Contemporary stage of globalization and neo-liberalism in europe term paper

According to Weber, globalization is a concept that refers to the growth of universal social relations, economics, as well as growth of technological factors (23). Without doubt, its level and perception of impact may not occasionally be common; nonetheless, it may be different with respect to certain concerns of its analysis.

Consequently, most scholars primarily comprehend globalization as the practice where local economies and social systems undergo speedy intensifications in their scope of action and mutual interdependence. It adopts the structural enhancement of the economic system in various regions around the world. One of the utmost open manifestations of globalization is the improvement in the share of trade value in Gross Domestic Product (GDP).

This factor has been developed positively in the European markets by more than 15% since the 16th century. Even though there has been a growth in the GDP since the 20th century, only stable member states like the US and China can feel the growth while other countries suffer drastic drops in GDP (36). However, globalization ensures that there are mutual benefits in both the developed and the developing nations since implementing this concept leads to increase in capital formation in any country in the international market.

When evaluating the globalization level in the European regions, it is vital to begin by classifying the substantial elements that describe the changes that globalization induces and their likely influence on the economy (Keough 434). Moreover, such elements may have either positive impacts on

European Union fundamental activities or negative effects since they tend to cover the weighty differences among certain regions and government sectors.

Most of the regions, especially within the old member states, have high employment rates in the traditional sectors, where competitive benefit depends on the low cost factors due to globalization. Therefore, Europe should increase its productivity and invest more in new technologies in order to enjoy healthy competitions in products and services in the international markets with other developed states, such as the US and China.

Further, there is apparent increase in globalization; therefore, growing economies should device new ways to encounter this development in order to remain relevant in the global economy. Attributable to the above perception, European nations should ensure that they have quality and productive growth within the regional economy in order to earn global respect (McDonough, Reich, and Kotz 21).

DeMartino states that the concept of globalization has different definitions among capitalists, economists, and European nations, as some perceive it as a new era, while the rest regard it as a continuous process with long-term effects on the economy (109). This issue has several determinants, which makes it an international fact experienced by most nations in the world.

At the outset, one of the fundamental factors that drive globalization is the expansion of the cross border flows among states that have stable economies around the world and even those that are still developing their economies. Notably, this expansion in market borders began in the 16th century.

During this period, European powers built a world system of economic exchange where they could carry out transactions of their own goods and services. Those activities later led to growth of trade across the seas (101). The trade gradually brought the globalization aspect which impacted on citizens in entire Europe in the 19th century.

Some specialists acknowledged the gradual development that took place during that time. Although some considered it as a slow process that had taken about three centuries before people felt its impact, as well as unexpected hastening of exchange and the shrinking of time and space accompanied it.

This was due to improvement in infrastructure, such as suitable transport systems and advancements in technological factors like well-established communication systems within those regions. Therefore, there were achievements in better trading practices in the early 1990s due to these suitable systems (Gills 101). Indeed, different governments are always responsible for globalization since they can easily control it (223).

Keough reasons that globalization facilitated suitable investments among the nations of the world (455). This later gave rise to increasing flows of goods and services among people and advancement in knowledge within major multinational firms. This resulted in economic growth in such nations, especially the major economic determinants across the world. Globalization also facilitates proper financial flows among nations that have expanded due to liberalization.

The concept of Neo-liberalism is in the economic sphere, and even influenced politics, as can be traced from the Chilean events of 1973. In the era of neo-liberalism, capitalism theory received immense support with the creation of the European Common Market. Even though the economic liberalization process that occurred in post-World War II Europe eliminated protectionist obstacles and encouraged freedom of movement of labor, capital, services, and goods, it opened the market for control by key economic powerhouses.

However, the move hastened the globalization process across Europe since people could move freely to other nations. The free movement of people increased awareness on different languages, cultures, preferences, and customs. Notably, the Yugoslavian crisis marked the beginning of neo-liberalism in continental Europe. Neo-liberal policies tend to oppose legislations that push for free trade. On his part, Lietaert argues that neo-liberalism is the policy framework that can essentially determine the globalization ability in Europe (744).

This is because it is one of the vital principles of the capitalist economies, which Europe has in place. Because of this principle of neo-liberalism, the government has fixed some socio-economic frameworks in the affected regions in order to increase the economic status of such countries. Therefore, it is necessary to control this determining factor for the achievement of suitable economic environment in states (746).

Due to neo-liberalism, politics can also be involved in the globalization aspect; however, politicians, in such circumstances, depend mainly on self-interest, but not on public interests. For a state to continue being active in European market, it must maintain a superior image. Therefore, it is the responsibility of European governments within the EU to ensure that they meet this quality. In fact, through maintenance of superior image, the economy of these governments can retain the best economic state of the continent (DeMartino 111).

The European Union interprets the integration process as an adaptive process in the international economy. European nations have been at the forefront in dismantling cultural, economic, and political barriers, as well as instituting economic and social policies that supports a free market. The EU holds on protecting European nations against emergencies in the internationally capitalist market.

It goes further to suggest a compassionate and feasible option to neo-liberal globalization. Even though neo-liberalism policy failed in addressing the economic crisis of 2008, it remains the main approach in Europe. The strength in capital mobility and free trade has made the policy more resilient. Therefore, it is through globalization that a country can achieve the development agenda.

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