

The disadvantages of globalization

[Economics](#), [Globalization](#)



The disadvantages of globalization 1. “ The general complaint about globalization is that it has made the rich richer while making the non-rich poorer. It is wonderful for managers and investors, but hell on workers and nature. ”¹ 2. Multinational corporations are accused of social injustice, unfair working conditions (including slave labor wages and poor living and working conditions), as well as a lack of concern for the environment, mismanagement of natural resources, and ecological damage. 3. Multinational corporations which were previously restricted to commercial activities are increasingly influencing political decisions. Many think there is a threat of corporations ruling the world because they are gaining power due to globalization. 4. Opponents say globalization makes it easier for rich companies to act with less accountability. They also claim that countries’ individual cultures are becoming overpowered by Americanization. 5. Anti-globalists also claim that globalization is not working for the majority of the world. During the most recent period of rapid growth in global trade and investment, 1960 to 1998, inequality worsened both internationally and within countries. The UN Development Program reports that the richest 20 percent of the world's population consume 86 percent of the world's resources, while the poorest 80 percent consume just 14 percent. 6. Some experts think that globalization is also leading to the incursion of communicable diseases. Deadly diseases like HIV/AIDS are being spread by travelers to the remotest corners of the globe. 7. Globalization has led to the exploitation of labor. Prisoners and child workers are used to work in inhumane conditions. Safety standards are ignored to produce cheap goods. There is also an increase in human trafficking. 8. Social welfare schemes or “

safety nets" are under great pressure in developed countries because of deficits and other economic ramifications of globalization. Cons of Globalization Wages and working conditions everywhere are pushed downwards as companies gravitate towards countries where the wages are the lowest and the workers' rights are the worst. The environment suffers, as production moves to places where they have less strict rules and regulations about controlling pollution and deforestation etc. Many jobs are outsourced from more developed nations, like the USA, to lower wages economies, such as those in Indian and China, resulting in high unemployment in the Western countries. Globalization means that economic problems in one part of the world can spread easily and create a worldwide recession. Many of the deals made by more economically developed nations with lesser developed countries are unfairly weighted in favor of the more developed nations. For instance, subsidies to agricultural production by the more developed nations are often kept, making the competition unfair. Globalization undermines national sovereignties and national governments, as individual countries become increasingly at the mercy of international markets, and multinational corporations grow more powerful and influential. Cons of globalization Pollution of the environment (and there one peculiarity should be admitted - developed countries try to locate their harmful for the environment factories and works hot in their own countries but in developing countries); Globalization destroys cultural identity, for example Europeans usually try to impose their customs and traditions on Asian people; Multinational corporations prefer to use cheap labor-force of developing countries for instance in Asia. And at the same time they provide their workers with bad

and sometimes even awful working conditions; It's difficult for domestic producers to compete with multinational corporations especially if it's an infant industry; to cut a long story short globalization causes inconveniences for local companies; And last but not least is that we don't actually know to what globalization can lead, we don't realize its consequences.