

GLOBALIZATION:ITS NATURE AND SIGNIFICANCE

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A Historically unparalleled global change has taken place during the last thirty to forty years. It continues unabated in the present century. Understanding of the nature of this global transformation necessitates a multi-dimensional approach. But, in the main, the problem has to be grappled with in the field of International Relations, which has brought the necessity of global perspective to the center of scholarly attention. The central challenge in this field of study today is to identify the nature of the current global change in its totality.

Globalization constitutes one of the most important aspects of this global transformation. Yet there is no unanimity on the part of the academic community on this phenomenon. It signifies the controversial nature of the global change today and its final destination. The objective of this paper is to identify the nature and the significance of globalization in the context of the current global change.

In the first place, it will deal with factors, which facilitate globalization. This study assumes that the world capitalist economy contain an inherent dynamic which lead to globalization. Centerpiece of the world capitalist economy is the assumption that it ought to be worldwide, free from any artificial or any other barrier. The development of capitalism ever since the sixteenth century has been that it is a worldwide phenomenon. By the first decade of the twentieth century it had become a world economy to become fully global by the end of the same century.

The acceleration of the capitalist growth in the second half of the twentieth century is due to a number of factors, namely, global inter-dependence, technological revolution, the end of the cold war in 1989 and the disintegration of the Soviet Union in 1991-92. The analysis of these factors will be followed by an attempt to identify the nature of the globalization. This is carried out in relation to the globalization of capital, production and trade and the institutionalization of the current global process of the world economy. Finally an attempt has been made to identify the disparities in the world economy, particularly the vast gap between the capitalist centres- the US, Europe and Japan, and the continuing economic under-development in the Third World.