

THE ROLE OF ECONOMIC GLOBALIZATION IN INTEGRATIONAL RELATIONS

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Annotation: Economic globalization is indeed one of the three primary characteristics of internationalization discussed in scientific research the other pair are sociopolitical globalization, as well as the overall concept "globalization." International trade allows for multiple flow of products, cash, commodities, innovation, and data across worldwide borders. It is the rising political interaction and interconnectedness of regional, local, and municipal markets around the world as cross-border flow of goods, commodities, information, and investment intensifies. Employment, banking, trade, science, institutional systems, organizations, enterprises, and individuals are all part of economic internationalization.

Key words: Globalization, internationalization, products, cash, commodities, innovation, data, banking, trade, science, institutional systems, organizations, enterprises.

Even as economic globalization has been growing since the beginning of real deal, it has accelerated due to the advancement in memorable trip productivity, progress in communications technology, the accessibility of the information instead of capital accumulation in the contemporary world, and scientific and technological advancements. Economic globalization alludes to the worldwide movement of individuals wealth, innovation, markets, and activities. It also has to do with how well countries are integrated into the global economy. It refers to the degree to which different countries and regions around the world have become increasingly interdependent.

People and capital crossed borders with easily in the world economy in the eighteen hundreds, but products did not. People do not easily transcend boundaries in our century, but technologies, wealth, and things do. Economic globalization has accelerated dramatically in the last two to three decades, thanks to the General Agreement on Tariffs and Trade and the World Trade Organization. Countries have been quickly lowering trade barriers and liberalizing their total government balances.

This rapid acceleration is primarily due to advanced economies integrating with emerging economies. Fdi and some cross-border migration have helped them achieve this. They've also helped to lower trade obstacles. The North American Free Trade Agreement (NAFTA) allowed commodities and services to flow freely, but not labor.

Cuba and North Korea are two of the world's most autocratic (self-sufficient) and isolated countries. Both countries are the remaining strongholds of the Soviet economic model.

Better Products at Lower Prices. Reliability and cost are both improved by international market rivalry. Clients will pick the top and inexpensive alternatives when they know they have a range of choices from all over the world, forcing companies to improve quality and give low rates if they want to stay successful.

Collaboration and Shared Resources. By pooling resources and efforts, greater creativity and innovation can be applied to problems that affect people all over the world. If conservation measures and efforts to prevent rising carbon emissions are to succeed, they will require a concerted worldwide effort. Nongovernmental organizations (NGOs) work together to address challenges that transcend national boundaries.

Cross-Cultural Exchange. Not all of globalization's good consequences are measured in billions or trillions of dollars. Ideas, food, music, media, and linguistic exchanges across cultures are equally valuable. People who travel around the world for work or pleasure and taste new foods, listen to new music, read new books, become exposed to new news sources, and get to represent themselves.

Spread of Knowledge and Technology. One of the most significant benefits of globalization has undoubtedly been the rapid diffusion of technology around the world. For instance, Google, Dell, and Microsoft all have offices on multiple continents. Investors are typically drawn to developing countries because of their enormous growth potential. As a result of these developments, motorized farm machinery has spread throughout Southeast Asia.

NGOs also collect and disseminate information. When medical specialists from all over the world joined forces through Doctors Without Borders and the World Health Organization to eradicate SARS in Vietnam, they created a "SARS kit" and produced protocols for dealing with the disease. They disseminated these materials over the world to assist hospitals in dealing with the disease.

The Globalization Challenges

Exploitation. American firms have a history of using low-wage foreign cheap labor to produce low-cost American goods. Waste from wealthy, developed countries has been sent to China and Malaysia. Even as earnings grow abroad, exploiting cheap markets and inadequate laws in developing countries has resulted in degradation and hardship in those states.

Organized military companies have taken over resources in the Democratic Republic of Congo, where materials needed for technology abound — gold and tungsten, tin and tantalum — holding power via violence and bartering minerals for guns. Despite the fact that the price of gold has quadrupled in the last decade and technology have grown increasingly affordable, globalization has failed to reduce poverty and inequality.

Exporting of labor also results in a labor shortage in developed countries, where labor is more expensive. When the United States outsources manufacturing to lower-cost competitors in other countries, manufacturing workers in the United States lose their employment. Unemployment causes discontent, puts a pressure on the social safety net, and reduces tax revenue.

Investing at a High Cost. Multinational firms face problems in terms of capital investment and leadership as a result of globalization. Setting up a firm in a new country, especially one in the developing world, necessitates a significant amount of upfront money. It's possible that the necessary infrastructure isn't in place. Roads, power grids, broadband internet, water, and sanitation systems may need to be renovated or built from the ground up. Finding and retaining managers with the necessary abilities to provide value to the firm and perform well within the local culture can often be tough.

Job Loss in Specific Locations. As corporations move their manufacturing facilities overseas, globalization may contribute to a decrease in job prospects. According to Forbes, the march toward

globalization has resulted in deindustrialization across the United States, which previously had a plethora of manufacturing and car plants.

When American corporations shift production to China and other nations where labor is plentiful and cheap, American employees face factory closures, layoffs, and skyrocketing unemployment rates in their home countries. The United States' trade deficit with China, according to the Economic Policy Institute, is the amount by which our imports, which tend to cost jobs in the United States, exceed our exports.

Regulations are ineffective. International business firms have fewer regulatory organizations. As a result, navigating the overseas markets can feel a little like the Wild West at times. Interconnected markets also mean that if something goes wrong due to a lack of regulation, the consequences will be felt all over the world. Many countries were heavily damaged by the global financial crisis, for example.

Conclusion

Because globalization is such an embedded aspect of modern life, most of us are unaware of the benefits it provides in our daily lives, such as easy access to a diverse range of cuisines or new technologies produced in countries half a world away. While globalization improves our lives, it also poses significant obstacles as businesses grow and spread across boundaries. There are clear cultural distinctions all around the world. These variations make it difficult for firms to penetrate global markets and involve changes to their daily operations, such as hiring staff in a new region or expressing the value of their product to a new consumer.

Most individuals don't observe globalization at work since the world is already so interconnected. However, the world is shrinking, and businesses must grasp what this means for their future operations. Companies that refuse to embrace globalization risk losing a competitive advantage, allowing competitors to seize new chances in the global market.

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