

GLOBALISATION ; A CHANGING ERA

Ravindra Bhanage

Associate Professor, Department of Political Science Shivaji University, Kolhapur

Introduction :

The present phase of economic globalization has certain dimensions. It refers to certain environmental changes that impact the nature at the global level. Globalization is a wider phenomenon encompassing all aspects of global spread ranging from culinary skills, cultural practices, languages, political ideas and ideology to migration of people, flow of technology, trade, labour and investment. There are evidently epochs of more rapid global expansion and extension of capital. These epochs are termed as 'Globalization'.

Economic phase of globalization has its beginnings in the early 1980s. Globalization as a process of minimizing the power of states and nations others see states playing a more proactive role for achieving the goals of globalization and even to protect the interests of people on the periphery. Changing nature of the globalization has different aspect which is related to the various phases of globalization.

A) Role of Finance capital:- Capital is the base of any form of business. It is like self investment. Finance is a act of payment. Current phase of globalization is the nature of financial market and the rapid increase in gross financial flows. Daily global transaction in currency alone increased from \$15 billion in 1973, to \$2.12 trillion in 1995. This suggests an increased speculative trading in currencies. This phenomenal increase in currency flows is also related to huge leap in portfolio investment. These changes unleashed by the process of the present economic globalization.

B) Role of Trade :- The ratio of world trade to world gross domestic product increased from 10% in 1970 to about 20% in 1998. Globalization since early 1980s' has accelerated the growth rate of the world trade at a much faster pace than world output. The growth of capital and financial flows has been faster than the growth of world trade.

C) Global climate change:- From the early 1980s there has been a growing concern about global warming. There has been increased in the atmosphere concentration of green houses gases, that causes green houses effect which results in global warming, The radiation absorbed by clouds, carbon dioxide and some other gases produces the greenhouses effects. The present phase of economic globalization with more attention to economic growth based on the aggravate global warming. Global climate changes necessitates globally negotiated agreements and institutions for implementation.

D) Technology:- The current phase of globalization has information and communication technology. The average coast of processing information fell from \$75 in 1960 for the operation. Airline operating cost per mile came down by half in 1960-90. The present phase is also characterized by a leap in the share of world trade. The world exports average 21% of GDP in the 1990s compared to the 17% of the GDP in the 1970s. Technology have the speed of notion for the global change. It brings or all the people of world together for the facing challenges of the globalization. Technology deserved the very important role in global scenario.

Environmental calamity is an event that cause damage, economic disruption, loss of human life and deterioration in the health and health services on a scale sufficient to warren and extraordinary response from outside the affected community area. At the global level, Asia is more prone to natural calamities. In the context of environment, different aspects of globalization such as free trade and terms of trade or trade & environment.

Free Trade:- The recent trends in globalization of production and steep reduction in all barriers to allow free flow of trade and investment are opposed by many environmental groups all over the world. Free trade a means of more output and income, which means more resource depletion and degradation of the natural environment. It will lead to increase in transport activity and encourage the relocation of environmental degradation foreign investment reduces the incentives to develop eco-friendly technology. Free trade also caused o industrial and agricultural reorganization to capture larger markets. Free international trade neglects the environment in the same way as domestic free man keys fail to account for environmental losses. Trade liberalization can be expected to increase market failure.

Environmental standards:- For the promoting globalization by the reducing trade & investment barriers, the world trade organization signifies very important role for it. The environment are stiffly opposed by the

developing countries These countries see the entwining of environmental and trade issues as a threat to their sovereignty and their economies. The environmental uses of trade policy are seen as inherently discriminatory. The pressure on developing countries to raise their environmental standards would be used by domestic protectionist group to argue against their governments, export – oriented development strategy. Trade policy measures, usually, are not the best instruments for achieving environmental objectives. Trade sanctions do not directly address the root cause of the environmental problems. There are resources clearly belonging to one country but have value for the international community not reflected in the market. They include tropical rainforests, other special ecological habitats, and individual species. World shares certain global environmental resources such as the atmosphere and the deep oceans. Any action by one country that affects such, global commons, has an effect on all other countries. A large number of environmental issues are emerging that require global multilateral environmental agreements. It is recognized that at least three broad classes of environmental issues require international solutions. Many developing countries see environmental standards as backdoor measures of protection sought to be imposed by the developed countries.

Terms of trade & Environment:- The proportion of increased value of commodity export has led to cases of unsustainable overuse of the natural resource base. The prices of commodity exports do not fully reflect the environmental costs to the resource base. It has been argued that such processes have been at work in ranching for beef, fishing in both coastal and deep-sea water forestry and the growing of some cash crops. The world commission on Environment and development viewed that world commodity trade frequently encourages resource depletion in the developing world. We can maintain the quality of environment by resorting to sustainable development, minimizing large scale disruption in ecosystem and by taking global environmental initiatives at large.

A) Globalization and sustainable development :- The process of ecological globalization is the fact that the levels of production and consumption have reached a stage where what one does in one's own country can have a major impact on the neighboring countries or on the rest of the world. Present globalization is a western economic and technological model which is highly material and energy intensive. The ecological globalization is an inevitable result of the ongoing processes of economic growth and economic globalization.

B) Globalization and Ecosystems;- The global disruption of environment manifests in various detrimental ways of which climate change and ecosystem damage loom large. While there is a general agreement that the magnitude of present environmental challenges like climate change and bio-diversity are such that they require global co-operation in evolving and implementing rules and methods of migration

Conclusion:- The proposition of developed countries to contain these adverse effects through environmental standards in terms of trade restrictions are resisted by developing countries. There is a growing feeling of challenges, which are dependent on the present globalization process.

References;-

- 1) David W. Pearce and J.J. Warford, World Without End world Bank and Oxford University Press, Oxford 1993.
- 2) Agarwal anil, Sunta Narain, Anju Sharma, Global Environmental Negotiations I: Green Politics, Centre for Science and Environment, New Delhi, 1999.
- 3) Development and Environment: World Development Report 1992, World Bank OUP, Washington D.C. 1992.

Websites: www.wto.org.in

www.gov.in