

A THEORETICAL APPROACH ON GLOBALIZATION AND SUSTAINABILITY

Professor Ph.D. Tiberu Horațiu GORUN

”Constantin Brâncuși” University of Târgu-Jiu, Romania

E-mail: gorunhoratiu@yahoo.com

Ph.D. Student Ramona BIRĂU

University of Craiova, Romania

Email : Ramona.F.Birau@gmail.com

Abstract: *The main aim of this research paper is to provide an exhaustive theoretical approach on globalization and sustainability. Globalization is a complex phenomenon that exceeds international boundaries and requires interaction, diffusion and integration thus amplifying differences and diversity in spite of any cultural influences. Sustainability is also a broad concept focused on the preservation of the environment and exhausting natural resources without affecting the equal chances of future generations. Contrariwise, the anti-globalization movement contests the quintessence of the globalization concept along with its various positive implications based on the principles of equity and homogenization. Consequently, the advantages and disadvantages of globalization highlights a dynamic structure in a globally connected world, considering different internal and external factors. The interconnections between globalization and sustainability are analyzed in this research article based on multiple theoretical perspectives.*

Keywords: *globalization, sustainability, anti-globalization movement, international boundaries.*

JEL Classification: *F0, J0, H0, O2.*

1. Introduction

The main objective of this research article focuses on an elaborate theoretical approach regarding globalization and sustainability. Beyond any ideological dispute, globalization and sustainability are some of the most complex concepts of a even more complex actual reality. There is no universally accepted definition of “globalization” or “sustainability” but a lot of opinions and points of view have been formulated in this regard. The current knowledge regarding the concepts of globalization and sustainability is extremely vast and heterogeneous. Moreover, the continuous dynamics of the theoretical approach indicates that these particular concepts give rise to a significant interest.

In recent years, the concept of globalization has generated many controversies especially due to certain anti-globalization views on its contribution to the loss of national cultural identity. Analogous, any global approach to sustainability has been increasingly tending to highlight the numerous positive implications of socio-economic and environmental development. Absorbing relevant information, any empirical or theoretical research leads to the conclusion that globalization is a multidimensional and multi-actor phenomenon.

The starting point in understanding the concepts of globalization and sustainability must also take into account the causal interlinkage between these extremely complex phenomena. However, a linkage disequilibrium is an inevitable consequence in the era of computerization, liberalization, integration and directly expressed globalization. Beyond any complex definition, globalization is a multidimensional conglomerate that includes many social and economic processes. Consequently, globalization contributes significantly to the expansion of human interrelations across the world.

2. Literature review

The conceptual framework focuses on causality and interconnected links between globalization and sustainability. Popli and Kumari (2012) have provided an interesting research study on the effects of globalization and sustainable development based on an introspection for India and have suggested that in achieving poverty reduction targets and sustainable development objectives “public action must be an integral part of development strategies, which should not be forgotten along with the enthusiasm for markets and globalization”. Moreover, Allena and Fracchia (2017) investigated relevant issues regarding globalization, environment and sustainable development based on a research study on European and Italian approaches.

Harvey, Fisher, McPhail and Moeller (2009) have conducted research on global decision-making processes of global managers and provided an innovative insight into the global approach. Gaan (2006) investigated the implications of globalization and concluded that this complex phenomenon in fact did not involve “more democratization, freedom, independence or emergence of a multipolar world and regional powers”.

According to the UNICEF and the 2030 Agenda for Sustainable Development “eradicating poverty in all its forms and dimensions, including extreme poverty, is the greatest global challenge and an indispensable requirement for sustainable development”. Birau (2017) suggested that sustainability requires integrated management regarding economic, social and environmental aspects. Berger (2000) has conducted research on globalization focusing on the challenges caused by the implications of trade and capital mobility on the autonomy of nation – states.

On the other hand, Kioko (2012) conducted a complex study on the impact of globalization in developing countries and suggested that “increased cross-border crime, terrorist acts, environmental degradation, climatic change, spread of diseases, and erosion of cultural identity are all related with globalization process”. Ekins (2011) investigated relevant issues on environmental sustainability focusing on concerns of global interest.

3. Conceptual analysis

The growth of interest in disseminating the impact of globalization and sustainable development leads to the necessity of excavating the essential theoretical aspects. Certain issues that have been raised considering the implications of sustainable development and globalization on long-term prosperity and distribution of economic well-being. Advanced information and communication technology are specific attributes of global integration facilitating access to products and services across global markets. However, the policy framework suggests the opportunity to implement programs and policies regarding sustainable development in the context of globalization. Moreover, in spite of the fact that the the concepts of globalization and sustainability have been shaped by varied policy makers, the aggregate impact is more difficult to estimate. A practical approach highlights the dynamics of globalization based on the three main pillars of sustainable development, namely environmental, economic, and social sustainability.

Globalization is a dynamic and integrated alternative to certain policies such as protectionism, socio-economic dirigism, isolationism and extreme economic nationalism. The multifaceted nature of globalization is highlighted by a number of advantages and disadvantages. The vast scope of sustainability revealed the essence of globalization itself based on a structural trend. Nevertheless, the level of utility is significant on the optimal conditions for evolving socio-economic development. In addition, globalization is a multidimensional concept considering the fact that technology and information play key roles worldwide. In another train of thoughts, critical thinking provides an overview on the

negative consequences generated by the impact of globalization on sustainable development.

The motivation in understanding the causes and effects of globalization represents the catalyst that can generate sustainable development. Moreover, globalization can also be perceived as an effective solution to combat unemployment, social exclusion and poverty all over the globe. Another positive feature of globalization is the free movement of labor force among different countries. However, the positive consequences of globalization, such as diminishing unemployment and providing easy access to technological progress have greatly contributed to economic growth in developing countries.

Multinational corporation (MNC) also known as worldwide enterprise or transnational corporation constitute one of the most challenging and profitable products of economic globalisation. A multinational corporation is based in one particular country (native country) but operates its activities and establish subsidiaries in several different countries. A multinational corporation is highly dependent on global capitalisation, foreign markets, highly skilled foreign employees, cheaper labour force from developing countries, global supply chain. In the recent past, multinational companies have grown significantly in developing countries and for many of these countries sustainable development is still a very difficult target.

Conversely, globalization has also particular disadvantages which lead to affecting in a certain degree the implementation of sustainable development strategies. Globalization has unfortunately led to the polarization of society so that the discrepancies between the social classes have become very accentuated. The anti-globalization movement suggests that globalization contributes to the universalisation of society, based on the loss of national cultural identity. However, the negative dimension of globalization does not meet the principles of sustainability.

At the individual level, the interaction between a certain economy and the other economies of the world does not necessarily lead to sustainable growth. Protectionist measures can not provide a sustainable global development leading to major economic imbalances for countries that promote such isolationist policies. One other main negative characteristic of globalization is the unequal distribution of earnings, due to the highly accentuated economic competition and labor force mobility. Furthermore, increased demographic growth and severe poverty in most developing countries affects the implementation of sustainable development strategies.

In a concise expression, sustainable development aims to establish a balance between economic, social and ecological systems. Nevertheless, the negative attributes of globalization can affect the implementation of sustainable development strategies. Globalization is a dynamic phenomenon that eliminates trade barriers between countries facilitating the free movement of foreign capital. Consequently, poor or emerging countries are attractive in terms of very cheap workforce and natural resources but the economic development gap compared to the developed countries of the world is accentuated in the conditions of globalization. On the other hand, if a multinational corporation decides to withdraw its investment from a specific country local government authorities can not influence its decision despite the major economic consequences.

4. Conclusions

A comprehensive overview on globalization and sustainability provides a complex perspective on the research subject. The actual reality highlights a very suggestive perspective on globalization based on its many advantages and disadvantages. The world today is a highly globalized world in which people have become more and more interconnected. The significance of global long-term development engage a certain factors

of influence especially in the context of globalization. Foreign investments are very important in order to support public policies regarding the implementation of sustainable development strategies, especially in developing countries. Moreover, an effective reform of the public policy system is a fundamental objective in achieving sustainable growth in the context of the global economy.

The research paper concluded that globalization is a multicast process with various implications, both positive and negative on sustainable development. The major challenge is to identify the correlation between globalization and sustainability in order to maximize economic and social objectives. Globalization goes beyond conceptual limits, exceeding barriers between countries in order to achieve sustainable development. Political fragmentation have contributed to increased economic gaps between countries. Maximizing profits is not the goal behind sustainable development but rather focusing on the conservation of scarce natural resources in order not to compromise the chances of future generations. The impact of globalization on sustainable economic growth is indisputable. Moreover, there can be no sustainable development without globalization or at least not in the full sense.

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