

Advantages and disadvantages of globalization in the uae

[Business](#)



Introduction

The UAE is renowned for its rich cultural heritage heavily manipulated by Arab and Islamic traditions. UNESCO has particularly acknowledged the Emirate of Sharjah as a fascinating emirate that has single handedly taken measures in protecting the rich cultural heritage of the Arabs. A classic example is anchoring the Dubai Shopping Festival in cultural values that are local and traditional. It should be noted that the primary aim of the festival is to attract tourists from all over the world. Globalization has since forced all the other Emirates to take initiatives towards protecting all features of the Arabian culture.

Globalization can be described as progressive movement of expanding the social and economic ties via spreading institutions that are corporate and the philosophy of capitalism that from an economic perspective, there is shrinkage of the world. Globalization is a phenomenon that usually affects a country in three major areas. These areas include social, cultural and economical. This paper will shade some light into how globalization is having an effect on all of the three disciplines in relation to UAE. The effects will be classified into pros and cons. This paper is aims to scrutinize the pros and cons of globalization on UAE.

Advantages

Globalization brings along with it the integration of economies which is made possible by a number of factors. It is obvious that UAE's economy is heavily dependent on oil. Oil is with no doubt a resource that is against the clock.

Supposedly the UAE oil runs out today, they would not have to worry about <https://assignbuster.com/advantages-and-disadvantages-of-globalization-in-the-uae/>

their economy thanks to globalization which will aid in its economic growth by creation of new jobs and opportunities. Furthermore, UAE has an open economy. This means that they have imported a vast range of cultural products and services in the recent past.

It is definite that these products and services have affected the lifestyles of its populace. This happens following the introduction of new cultures and influences making the UAE have more of a blended culture. Globalization has also brought about a prosperous real estate business and industrial developments (Silicon Valley, 2010). Once UAE was open for foreign investment, the rest is history. The Country has been high ranking in the recent past earning it the ' mini-USA'. The fact that globalization has altered UAE's oil revenue dependency is also a big boost to its economy.

It should also be noted that integration of the economy is a result of a number of factors: Technology within the UAE is without a doubt one of the factors that are bound to result in economy integration. Internet access is also one of the driving factors towards integration of economies considering that it goes hand in hand with networks that are used for communication and the worldwide internet access. The existence of several trading blocs such as the EU and NAFTA are concrete examples of growth of economic cooperation. Globalization also marks an end of an era for ' communism' and moreover, it is a solid step towards the traffic of free trade for UAE. The country has advantages that some of the countries wish had by owning some decisive and important strong points pertaining to globalization. The links

that are constructed by the nation, which happens to be sandwiched between some of the most superior markets; Asia and Europe, Serves it well.

(The National, 2010). Globalization has also benefited the UAE in that they have the opportunity to locate capital and labour anywhere in the universe besides having the ability to be able to buy and sell within any nation in the universe. Although globalization has made the UAE to be reliant on the economies other nations, It is with no doubt a catalyst to trade which tags along many more benefits. To begin with, it has ensured that stock Markets are now accessible from any location in the world. This is also an arena that makes available greater employment opportunities as stated earlier and amplifies the proportions of wealth for many a country, which ultimately means that the UAE is enjoying all the attributes that come alongside globalization and hence boosted trade. Other positive attributes that come alongside trade include amplified choice for the populace.

There is a wide range of products that has become available on the market and the UAE populace is enjoying a wide range of goods and services hence giving them the advantage of increased choice. Moreover, trade has amplified the potential of UAE's growth while ensuring that the potential for its growth is also amplified. Lastly, trade is always the puppet master behind colossal augmentation of wealth within a nation. The UAE is no exception to this phenomenon. One segment that cannot be overlooked is that globalization eventually brings about domination of a corporation. This can be proved as some of the UAE's corporations for example the Emirates flights are becoming more popular.

It is also enabling UAE to easily source raw materials for its industries besides taking charge of the key supplies and processing. A possibility also exists that the UAE may be embracing globalization fully so as to control supplies. It is usually the primary reason behind global expansion. Some of UAE's services and cultural products also have worldwide appeal as they are easily applicable in any part of the world for culture enrichment.

Disadvantages

As usually expected, everything that has a positive side to it always has a negative side to it. Globalization brings along several disadvantages, issues and challenges that should be addressed so as to make it easily acceptable .

The lead disadvantage is of globalization is that it contributes immensely to the erosion of a people's culture. Globalization has been proven to be a primary area of research that has been carried out in various cultural contexts (Pothukuchi et al, 2002). Globalization has also been proven to have a big effect in the Arab world as it has immensely affected practices in business and styles of management. What might be deemed to have been a negative effect of globalization on UAE has been effectively curbed though. This is because the UAE has managed to guard its natural culture and traditions via careful design of policy tracks.

This is achievable as The Dubai Media City is pinned on the system of value and the dogmatic scaffold of the Gulf Co-operation Council (GCC countries). Following that move, the UAE has managed to maintain their order of culture. Globalization brings about several other areas of concern. In the recent past, sustainability has become a priority as the world resources are <https://assignbuster.com/advantages-and-disadvantages-of-globalization-in-the-uae/>

being depleted at a very fast rate. Concerns have been raised about environmental pollution to the UAE and many other states that are embracing globalization. Majority of the populace in the world share the opinion that globalization is development in the negative directions propelled by G8 summit protests, poverty and solution.

The UAE is also experiencing difficulties in their efforts to curb trade barriers and doubts are being raised over the ethical responsibilities and accountability of their businesses. A faction of analysts also confirm that globalization results in labor exploitation, resources that are non-renewable and a possible degradation of the economy though proof linking them to the UAE have not yet been established.

Conclusion

Weighing all the pros and cons, it is evident that the UAE is immensely benefiting from globalization. Measures should also be taken to attempt reducing the negative impacts associated with globalization.

References

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