

Free how does economic globalization impact on the environment research paper exa...

[Economics](#), [Trade](#)



Economic globalization effects the natural environment in a number of ways. There exists a close link between economic globalization and the environment. There are issues related to economic globalization that affect the environmental sustainability. Number of factors that affect the economic developments are identified, and policies for conservation of the environment are developed to reduce the effects of economic globalization. Different areas of economic globalization are identified that have varied effects on the environment.

Globalization is a source of contribution to the world economy and have both positive and negative effects. It fast-tracks the structural change and alters the industrial structure of the countries thereby adding to the resources of the country. On the negative side, it also adds to the proportionate level of pollution. Globalization combines the effects of capital and technology to increase the economic benefits and may or may not deteriorate the environmental conditions. It improves the prospects of economic growth throughout the world and approximately doubles the output at international level; however, globalization can have negative effects for individual countries in terms of downgrading of economy, resources diminution and environmental squalor. In most of the cases, combined effects of technology and increasing capital are detrimental to the cause of conservation of the environment. Free trade and trade liberalization are a result of globalization, and there are effects of free trade on the environment. These include the scale effects, the structural effects, the income effects, product effects, technology effects and regulatory effects. In order to understand the effect of trade on the environment, it is essential to understand these effects.

Economic globalization causes mounting standards globally and puts constraints on the government by enhancing the role of market in the social, economic and environmental matters. It compels government to manage the global standards while coordinating policies at local level. A comparison between the benefits of free trade with the negative effects on environmental conservation indicate that the trade policy should not be given priority over the environmental protection. Efficiency gained from free trade and cost of environmental control along with residual environmental damage cost are approximately equal. The glaring advantage of economic globalization is that it has employed millions of people both in economic production and environment protection. The cycles go on with no net profit, but the people who are part of the cycle are earning their living and feeding themselves. In the nutshell, no gains are being made due to trade liberalization and economic globalization as the same amount of GDP is being spent on reducing the damages to the environment.

Environment policy plays an important role in technological innovations. A stable and clear environment policy is essential for the economic growth to take off. In addition to the control regulations, imposition of taxes such as the pollution tax is another measure to control the damage to the environment. Thus, globalization of the economy has brought the real large benefits to the market and to the countries and have put them under certain risks too. Environmental sustainability and globalization should be managed with a balanced approach, and a balanced policy both for economic development and environment protection is the way forward. Integrated

trade and environmental policies will ensure sustained economic growth and will help in harnessing its benefits for the protection of the environment.

Bibliography

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