
INTERNATIONAL JOURNAL OF ADVANCED LEGAL RESEARCH

**GLOBALISATION AND WORLD ECONOMY: HOW FAR THE
RESILEANCE CAN GO?**- Mansi Joshi¹

“If globalization works only for the benefit of the few, it will fail... the test of any decent society is not the contentment of the wealthy and strong but the commitment to the poor and weak”

Tony Blair²**ABSTRACT-**

Globalization is a contentious political phenomenon that has resulted in substantial debates and battles. The term "Globalization"³ refers to the increasing interdependence of the world's economy, society, and cultures on cross-border trade, innovation, and investment, as well as individuals and transmission of information. Nations have shaped economic relationships to empower these sources over many years. With the conclusion of the Cold War in the mid-1990s, however, the phrase gained recognition as these useful arrangements influenced modern life. However, the process of globalization cannot always be perfect, there are ought to be imperfections. If globalization has all the earmarks of being an extremely unmistakable hypothesis, it has likewise been the wellspring of broad complaints. To begin with, globalizations has been seen as an insatiable mechanism used by wealthier countries to terraform developing countries through financial dominance; globalization drives out nearby contenders, builds imports, channels benefit from nations, permits created countries to take advantage of non-industrial countries' regular assets, and exhausts non-inexhaustible assets. Besides, following the worldwide financial crises of 2008, globalization was considered to be a transporter of financial discomfort rather than a wellspring of riches. This paper analyses, by tracing the outlines of various Anti-globalization movements, whether there is a need, or whether there will be in the near future, to put a halt to Globalization. Are we witnessing the

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² Charles K. Derber, People Before Profit: The New Globalization in the age of Terror, Big money, and economics crisis 14 (2002)

³ By The term Globalization here and throughout the paper, my focus is exclusively on Economic Globalization

end of globalization Era? Simultaneously, we will also analyze the increasing concerns of the nations and the future dimensions of Globalization.

KEYWORDS: Globalization, Anti-Globalization Movements, World Economy

INTRODUCTION-

After the outbreak of the Berlin War and fall of soviet union , we witnessed a tremendous shift in the mode of production from old labor-based to capital-based. There was the rise of a new society, one that was more integrated and international in nature, and one that felt the effects of globalization. The birth of a new era for humanity was being greeted by economists and politicians all around the world after the Cold War ended in the mid-1990s, and this was marked as the origin of modern globalization. As electronic technology strives to narrow the world and quickly integrate the economy across the globe, state borders are being dissolved, "Globalizations" was generally acknowledged as the future world order. There are larger social and historical forces at work behind the globalization process, such as the end of the cold war and the advancement of the internet, as well as the rise of international bodies such as the WTO. The term "Globalization" originally appeared in a *The Harvard Business Review*⁴ article in 1983. Globalization, on the other hand, dates back even farther, possibly to Marco Polo and Christopher Columbus forefathers.⁵ Most economists these days rush to praise the advantages of free trade and private business, guaranteeing that they improve effectiveness and financial advancement. Globalization arose as a result of the interaction of two systems: democracy and capitalism and when these abilities are combined with the ability of technology to compress time and space, the outcome is "a single global market in which money, capital, and skilled workers move rapidly across national borders in response to impersonal decisions made by large global corporations and financiers."⁶ Around the beginning of modern Globalizations, in the 1990s, the world economy witnessed a massive increase in global investment. "At the beginning of the 1980s world foreign direct investment totaled about \$ 40 billion. By 2000 the total was hovering around \$1 trillion."⁷ Global governance was becoming more prevalent through international institutions, with benefits such as coordinated crisis strategies; at the time, a liberal democracy mixed with a free market was the finest way to organize society. In any

⁴ Alfred E. Eckes, Jr. & Thomas W. Zeiler, *Globalization and the American Century 1* (Cambridge University Press 2003)

⁵ *Id.*

⁶ *Id* at 5.

⁷ Jeremiah J. Sullivan, *The future of corporate Globalization: from the extended order to the global village 2* (2002)

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case, the tremendous development in Global investments underlined the disastrous power capitalism can have on the world's economies. All through the 1990s, Accounts of post-NAFTA work battles from the USA to Mexico, work mistreatment in Asian sweatshops, and, shockingly, the expansion of Starbucks cafes across America force hundreds and millions to reevaluate Globalization and its expected impediment. As a result, Globalization spawned anti-globalization.

RISE OF PASSIVE MOVEMENTS –

The world seems to be experiencing a globalization back fall, with attacks from both the economic and social frontiers. In this evolving world, the two characterizing elements of globalization – increased global trade and increased economic trade participation – give off an impression of being on a long descending pattern. It is worth noting that ant globalists are not "necessarily... against trade or global economic integration," neither one of they "dismiss all gains that even the current forms of globalization have provided."⁸ Because one cannot deny the benefits of globalization, such as increased living standards, national capital markets becoming more integrated, countries adopting advanced trade and investment strategies, and the vehicle of social justice promoting global economic growth, to name a few. However, it is fair to assume that the passive movements against globalization can be followed back to the January 1, 1994 Zapatista uprising in southern Mexico.⁹ Later in the year 1995 a French newspaper *Le Monde*, reveal a 3-week strike of rail and public transport workers to be the “First Revolt Against globalization”¹⁰ one of the many reasons was because it received a huge support from the protestors. All through the later years of 1990’s Europe saw various Worker-organized protests against the consequences of globalization. In order to compete with Asian and American rivals, many European companies reduced their workforces to meet the challenges of globalization. As a result, unemployment reached near-record highs.¹¹ Despite the fact that America was relatively safe from globalization condemnation for much of the 1990s, the primary indication of difference “against the liberalized American trade agenda of the 1990s was the November 1997 loss of fast-track trade legislation”¹², which gained legitimacy in the anti-globalization dialogue.

⁸ Charles K. Derber, *supra* at 16

⁹ Raghu Krishnan, December 1995: "The First Revolt Against Globalization", MONTHLY REV. May 1996, at 1.

¹⁰ *ID.* At 1

¹¹ Alan Friedman, European Workers Angry: Downsizing, Spending Cuts Sgarcking Street Protests, WASH. POST, Mar. 25, 1997, at C3.

¹² Hal Shapiro and Lael Brainard, Fast Track Trade Promotion Authority: <https://www.brookings.edu/research/fast-track-trade-promotion-authority/> (Last visited November 08, 2021)

ANTI-GLOBALISATION MOVEMENTS –

The "Battle of Seattle" that began on, 30th November, 1999 marked the unofficial start of the anti-globalization movement. None of the protest that followed the battle of Seattle in this nascent global movement have matched Seattle's success considering the huge number of protesters, the amount of media attention, occasional violence and the adequacy in disrupting the targeted proceedings. "Indeed, cyberspace had been active for months with plans to disrupt the proceedings. Yet the sheer scale of the demonstrations was shocking."¹³ This new dissent development explodes onto the scene, with thousands of people rioting and shutting down the city. Protesters accused the World Trade Organization (WTO) of publicizing a "race to the bottom" with regards to human rights and labor regulations. December 3, 1999, the last evening of the WTO meeting, the minister of trade and commerce and representatives and delegates demanded the cessation of endeavors to start a fresh round of dialogue. "The Battle of Seattle" had concluded, with critiques of Globalization arising as clear champions. Simultaneously, in the year 1999, the Anti-WTO protest in London turned out violent. "Police, overturning an empty police van and attempting to set it on fire. Protests also flared up across France. In Paris and seven other cities, 20,000 people peacefully demonstrated against the commercialization of the planet."¹⁴ The Battle of Seattle was unquestionably the ultimate example of anti-globalization mass demonstrations, which could no longer be dismissed as minor or insignificant. Despite this, anti-globalization protests have spread around the world, demonstrating that the debate will last much longer than its initial occurrence in the Pacific Northwest. The agony continued and "in April 2000, five months after the Seattle Riots, large numbers of similar nonconformist protests happened at Washington, D.C. to fight a gathering of the World Bank and the International Monetary Fund (IMF)."¹⁵

A background marked by the ant globalists would be incomplete without referencing the consequence of September eleventh on the development. "A debate rages about whether terrorists targeted the Twin Towers as a symbol of their hatred not only for the United States

¹³ Michael Elliot, Lessons from the Battle in Seattle, NEWSWEEK, Dec. 13, 1999,

¹⁴ Anne Swardson, A Rorschach Test on Trade; Nations' Diverse Goals Color Reactions to Protests, WASH. POST, Dec. 3, 1999, at A32

¹⁵ Edward Wong, Summit in New York: The Protesters; A Quiet Forum at Town Hall Opposes the East River Forum, N.Y. TIMES, Sept. 6, 2000, at A13. <https://www.nytimes.com/2000/09/06/world/summit-new-york-protesters-quiet-forum-town-hall-opposes-east-river-forum.html> (Last visited November 8, 2021)

but for globalization and its seductive culture of modernity and consumerism.”¹⁶ Following the 9/11 attacks, the momentum of globalization was momentarily decelerated because any Dialogue that appeared to be, by all accounts, “an analysis of the of the United States of America or its economic system could have been labeled as unpatriotic, if not treasonous.”¹⁷ Since then, a wave of protests has swept the world, with a notable shift in the tone and message of anti-globalization activities. The World Trade Organization (WTO), the International Monetary Fund (IMF), the Free Trade Area of the Americas (FTAA), and other international institutions that promoted Neo-liberalism without regard for anything else are among the common foes.

The Global Economic Crisis was a turning point for globalization as the gaps started to show up. Market analysts who were once steadfast allies of globalization have now turned into a portion of its most vocal pundits. Former supporters currently concede, essentially to a limited extent, that it has brought about imbalance, joblessness, and wage pressure. Subtleties and reactions that financial specialists used to just raise in private courses are presently being disclosed.

GLOBALISATION TRENDS IN 2000's AND IT'S WAY AHEAD –

The Global Justice Movement's opponents argued that the long-term benefits of a more transparent and interconnected economy would exceed the disadvantages. “Freer trade is associated with higher growth and ... higher growth is associated with reduced poverty,”¹⁸ Critics argue that observational proofs do not uphold the anti-globalization movement's perspective. These critics highlight the statistical trends that they interpret as a result of the globalization, capitalism, and economic growth that they advocate. The way that advocates of globalization felt constrained to invest such a lot of energy shielding it shows how notable the worldwide justice movements had become by the mid-2000s. In any case, as a policy consensus in favor of globalization emerged, the movement gradually lost ground. Globalization is one of the characterizing patterns in the modern economy, and it very well may be seen even in nations where different parts of the global economy are either not self-evident or totally missing. In contexts of social globalization, the world remains more connected than at any time in recorded history due to the widespread use of technological innovations. Regardless, a descending

¹⁶ Charles K. Derber, *People Before Profit: The New Globalization in the age of Terror*, Big money, and economics crisis 16 (2002)

¹⁷ *ID* at 220

¹⁸ Jagdish Bhagwati, *In Defense of Globalization* (2004)

pattern in financial integration has been observed since the Great Recession of 2008-2010.¹⁹ Nonetheless, the rate and volume of export growth globally have eased back essentially since the end of 2011. This almost leveled the elements of global trade growth with the direction of worldwide GDP development. “Moreover, in 2015–2016, the growth rate of global GDP exceeded the growth rate of international merchandise trade.”²⁰ Different variables could be used to clarify this example, including the Chinese economy's reorientation toward domestic utilization and the upsurge of protectionism, which brought about the execution of trade limitations. This was reversed in 2017, when global trade growth resumed and global GDP increased 1.5 times. The possible explanation for such a rise was due to a variety of elements, “including higher investment costs and commodity prices, which contributed to an increase in demand for imports across regions.”²¹ Over time, the intricacies of direct investments are more unpredictable than the complexities of international trade, which represents the current phase of globalization. The term "modern globalization" can also be described by the phase structure of international organizations such as the World Trade Organization. Despite their significant role in global trade, it is possible to argue that their actions have not resulted in a significant improvement in the terms of international trade in goods and services. There has been a great deal of inclusion of the risks of globalization considering the global pandemic of COVID-19, which caused a global economic recession on top of the enormous number of lives lost to the infection. While the Covid pandemic keeps on causing huge disturbances, devastating numerous economies in both creating and created nations, it is far-fetched that globalization will be reversed. Critiques contend that the world's interconnectedness is more significant now than any other time for our endurance.

Globalization is now an essential component of the global economy that cannot be ignored or slowed. The ancient growth model of labor-intensive production for export, which started working for many countries for decades, will no longer work. Globalization and its impact on the global economy can be expected to gradually decline. To move past our present state of globalization crisis, we must design something better in its place: a framework that limits the risks of monetary and political reliance while also supporting a different vision of global

¹⁹ KOF Swiss Economic Institute, Press release. KOF globalization Index: Weaker World Trade Slowing globalization <https://kof.ethz.ch/en/news-and-events/media/press-releases/2019/10/weaker-world-trade-slowing-globalisation.html> (Last visited November 9, 2021)

²⁰ World Trade Statistical Review 2017 / World Trade Organization. –Switzerland. –2017. –URL: <https://wto.hse.ru/data/2017/08/04/1173600215/wts2017> (Last visited November 11, 2021)

²¹ WTO // Strong trade growth in 2018 rests on policy choices URL: https://www.wto.org/english/news_e/pres18_e/pr820_e.htm (Last visited November 11, 2021)

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society. Rather than forsaking globalization, we would rebuild it to zero in on issues other than financial productivity and worldwide business sectors. Since the pandemic has featured what's up with the framework, we can contemplate what a superior framework would resemble.

CONCLUSION –

*“All we want is a new kind of world. All we want is a world big enough to include all the different worlds the world needs to really be the world.”*²² - Sub comandante Marcos, Zapatista leader

In the midst of the discussion, fears, political polarization, and second thoughts encompassing globalization, we must not overlook a focal reality: a lot of it isn't reversible or even resistible. It barely needs justification that globalization as a financial, political, and social power, will be a fervently discussed subject for quite a long time, maybe hundreds of years, to come. For better or for more regrettable, globalization is staying put. As in different times of mankind's set of experiences where new associations are manufactured among topographies and civilizations whether driven by realm building, innovative change, shift in power, environmental change-driven migration Pandora Box, once opened, can't be shut. Products, administrations, individuals, and capital will cross borders and gradually include previously isolated regions of the world. In your haste to declare the end of globalization, keep in mind that the hypothesis of relative benefit has not vanished. Firms that source their inventory chains from around the world remain both financially savvy and effective. Perhaps, at that point, rather than accusing Globalization and attempting to slow it down or put a stop to it, we would be better served by putting the focus on how to reshape the principles and arrangements to improve the benefits and decrease the costs of Globalization, for both nations and individuals.

The question arises as to how international organization such as the WTO might investigate and address the issues of anti-globalists. To begin with, such bodies can improve transparency and democracy in proceedings. According to Peter Fitzgerald, "To counter the image of 'sheltered elites' operating behind closed doors, those promoting global trade will need to better explain their programs and more directly engage those who have particular concerns to be addressed."²³ From the viewpoint of Ant Globalists, their inclusion in the various non-trade factors, such as

²² Charles K. Derber, *People Before Profit: The New Globalization in the age of Terror, Big money, and economics crisis* 04 (2002)

²³ Peter L. Fitzgerald, *Massachusetts, Burma, and the World Trade Organization: A Commentary on Blacklisting, Federalism, and Internet Advocacy in the Global Trading Era*, 34 CORNELL INT'L L.J. 1, 3 (2001).

ecological and labor standards, should be included in trade agreements, but again, this step is far away from reality. In my opinion, up until now Rules and approaches have customarily centered around benefits for consumers worldwide on relative benefit. Going ahead, nations will require trade rules and decide changes that permit them to likewise seek after other public goals work and ecological principles, critical wellbeing needs, and gains for job creating, green, and socially valuable producers. This could imply allowing very specific allowances to be exempt from balancing obligations, line carbon change systems that assist low-carbon firms to compete on a level playing field, licensed innovation insurance waivers for vaccine creation, or standard disciplines for ensuring information security. The current globalization problem is the result of market influences, and it will not be solved by economic nationalism or a naive re-visitation of the open market liberalism that caused it. Overall, the current crisis provides an opportunity to foster a different approach to globalization, one that recognizes its proclivity to create issues that it cannot solve on its own, as well as one that focuses on individuals' safety and prosperity. It is basic to our endurance. It cannot be denied that the future of globalization bore possibility of deep uncertainty but one thing that is certain is that putting a full stop to something that is so deeply rooted to the globe is going to help none.

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