



International Journal of Applied Research

ISSN Print: 2394-7500
ISSN Online: 2394-5869
Impact Factor: 8.4
IJAR 2021; SP7: 126-129

Mugdha Dogra
CA Student of ICAI,
Udhampur, Jammu Kashmir,
India

Editors

Dr. Parmil Kumar
(Associate Professor),
Sahu Jain (P.G) College,
Najibabad (Bijnor), Uttar
Pradesh, India

Faiyazurrehman
(Research Scholar),
Dr. Bhimrao Ambedkar
University, Agra), Uttar
Pradesh, India

Dr. Anurag
(Principal),
Baluni Public School
Tallamotadak, Najibabad),
Uttar Pradesh, India

Correspondence
Mugdha Dogra
CA Student of ICAI,
Udhampur, Jammu Kashmir,
India

(Special Issue)

“Twenty-First Century: Cultural and Economic Globalization”

Globalization in the 21st Century

Mugdha Dogra

DOI: <https://doi.org/10.22271/allresearch.2021.v7.i7Sc.8705>

Abstract

Globalization has become a very important process in the 21st century, it has removed the trade barriers among various nationalities which in return has provided us access to different products. We have access to the global market, we can purchase products from various countries, we can invest in foreign markets, enjoy their foods, music, culture while sitting at our own houses. It has been really helpful in these hard times when it is not safe to go out of our homes. Due to globalization, various technologies are shared among different countries which helped in fighting the world pandemic of the Novel Corona Virus (or commonly referred to as Covid-19). Like all the other things, globalization also has its own advantages and disadvantages which are discussed below in more depth. The main purpose for introducing globalization was to remove trade barriers so that the world could come closer, it can become a single global village. A few market analysts contend globalization advances monetary development and expanded exchanging between countries; yet, different specialists, just as the overall population, by and large, consider that the disadvantages of globalization are exceeding the advantages. In the earlier times of globalization, the only focus was to remove the trade barriers between different countries for the smooth flow of trade between them. But as time changed, the purpose of globalization has also evolved. Nowadays globalization is not only focused on removing trade barriers but it also encourages foreign direct investments, exchange of technologies across nations, getting to know about their cultures, addressing common problems like environmental degradation, pollution, ozone depletion, global warming, wars, etc. Like every other thing, globalization needs to evolve with the changing time; it has to incorporate a lot of things so that it may be of help in many major problems the world is facing. It is important that all the countries work together and globalization provides them a global platform to do it.

Keywords: parental globalization, economic policy, technology, environmental degradation, world health organization, world economic forum, world wide fund for nature, world trade organization, G-20

Introduction

Before discussing globalization in the 21st century, it is important to know what globalization means. In simple words, we can say that globalization is the process of bringing different countries together and reducing the trade barriers between those countries so that there are no hindrances in the smooth trade practices. It encourages trade between different regions, different economies and different cultures so that the world can develop with each other's help. The idea of globalization is to make the world a huge market or a global village where there are minimal restrictions. In these modern times, globalization is gaining more importance than in previous times. It not only reduces the trade barriers but also helps different economies to share the technologies, knowledge, know-how, so the world can develop. Globalization not only empowers trade, but it also encourages foreign investments. The economic policy of a country contributes to making globalization more feasible and smooth. It can also be said that globalization is a process that helps in connecting different economies despite their differences and have a fresh start and share their resources. It helps us to accomplish better technology, better understanding which wouldn't be possible if not for globalization. Globalization is not a one-day process, it takes time to establish trust, reliable communication channels, trade laws, economic reforms etc. Globalization also has its merits and some demerits.

Objectives of the study

- To study the meaning of globalization.
- To study the merits and demerits.
- To study globalization in the 21st century.

Merits of globalization

We usually don't notice the advantages that globalization brings in our daily life, but it has helped in making life better and also to develop different economies. Globalization is imperative to extend the business sectors and empower a business to make reasonable use of accessible assets. It additionally settles different issues of an individual and the country, giving them numerous choices to browse and fulfill their necessities. Globalization helps trade, debilitates imports, and elevates unfamiliar trade. Some of the advantages of globalization are mentioned below:

- **Ease of trade:** As already mentioned above, globalization helps in reducing trade barriers and making trade between different countries, economies easy. In earlier times, trade between different countries was difficult because of multiple trade laws, globalization has helped in simplifying them and introducing economic reforms and helped in understanding the importance of foreign trades.
- **Introduction to new culture:** With the help of globalization, we can now access different cultures of different regions like their music, food, traditions, etc. We can learn about their cultures while at our home with the help of globalization.
- **Access to a new market:** Globalization aims at making this whole world a huge market or a global village, thus it provides a lot of opportunities and access into the new global market. Businesses acquire an incredible arrangement from globalization, including new clients and assorted income streams. Organizations inspired by these advantages search for adaptable and inventive approaches to develop their business abroad. The customers also get a lot of options to explore from the market.
- **Increases economic growth:** With the increase in global trade, the countries benefit a lot. By importing the domestic goods in the global market, in return, we receive foreign exchange which increases the economic growth of the country. An increase in economic growth implies better expectations for everyday comforts, higher livelihoods, more abundance in a nation, and, frequently, less neediness-to put it plainly, the general prosperity of a country. Globalization helps in boosting the economic growth of a country.
- **Introduction of new technology:** One of the main benefits of globalization is the introduction of new and advanced technology which is very helpful in the development of the country. It creates an environment in which the technologies can flow from one country to another while expanding the knowledge and developing new technologies in the process.

Demerits of globalization

As we know a coin has two sides, in the same way everything has two sides, its merits and demerits. We have discussed the merits that are linked with globalization. But it is also important to look at its demerits if we want to

understand the process of globalization thoroughly. Some of the demerits of globalization are enlisted below:

- **Adverse effect on local products:** Due to globalization, a lot of people prefer to use imported goods which affects our local businesses and small-scale industries in a bad way. With access to different products from all over the world, the local businessmen are facing a lot of trouble as they don't have that much sale. And as they are small-scale businesses they are unable to import their goods to other countries as well.
- **Unequal economic growth:** It is true that the help of globalization provides economic growth to the countries. But often the economic growth is not equal for all the countries, it is not in a partial way. It provides more benefits to the developed countries than to the developing countries or underdeveloped countries. The underdeveloped countries do not have access to better technology or communication channels so they are unable to derive any benefit from the process like globalization.
- **Environment degradation:** Globalization is helping the economies in various ways, but one of the adverse effects of globalization is the deterioration of the environment. With the increase in the competition in the global market, the focus on the environment is decreasing day by day. We can say it is a sort of warning to us so that we can focus on the bigger picture. Globalization has led to an increase in competition among various countries, which has led to using various methods to match the demand and supply in the market. But due to this the environment is suffering and degrading day by day.
- **No specific laws:** As we know that the countries introduce various economic reforms which also include the laws and regulations regarding international trade with foreign countries. Every country has different laws, rules and regulations, it is not possible that all the countries agree on some specific laws. Globalization has no specific ruling body for making laws for all the countries except the World Economic Forum and it has no specific powers to make its rules mandatory for everyone.

Globalization in the modern era

Globalization in this modern era of the digital age has been developing at a surprising speed. There are benefits and losses of this process. Globalization has a major effect on our day-to-day lives, it can be said that we are mostly dependent on globalization. Almost every household has something that is related to foreign markets which have reached us because of the process of globalization. It has helped our country to develop, although not in a speedy way, as it has given more benefit to the rich and developed countries. The underdeveloped countries have to face a lot of problems even in this era of globalization. Globalization has brought together all the countries to address their common problems. A lot of organizations are being formed to address problems these problems at a global level. Examples of these organizations are the World health organization, World economic forum, World wide fund for nature, etc.

World health organization

World Health Organization (WHO) was formed for the purpose of maintaining the public health at a global level. It was formed on 7 April 1948 and its headquarters are located in Geneva, Switzerland and have 192 countries as its members. The WHO's wide command incorporates supporting global medical services, observing global wellbeing hazards, organizing reactions to wellbeing crises, and advancing human wellbeing and prosperity. It gives specialized help to nations, sets worldwide wellbeing norms and rules, and gathers information on worldwide medical problems through the World Health Survey. WHO has also

helped the world with the Corona Virus pandemic by providing them with information regarding the specific outbreak of the disease and the ways to keep themselves safe. It has played a great role in the development of various vaccines for different kinds of diseases and eradicates them. WHO creates guidelines about all the things that should be taken care of regarding specific diseases. It could have not been possible to bring all the countries together and face these issues if there was no globalization in the first place. It also creates various health policies that help all the countries facing these health problems.

Regional offices of WHO			
Region	Headquarters	Notes	Website
Africa	Brazzaville, Republic of the Congo	AFRO includes most of Africa, with the exception of Egypt, Sudan, Djibouti, Tunisia, Libya, Somalia and Morocco (all fall under EMRO). The regional director is Dr. Matshidiso Moeti, a Botswana national. (Tenure:-present).	AFRO
Europe	Copenhagen, Denmark	EURO includes all of Europe (except Liechtenstein), Israel, and all of the former USSR. The regional director is Dr. Hans Kluge, a Belgian national (Tenure: 2020-present).	EURO
South-East Asia	New Delhi, India	North Korea is served by SEARO. The regional director is Dr. Poonam Khetrpal Singh, an Indian national (Tenure: 2014-present).	SEARO
Eastern Mediterranean	Cairo, Egypt	The Eastern Mediterranean Regional Office serves the countries of Africa that are not included in AFRO, as well as all countries in the Middle East except for Israel. Pakistan is served by EMRO. The regional director is Dr. Ahmed Al-Mandhari, an Omani national (Tenure: 2018-present).	EMRO
Western Pacific	Manila, the Philippines	WPRO covers all the Asian countries not served by SEARO and EMRO, and all the countries in Oceania. South Korea is served by WPRO. The regional director is Dr. Shin Young-soo, a South Korean national (Tenure: 2009-present).	WPRO
The Americas	Washington, D.C., United States	Also known as the Pan American Health Organization (PAHO), and covers the Americas. The WHO Regional Director is Dr. Carissa F. Etienne, a Dominican national (Tenure: 2013-present).	AMRO

World economic forum

World Economic Forum (WEF) was formed for the mission "committed to improving the state of the world by engaging business, political, academic and other leaders of society to shape global, regional, and industry agendas". It was formed in January 1971 and its headquarters are located at Cologny, Switzerland. It addresses global issues that need to be focused on like the impact of global warming, terrorism, global recession, etc. WEF also makes some guidelines regarding globalization, but they not mandatory but advised to follow. The WEF has a yearly gathering toward the finish of January in Davos, a mountain resort in Graubünden, in the eastern Alps district of Switzerland. The gathering unites nearly 3,000 business pioneers, worldwide political pioneers, financial experts, VIPs and columnists for as long as five days to examine worldwide issues.

World wide fund for nature

World Wide Fund for Nature or WWF was formed on 1 January 1995 and its headquarters are located in Geneva, Switzerland. WWF is the world's greatest environmental organization with over 5 million supporters. The main purpose of WWF is "stop the degradation of the planet's natural environment and to build a future in which humans live in harmony with nature". WWF has offices all over the world which helps to resolve environmental issues. Initially, the main purpose of WWF was to save the endangered species of plants and animals but as it developed, it covers a lot of issues including global warming, environment deterioration, climate change, pollution, etc. It receives funds from various other organizations, countries, etc. so that it can keep contributing to the novel cause. With the help of globalization, we can focus on many important

issues including the ones related to the environment. Few reasons of the depletion of the environment are due to the competition increased by globalization. So, it is very important that for the betterment of our world we have to come together and fight for this.

World trade organization

World Trade Organization (WTO) was formed on 1 January 1995, and its headquarters are located in Geneva, Switzerland. The main purpose of WTO is to establish rules and regulations for the trade between international trades between countries, ensuring that the global resources are optimally utilized and environmental balance is maintained. It is one of the world's largest organizations and incorporates 164 member states. WTO not only facilitates trade between goods but also services and intellectual properties. It also supervises that there is a smooth trade between different countries. It handles and solves trade-related disputes or the not following the trade agreements. WTO has helped a lot with the main aim of globalization, which was to eliminate the trade barriers between different countries and ensuring smooth trading between them without any disputes. However, it is also argued that not every country is gaining by the actions of WTO, which has resulted in widening the gap between the developed (rich) countries and the developing and underdeveloped (poor) countries. The WTO is divided into three departments to ease its process, these departments are:

- The General Council.
- The Dispute Settlement Body.
- The Trade Policy Review Body.

In the words of World Trade Organization, it describes itself as “a rules-based, member-driven organization-all decisions are made by the member governments, and the rules are the outcome of negotiations among members”.

G-20

G-20 or also known as Group of Twenty is a group of 20 countries that come together to discuss the global problems

they are facing and find a solution together. It focuses on the financial stability, international trades, economic wealth of countries, etc. It was formed on 26 September 1992 and has been conducting annual summits. It is a very important step for globalization as at this platform the countries can come forward with their issues.

Member countries of G-20 and leaders of those countries

Member	Leader Position	State/govt. Leader
Argentina	President	Alberto Fernandez
Australia	Prime Minister	Scott Morrison
Brazil	President	Jair Bolsonaro
Canada	Prime Minister	Justin Trudeau
China	President General Secretary	Xi Jinping
France	President	Emmanuel Macron
Germany	Chancellor	Angela Merkel
India	Prime Minister	Narendra Modi
Indonesia	President	Joko Widodo
Italy	Prime Minister	Mario Draghi
Japan	Prime Minister	Yoshihide Suga
South Korea	President	Moon Jae-in
Mexico	President	Andres Manuel Lopez Obrador
Russia	President	Vladimir Putin
Saudi Arabia	King	Salman Bin Abdulaziz Al Saud
South Africa	President	Cyril Ramaphosa
Turkey	President	Recep Tayyip Erdogan
United Kingdom	Prime Minister	Boris Johnson
United States	President	Joe Biden
European Union	President of the European Union President of the European Commission	Ursula Von Der Leyen

Conclusion

In this 21st century, lots of things are getting evolved and the process of evolution can be made easier with the help of the process of globalization. It has brought different countries together and removed the trade barriers between them. Not only this, but globalization has also helped to improve the economic growth of the countries, has shared the technology, the know-how and helped many countries to take a step towards development. It has been made possible by a lot of international organizations like the WHO, WEF, WTO, WWF, etc. We have been able to fight this global pandemic with the help of globalization, different nations got together in finding a solution so that mankind can be saved from situations like these. But globalization is only the first step, we have to develop our systems, our processes if we want to solve some of the major problems we are facing nowadays. The environment is degrading day by day, the holes in the ozone layer, which protect us from the harmful ultraviolet rays, are increasing, due to global warming the glaciers are melting and lots of species of flora and fauna are getting extinct. We have to take globalization to a whole new level if we want to deal with these issues, it is not just about global trade, or making a global village in which all the countries are connected to each other, it is about making the world a better place and globalization is the first step in that direction.

References

- https://en.wikipedia.org/wiki/World_Health_Organization
- https://en.wikipedia.org/wiki/World_Economic_Forum
- https://en.wikipedia.org/wiki/World_Wide_Fund_for_Nature
- https://en.wikipedia.org/wiki/World_Trade_Organization
- <https://en.wikipedia.org/wiki/G20>
- [https://velocityglobal.com/blog/globalization-benefits-and-challenges/Comprehensive Economics](https://velocityglobal.com/blog/globalization-benefits-and-challenges/Comprehensive_Economics), A.S. Siddiqui, S.A. Siddiqui