet communication systems have made large business units as global units that mean the activities of these large business units are not confined only to the place where they are established but spread all over the fields. As result of this the close relation and inter dependence among the countries of the world has increased and business and market have become worldwide units.

**Keywords:** Globalization; GDP; International; Technology; Production; Resources

### Introduction

The International Monetary Fund (IMF) has defined globalization as the growing economic interdependence of countries worldwide through increasing volume and variety of cross-border transactions in goods and services and of international capital flow, and also through the more rapid and widespread diffusion of technology” [1].

From this definition, it is clear that

- Globalization is the increasing cross-border movement of goods and services.
- International flow of capital, technology and information.
- Formation of one worldwide market by obtaining raw materials and other resources from market.
- Production of goods in any region of the world at cheaper cost.

### Objectives

- Studying various concepts of globalization.
- Analysing the one country's economic progress before and after globalization.
- Gathering the statistically data about developing countries as well as developed countries and estimating the results.
- Estimation of the progress as well as adverse effects of globalization in terms of all fields.

### Methodology

Due to globalization, foreign manufacturers can market their goods and services in our country, and our manufacturers can market their goods and services in foreign countries. In the same way, foreign investors can invest in our country, establish industries, manufacture goods and services, market them here or export them.

You would have noticed, Chinese toys, Australian apples, Japanese T.V. sets and other innumerable foreign products being sold around us.

In the same manner, the readymade dresses being manufactured in our garment factories, the roses grown by farmers around Bangalore, the pickles from Shiralkoppa Bidri, products from Bidar etc. This kind of openness in our foreign trade has been enabled in the post economic period.

By studying the above examples, we can have our own methodology which studies and explains the deep concept of globalization.

### Global Policy Form

The term globalization encompasses a range of social, political, and economic changes. Within the section Defining Globalization, we provide an introduction to the key debates. The materials ask what is new, what drives the process, how it changes politics, and how it affects global institutions like the UN [2].

Globalization expands and accelerates the exchange of ideas and commodities over vast distances. It is common to discuss the phenomenon in highly generalized terms, but globalization's impacts are often best understood at the local level. Cases of Globalization explore the various manifestations of interconnectedness in the world, noting how globalization affects real people and places [3].

Tables and Charts on Globalization provide data on the growing global interconnectedness and draw a statistical and graphic picture of Globalization [4].

### Globalization [SIB-101] Statistics and Data

#### Human development indicators

**Global Multidimensional Poverty Index {MPI} Data Bank:** The Oxford Poverty and Human Development Initiative (OPHI) is an economic research centre the Oxford Department of International Development at the university of Oxford. OPHI's global MPI Data Bank contains a wealth of resources of multidimensional poverty in

- 104 developing countries, enabling users to see how poverty is experienced in different parts of the world.

**World Bank Open Data:** Indicators: 331 indicators from the World Development Indicators (WDI) covering 214 countries from 1060 to 2011 The complete set of WDI is available at the World Data Bank.

**OECD Library Data:** Contains indicators on economy, education, energy, environment, foreign aid, health, information and communication, labor, migration, R<sup>^</sup>D, trade and society.

### **The Positive and Negative Impacts of Globalization**

Firstly we are studying the positive as well as negative aspects of globalization which are also studying the deep concept of globalization [5].

#### **Globalization promotes economic growth and generates a wider range of products and services**

Globalization encourages the economic growth of the nations by motivating them to participate in open competition in the basis of production, quality and by this; all countries are engaging in offering the better quality of products and services, which symbolizes their economic progress also.

#### **Globalization helps to increase the standard of living of the people**

Due to globalization, there is much competition, much production and highest number of using n the workforce, and automatically, there is increasing in earning and it will support the good standard of the people. Now due to entry of multinational companies and the qualified technicians are having the benefit of this.

#### **Globalization increases the GDP of a country**

Due to globalization, there is encouragement to industries, import, export, much flowing of foreign exchange, production, growth of other business related activities and it supports the increases in the G.D.P. of a country [6].

#### **By Buying the Products from Other Countries, Customers are offered a Much Wider Choice of Goods and Services**

Due to globalization, there is much production of goods and services and every firm is in the racing track. So the quality gains much importance than services. Due to this the customers are having better choices with affordable prices. So there is a good balance between demand and supply and by this there is much scope to online shopping and even an ordinary customer can purchase international brand goods as well as services.

#### **Economic interdependence among the different countries can build improved political and social links**

Due to competition in international level, every country is in the struggling way, and any country is in the condition of 100% self-sufficient. So every country needs the help of another country to some extent. By this even, the different ideologies based countries like democratic, kingship, military form, whatever may be the globalization helps to build the good relationship between the countries and it also supports to international peace also [7].

### **Negative effects of globalization**

Every concept has the two faces like positive as well as negative faces. The globalization concept has also the two faces. Now let us see the other face like the negative effects of globalization.

#### **Globalization has resulted in a fiercely-competitive global market with embarrassment of unethical practices**

Due to globalization, there is cut throat competition, and there is no place for humanity, moral and business ethics. So every country wants to win by any short cut and the moral values like honesty, compassion, consumer caring are disappearing. The people want to earn more and more profit even by cheating as well as fraud means [8].

#### **It is also observed that globalization helped terrorists and criminals with the way of cross border terrorism**

Due to globalization, there is scope for open trade and by this even unauthorized persons as well as institutions can get weapons without any restriction. So it directly or indirectly supports the cross border terrorism which is now becoming the serious threat to international peace.

#### **Globalization has expanded the growth of cities which also includes the garbage-dumps**

Due to globalization, there is limited crossing industrial growth, which allows the growth of garbage-dumps which are containing of industrial waste. This industrial waste contains the poisonous chemicals which are harmful for the all living beings [9].

#### **The globalization has also allowed the fast food chains which is also having the place of junk food**

Fast foods chains like McDonalds and KFC are spreading fast in the developing world. People are started consuming more junk food. The result is in the degradation of health and spread of diseases. The traditional family attached food habits are being slowly disappearing [10].

#### **Globalization has led to environmental degradation**

Due to globalization, there is cut throat competition and also due to excess production, there is no control on using non-renewable resources. Due to continuous production, we had neglected to live under nature and it also leading to environmental degradation.

#### **The other challenges of globalization are cheap imports of goods from developing countries could lead to unemployment problem**

Due to globalization, there is strong competition and every country wants to maintain the quality production. So automatically, the cost of production is high, and most of the developing countries are backward in the competition. So to get money, and not in a position to win in competition, they started to sell their resources, and the process industrialization becomes weak. So without production, the industries cannot run and they come in a position of lock out and the laborers have to face unemployment problem.

### Suggestions to avoid from the negative effects of globalization

Every concept has the two faces like the positive and negative effects. There are some suggestions which help in the growth of the positive effects of globalization [11,12].

- There should be control on production of explosives as well as weapons, and care should be taken that they should not come in the hands of terrorists. By this, we can prevent cross-border terrorism.
- The International organizations like W.T.O should take care that, there should be control on marginal production and by this; we can prevent usage of un-ethical measures in production.
- There should be strict instructions to the all countries which are engaged in production, should be proper disposal of industrial waste, and by this, we can prevent the not becoming the developing countries are converting into garbage-dumps.
- There should be encouragement to the fast foods which are made up of vegetables and fruits, by this we can prevent decrease in animal population and, there is also scope for agriculture and the farmers are also having benefit from this.
- There should be control on the cost of production, and by this, even the developing countries can participate in the production competition, and some extent there, is control on increasing of unemployment problem.

### Conclusion

Even though, the concept of globalization is having the both the faces, of positive and negative aspects, still it is influencing the

international peace, economic development, and even it is influenced the social life of the various countries. Now due to globalization, the world is becoming the small digital village, and even a common man can communicate with any person in the different country, and the people started to live as open up and welcoming the blowing globalization wind.

If we are successful in removing the negative concept of globalization, then it can be boon to international peace as well as economic development.

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