

Introduction market
has made an
important contribution



Introduction

There has been a continual change in the global society since the history of man.

Communities have continued to grow, interact and integrate with one another in all aspects of the society. Globalization is an aspect of the global community whereby there is increased integration in terms of politics, trade, technology and communication among the communities of the world. Globalization aims at making it possible for all members of the global community to make investments anywhere in the world.

Globalization has both advantages and disadvantages and this paper aims at discussing the positive and negative impacts of globalization in Britain.

Britain globalization summary

Britain has from time immemorial been the pacesetter for globalization due to the fact that it was among the first countries to achieve economic and political stability and was in a position to colonize other countries. The historic participation of Britain in international trade made it possible for Britain to have an upper hand and influence on other countries and thus benefited more and continued to benefit even today as Martell also claimed “ Britain has not only been an initiator of globalizing industrialization but also a globalizer of free trade (Martell 1)

Positive impact of globalization on Britain

Open market trade

Globalization opens up the participating partners and gives them openness to trade. This widens the market as countries can export and import goods and services from other countries; creating a larger market is created.

Britain benefits a lot from globalization by being a member of EU. A report by DTI was quoted claiming that “ As a member of the EU, we have access to the European Single Market. The Single Market has made an important contribution to competition and flexibility in the European economy” (Martell 44). Britain exports a lot of its products and services to many countries of the world and this boosts its economy.

Exposure to international financial structures

Globalization exposes countries to international financial structures such as international banking systems and pension funds. Britain being a member of international trading communities, benefits from international banking systems, World Trade Organizations (WTO), International Monetary Fund (IMF), and the World Bank.

ICT infrastructure

Globalization promotes communication between people in different parts of the world. Due to increased interaction and trade there has been advancement in information computing and technology (ICT) which employs a large number of people in Britain.

Investments in ICT have also improved the Britain economy. This is also echoed by ISR “ ICT employment is actually bigger as a share of total business employment in Britain than in America” (ISR 16).

Sharing of risks

Globalization enhances global sharing of risks which in turn reduces overdependence on internal macroeconomic. It is worth noting that Britain may have maintained economic stability due to globalization which has enabled the country to trade in the global market and reduce overdependence on its own internal economy. A report by Giovanni argued that risk sharing in the global market has indeed increased in advanced countries such as Britain (Giovanni 1).

International peace

Britain has continually fostered good political and social ties with trade partners all over the world. Due to globalization participating countries usually promote good relations which are a prerequisite for trade. This has enabled Britain to maintain both internal and external peace and understanding with the global community.

Disadvantages of globalization

National security

Globalization leads to increased interaction of different people from all over the world. This increased interaction has made countries more vulnerable to criminal activities such as terrorism. Britain like other countries is spending a lot of revenue in security measures to protect the citizens against such

possible attacks. This may be seen in the enhanced security measures in the airports and other vulnerable places (HCDC 70).

Risks of multinational investors

Globalization has led to the opening of Britain to international investors who have heavily invested in the country. The international investors are usually after making profits and as such they may move from Britain to other countries where they are likely to make more profits. This has the potential of affecting the economy considering the fact that they are likely to move when the country needs them the most “ The UK is home to more multinational companies who can easily relocate overseas” (UK 1)

Global market winds

Globalization exposes countries to the influence of international market forces some of which may negatively affect the economy of the country. Britain has for a long time dominated the global market since the history of globalization but its worth realizing that the increased globalization has exposed Britain to international forces of market deregulation and thus may no longer have the upper hand in dictating the way for international trade this may affect the economy of the country(Jeffrey 147). “ All EU governments- include that of Britain - now experiences new pressures on their authority and policy making capacity” (Jeffrey 147).

Increased management costs

Globalization calls for integration of all the participating countries which have differences in culture, infrastructure, currencies and communication languages. Britain undergoes a lot of money in the efforts of maintaining the whole globalization system.

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This can be seen as an added cost to the British

Culture erosion

Economic globalization calls for opening up a country to the international market. This may lead to exposing of the country to external social influences. Globalization in Britain has opened the society as the country tries to balance between trade, investments and economic gains this is usually referred to as social dumping “ the main danger is social dumping which is the result of increasing competition between states to attract inward investment through cutting taxation and social protection” (Farnsworth 34).

Conclusion

The world in general has undergone globalization.

Britain has been on the forefront in the globalization process. Britain has benefited from globalization for a long time since its initiation of industrialization and globalization. Globalization has brought lots of advantages as well as disadvantages to Britain. The benefits include opened market opportunities in the international trade community, Exposure to international financial structures such as international Monetary Fund (IMF), ICT infrastructure due to globalization, sharing of risks by diversifying the economy and International peace. Disadvantages of globalization to Britain includes risk of multinational investors interfering with economic stability, culture erosion through social dumping, increased costs in terms of management costs and exposure to international economic forces which may negatively affect the economy. Due to the positive and negative

impacts of globalization countries like Britain should approach the issue with lots of precaution and open mindedness.

References

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