

Globalization And Economic Integration

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Abstract: Globalization and economic integration are two social phenomena which are not shown only in modern societies, instead have been present since the earliest times. The purpose and intent of both of them remains the same, however the difference between globalization and economic integration at early time and today is in the form and intensity of their occurrence. This paper focus on the study of the impact of these two phenomena in the economic development of countries in general.

Keywords: Globalization, economic, integration

I. ECONOMIC INTEGRATION AS PART OF GLOBALIZATION

Economic integration represents a cooperation of economic activities between two or more countries for the purpose of accelerating their economic development, we include all the possibilities of economic activities that can be undertaken by member countries.

Undoubtedly, the main activity of economic cooperation in the past, but also now-a-days, is trading that has a special place among the member states. The essence of all theories of international trade is that international trade is in favour of economic development of all countries involved in international trade. Specialization and the international division of labour increased the total amount of global production, and increased welfare of the population.

II. WORLD GLOBALIZATION AS AN IRREVERSIBLE PROCESS

In economic theory, in terms of globalization there are numerous opinions presented. Most support this process, but there are others who criticize. The former, optimists, support globalization and see the future of the world full of hope and enthusiasm, but the other party, the pessimists talk with concern and skepticism about the future of the world.

In general, economists are in favour of globalization. They support globalization for many reasons (increased production, free movement of goods and services, technological development, and improvement of the welfare of the population), but there are those who have serious objections to the interpretation and application of globalization, especially international financial institutions such as the international monetary fund and the world bank.

Thus the opinion about globalization is divided and we can say that globalization has its own advantages and disadvantages. It has "good thing" and "bad things".

III. INTERNATIONAL TRADE

The liberalization of international trade is one of the main determinants of globalization. There are different opinions of economists in terms of interdependence between foreign trade liberalization and economic growth. The most important factors that influenced the development of international trade, which also are the prerequisites to increase the volume of international trade are: the reduction of customs tariffs and reducing the costs of communication and transport.

The second factor, which has significant impact on the rapid development of world trade, is the development of technology, especially information technology, especially information technology, especially information technology with the discovery and use of microprocessor global economy

reached colossal progress. In the process of production and sale of goods and services, the cost of significantly decreased. This enabled manufactures profit growth and stimulated to increase productivity and production quantity.

Information and communication technology was development especially with the discovery and use of the internet. The development of technology and its application in manufacturing led to the development of transport and reduce costs in all types of transport such as the land, water and air.

IV. CONCLUSION

The time in which we live in is full of radical changes in the economy and society. It is characterized by three main concepts: the opening of the country to the world economy, integration and interdependence. Openness of the economy means how open the economy of a country interacts with the global economy. Integration has to do with the level of integration that the country has achieved and interdependence makes a condition that shows how countries dependent on each other. Globalization is a process that has changed many things in our daily lives.

Key determinants of globalization are: the rapid development of international trade, high turnover of capital outside the national borders, the discovery and implementation of the large number of innovations, development of technology, especially information technology, the integration of countries, reducing cost transport and communication, education and training of human capital etc.

Globalization is a process, which is present in all spheres of social life, but it is more evident in the economy. Running for greater profit is one of the objectives of that globalization. This can be achieved if there is market liberalization, integration and technology development sites.

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