

Globalization impact on average citizens essay

[Business](#), [Company](#)



The greatest challenge facing the modern business arena is ensuring that globalization becomes a positive force for all nations of the world. The definition of globalization is sometimes controversial due to its dynamism and complexity. Globalization is the trend in which countries merge economically, politically, socially and academically; globalized countries view themselves through their national identity and as one part of the world (Ghuri & Powell, 2008). The process of globalization links people of all walks through a common medium such as schools, internet and global markets. The visible manifestations of globalization include greater cross-border movement of commodities, finances, people, and information. Additionally, globalized nations of the world are characterized by technological advancements and increased trans-boundary cultural exchanges resulting from free trade of immigration, more differentiated products, tourism, and economic integration (Glenn, 2011). Given that globalization is already a reality and its associated complexity inevitable, it is imperative that average citizens appreciate the merits as the governments are working to counteract the limitations of the interconnected world society.

Continuing global interconnectivity has spawned the growth of multinational corporations. These corporations have invested in various industries such as mining, manufacturing, construction and fishery. Multinational corporations open branches in potential areas and provide goods and services that the local people do not have comparative and absolute advantage to produce (Ghuri & Powell, 2008). For example, Newmont Gold is a mining corporation based in Denver. Newmont is the world's leading gold mining company, which operates major plants in the United States, Indonesia, and

South America (Glenn, 2011). Barrack Gold is another gold mining company that has deployed several citizens abroad to manage and exploit foreign mines. Incomes from these multinational corporations are vital for the economic growth and development of home countries. The home countries tax the corporations and provide public utilities, which are beneficial to the average people.

Globalization has the potential to promote world peace. Glenn (2011) describes world peace as an ideal of freedom and happiness among all nations and people of the world. Globalization acts as a catalyst for promoting non-violence planet filled with the spirit of cooperation either voluntarily or by virtue of a system of governance. Globalization leads to cessation of hostilities among all humanity and prevents all possible chances of warfare. For example, World Peace crosses borders through human rights, technology, engineering, medicine, education, and animal rights. It is through globalization that the United Nations and the five members of its Security Council have worked to resolve global issues free of war declarations (Glenn, 2011). The International Day of Peace observed on the 21st September is dedicated to peace. The 2011 Global Peace Index revealed that if the world was 25% more peaceful in the year 2010, the global economy would have earned an additional \$2 trillion; this 2% of the global GDP required to cover Millennium Development Goals, mitigate global warming and meet the rebuilding expenses for the 2011 tsunami and Tohoku earthquake (Ghauri & Powell, 2008). Global economic objectives can only be achieved if there is a strong globalization concept enhanced by globalization. All people, including the average citizens, enjoy the benefits of the world

peace in terms of education, business, security and improved standards of living.

Globalization allows specialization of trade and exchange. Specialization is the basic way through which trade works to improve people's lives.

International trade takes place because one country can produce what another country cannot produce (Gerritsen & Høj, 2013). Prior to globalization, cross-border business was limited because most of the national economies were self contained entities separated from one another by barriers to international trade and investments (Glenn, 2011). Other factors that limited cross border business transactions include time zones, distance, differences trade regulations and language. Globalization has enhanced cross border business opportunities and enabled firms to sell what they can produce and buy those commodities they do not have the capacity to produce (Ghauri & Powell, 2008). Specialization reduces the production costs incurred by companies producing in areas where factors of production are cheaper. For example, Alaskans have the potential to produce salmons and oranges, but oranges can only do well in greenhouses. Floridians can also produce both oranges and salmons. However, considering the relative costs of production, it will be cheaper for Alaskans to produce oranges than Salmons, and Floridians can produce salmons less costly than oranges. Floridians will specialize in producing oranges and Alaska to grow salmons. Both Alaskans and Floridians will have sufficient supply of both oranges and salmons. This will lead to improvement of their welfare through specialization of trade.

Average citizens are the greatest beneficiaries of technological evolution and

transfer. Globalization makes it possible for technology experts from developed countries to be deployed in developing countries either as businesspeople or volunteers trainers. The main objective of technology experts is to train citizens become creators rather than technology consumers (Dasgupa & Nederveen, 2009). The areas where technological technicians focus on include education, business and health. Additionally, high tech countries manufacture electronic products such as computers, mobile phones, health management electronics and televisions that are crucial in all spectrums of citizens' lives. Production countries sell these products to consumer nations. This creates possibilities of international businesses where both the producer and buyer mutually benefit. The citizens of consumer countries create utility from these electronics and producer nations earn extra income (Ghauri & Powell, 2008). Thus, globalization makes it possible for technological transfer that ensures mutual benefits between producer and consumer countries.

Regardless of its positive aspects, globalization has some negative implications on average citizens. Globalization is the main cause of unemployment in industrialized countries that move their firms to countries where there is lower labor costs (Glenn, 2011). Developed countries are sometimes blamed for environmental degradation since they build mass waste release factories in countries that do not have strict regulations on environmental conservation. This leads to the rapid spread of human and animal diseases that have long term implications on the affected populations. Opponents of globalization argue that globalization is the main cause of continued downward of pressure on wages and salaries of skilled

and unskilled workers (Glenn, 2011). Globalization also paves way for cultural imperialism, which is enhanced through the mass media, academic institutions and social rendezvous. Some globalization commentators argue that excessive specialization may lead to overdependence between countries and cause crises when the transacting countries conflict in their contract terms. These negative consequences have critical impacts on the average citizens of the affected countries.

The 20th century was welcomed with numerous anti-globalization demonstrations (Glenn, 2011). Participants in these campaigns criticized globalization because they viewed multi-national corporations as having exploitative and unregulated power that they exercised through deregulated financial markets and tailored trade agreements. Opponents of globalization accused corporations of seeking profit maximization at the expense of independence, integrity and safe work conditions. Economic commentators characterized the unprecedented growth of globalization as cancer-stage capitalism and market capitalism (Gerritsen & Høj, 2013). They considered globalization as a strategy through which the ruling elites planned to harness the expansion of global markets for their own interests (Dasgupa & Nederveen, 2009). Considering these arguments, there is a persuasion towards accepting that globalization is only beneficial to the shareholders in the multi-national corporations. Assuming that there zero positive externalities from these corporations' incomes, the average citizens are deemed feel only the consequences of production processes since they cannot avoid them.

The globalization debate occupies most of the international relations

commentators throughout the globe. Globalization links people of all walks through a common medium such as schools, internet and global markets.

Globalization leads to multinational corporations, enhances world peace, leads to specialization and paves way for technological transfer.

Globalization, however, reduces employment opportunities in developed countries, leads to environmental degradation in host countries, has a downward pressure on wages and causes excessive dependence on trading countries. Business firms are not expected relocate to less developed countries with the primary reason of causing pollution and exploiting laborers; they have an obligation of behaving in an ethical manner.

Separate Questions: Question 2

Counter-globalization movements have drastically decreased. Anti-globalization activists were interested in forms of globalization that guarantee democratic representation, fair trade, sustainable development and advancement of human rights. The concerned governments have devised mechanisms to ensure these requirements are met to avoid frictions. The activists and the public have been enlightened on the necessity of globalization and assured of counteractive measures to prevent undesirable implications of globalization. Protests are time consuming and require huge financial investments; when these activists fail to access donations, they have an option of terminating the demonstrations. Another reason for reduced demonstrations is security concerns. Security upkeep forces the police to pull out the protestors with the aim of maintaining security.

References

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