GLOBALIZATION

Globalization itself is a continuous and dynamic process that challenges the laws of the countries in how they regulate the operation of enterprises and economic behaviour of individuals at the international level, who can give employment to workforce unemployed and also benefit from remaining irregularities and weaknesses in a particular country.

It is a complex phenomenon; therefore it should not surprise us that it causes different reactions in different individuals or groups. Some consider that threatens the framework of the "nation state", national identity and the modern concept of democracy. For some, it promises a new era of riches for all, for others, it is the seduction of a consumerism that will bankrupt morally and economically the majority.

In favour of globalization

Why economic globalization is a good system? Advances in communication and transportation technology, combined with free-market ideology, have given goods, services and capital unprecedented mobility. For example, Northern countries want to open world markets to their goods and take advantage of abundant, cheap labour in the South. To do this, these countries use international financial institutions, such as, the International Monetary Fund and the World Bank Group, and regional trade agreements [[11](http://www.ukessays.com/essays/economics/the-arguments-for-and-against-globalization-economics-essay.php" \l "ftn11)] to compel poor countries to "integrate" by reducing tariffs, privatizing state enterprises and relaxing environmental and labour standards.

Globalization is a phenomenon that is important to the develop of the economy in every country, due to the general opening of markets for goods and capital suggests the end of trading blocs, regional treaties and economic independence of countries but also facilitates the ability to solve economic needs that local players have been unable to satisfy. It makes easy the commerce between different countries and decreases the difference between developed and underdeveloped countries.

Some factors in favour of globalization are:

Global economy and market, which can lead to a better utilization of resources.

Greater ability to maneuver compared to fluctuations in national economies.

New opportunities of develop markets.

Using economies of scale, it can reduce cost.

International cooperation.

Growth and mergers between companies.

Privatization of public companies.

International financial deregulation.

Development of means of communication and transport.

The free movement of capital allows a more efficient allocation of global savings and provides to emerging economies the resources to develop and promote the consolidation of a sustained and balanced growth.

Globalization opens up opportunities for developed economies to improve their efficiency and productivity and allows economies in developing to improve the living standards of its population.