IMPACT OF GLOBALIZATION AND SUSTAINABLE DEVELOPMENT

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I. ABSTRACT:

Globalization and sustainable development, the purpose of this paper is to utilize the Impact and managing to explain the significance of sustainable development as an approach in a globalized world. the paper finds and argues that the entire impact on sustainable development namely the environment, economy, and society. Decision-makers need to be constantly mindful of the relationships, complementarities, and trade-offs among these pillars and ensure responsible human behaviour and actions at the international, national, community and individual levels tensions and synergies regarding globalization and sustainable development. Moreover, underlying the fact that there’s conflict between ecological balances and increasing demand for economic growth, this paper also highlights the ways on impact of globalization and sustainable development.

II. KEY WORDS: Impact and Managing

III. INTRODUCTION

Globalization is defined as a process that, based on international strategies, aims to expand business operations on a worldwide level, and was precipitated by the facilitation of global communications due to technological advancements, and socioeconomic, political and environmental developments. The goal of globalization is to provide organizations a superior competitive position with lower operating costs, to gain greater numbers of products, services, and consumers. This approach to competition is gained via diversification of resources, the creation and development of new investment opportunities by opening up additional markets and accessing new raw materials and resources. Diversification of resources is a business strategy that increases the variety of business products and services within various organizations. Diversification strengthens institutions by lowering organizational risk factors, spreading interests in different areas, taking advantage of market opportunities, and acquiring companies both horizontal and vertical in nature.

Industrialized or developed nations are specific countries with a high level of economic development and meet certain socioeconomic criteria based on economic theory, such as gross domestic product (GDP), industrialization and human development index (HDI) as defined by the International Monetary Fund (IMF), the United Nations (UN) and the World Trade Organization (WTO). Using these definitions, some industrialized countries are: United Kingdom, Belgium, Denmark, Finland, France, Germany, Japan, Luxembourg, Norway, Sweden, Switzerland, and the United State.

IV.OBJECTIVES OF THE PAPER

1. To know the economic impact on developed nations

2. To study the managing the economy under globalization

V. RESEARCH METHODOLOGY

Research is a diligent enquiry and careful research for new knowledge through systematic, scientific and analytical approach in any branch of knowledge. It is a systematic effort to gain knowledge on demonetization and common man**,** broad principles and objectives. The present study is aimed at explaining the research Methodology adopted for carrying out the research work. Commerce and economics research is research conducted by scientists and which follows by the systematic plan. Commerce and economics research methods can generally vary along a quantitative/qualitative dimension. For this study the technique used for data collection is Secondary data and the secondary data collected from the internet, catalogues and brochures and magazines and newspapers on globalization and sustainable development.

VI. THE ECONOMIC IMPACT ON DEVELOPED NATIONS

Globalization compels businesses to adapt to different strategies based on new ideological trends that try to balance the rights and interests of both the individual and the community as a whole. This change enables businesses to compete worldwide and also signifies a dramatic change for business leaders, labor and management by legitimately accepting the participation of workers and government in developing and implementing company policies and strategies. Risk reduction via diversification can be accomplished through company involvement with international financial institutions and partnering with both local and multinational businesses.

Globalization brings reorganization at the international, national and sub-national levels. Specifically, it brings the reorganization of production, international trade and the integration of financial markets. This affects capitalist economic and social relations, via multilateralism and microeconomic phenomena, such as business competitiveness, at the global level. The transformation of production systems affects the class structure, the labor process, the application of technology and the structure and organization of capital. Globalization is now seen as marginalizing the less educated and low-skilled workers. Business expansion will no longer automatically imply increased employment. Additionally, it can cause a high remuneration of capital, due to its higher mobility compared to labor.

The phenomenon seems to be driven by three major forces: the globalization of all product and financial markets, technology, and deregulation. Globalization of product and financial markets refers to an increased economic integration in specialization and economies of scale, which will result in greater trade in financial services through both capital flows and cross-border entry activity. The technology factor, specifically telecommunication and information availability, has facilitated remote delivery and provided new access and distribution channels, while revamping industrial structures for financial services by allowing entry of non-bank entities, such as telecoms and utilities. Deregulation pertains to the liberalization of capital account and financial services in products, markets, and geographic locations. It integrates banks by offering a broad array of services, allows entry of new providers, and increases multinational presence in many markets and more cross-border activities.

In a global economy, power is the ability of a company to command both tangible and intangible assets that create customer loyalty, regardless of location. Independent of size or geographic location, a company can meet global standards and tap into global networks, thrive and act as a world-class thinker, maker, and trader, by using its greatest assets: its concepts, competence, and connections.

VII. MANAGING THE ECONOMY UNDER GLOBALIZATION

- At a superficial level, the policies required to manage the economy so as to get sustainable human development in a globalized world are well known. The major problem has been the failure to control the budget deficit. Opening up trade and the capital account before achieving some budget balance initiated a self-reinforcing process of exchange rate depreciation, monetary expansion and inflation. This had a significant income redistributing effect, which impacted on sustainable human development.

- The question is why was there this failure? at the initial stages it was possible to argue that the deficit was influenced by a debt-hangover from before the reforms, or that the drought knocked everything off course. But those arguments now ring hollow. It has become clear over the years that the failure is a political failure: its roots have to be sought in the political process in India, not the economic.

- A number of sequencing issues, in which the implementers of reforms appear to have got things wrong. Although it was intended in India that the reforms would take place simultaneously, in practice trade liberalization preceded macroeconomic stabilization (which has not yet been achieved.) In practice trade and capital account liberalization have progressed virtually simultaneously, contributing to the appreciation of the real exchange rate and thus to the poor export performance. In the financial sector, the establishment of new banks preceded changes to the regulatory apparatus. Reduction of subsidies and cost recovery were introduced prior to measures to protect vulnerable groups.

- Individual components of the reforms have not been well implemented. Part of the deindustrialization observed is due to the competitive disadvantage placed on domestic firms by bureaucratic tardiness in implementing agreed trade reform measures. Reform of the civil service has focused on numbers rather than quality and efficiency.

- A private sector management culture formed in a regulatory climate may not have the skills required for an open globalized economy. In India the racial barriers that still exist within the management of old firms mean that the norms and culture of business are not passed on. Unfortunately, the process of indigenization has not been carried out properly. The macroeconomic instability has created an economy in which the returns to renter capital are much higher than those to production.

- The Report also raises the issue of the sequencing of economic reforms and environmental protection measures. In principle, since environmental protection is concerned with longer run issues, the presumption is that simultaneity is appropriate. However, lack of capacity to enforce legislated measures can undermine the credibility of environmental protection. Thus, there may be a case for delaying environmental actions until it is known that there is the moral, technical and legal capacity to enforce them.

VIII. CONCLUSION

Today's globalization, driven by market expansion, is outpacing governance of these markets and their repercussions on people. While globalization has several positive, innovative, dynamic aspects, the overall achievements remain far below the expectations and promises of globalization. It has proceeded with extremely uneven distribution of benefits and costs across nations resulting in marginalization in some cases. The exclusion of countries and people from the benefits of globalization is further compounded by the emerging rules of the game for international economic transactions, which remain asymmetrical in terms of construct and inequitable in terms of outcome.

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