An Analysis of The Concept of Globalisation of Markets

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Brainstorming

1. Economic Aspect
2. Technology Aspect
3. Political aspect
4. Environment Aspect
5. Legal Aspect
6. Social Aspect

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Outline

1. Introduction
   - 1.1 Hook
   - 1.2 Background Information
   - 1.3 Thesis Statement

2. What is the concept of Globalisation of Markets?
   - 2.1 Ease movements of goods, ~~services~~ and humans ~~from~~ anywhere in the world
     Case in Point: Free Trade Agreements by World Trade ~~Bank~~ organisation and E-visa initiatives

3. Analysing the concept of Globalisation of Markets from Economic Aspect
   - 3.1 Countries gaining absolute and competitive advantage in particular sector of the economy.
     Case in Point: China low-cost manufacturing ~~country~~ country.

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3.2 Creating ~~monopolistic~~ monopoly ~~Competition~~ in the world.
Case in point: 65% of world market share in Semi-conductor by the company called Taiwan Semi-conductor Manufacturing (TSCM).

3.3 Joint venturing with countries to explore rare minerals.
Case in point: Pakistan's minerals located in Rekodiq and Saindek joint venture business with Barrick Mining Corporation and Metallurgical corporation of China respectively.

3.4 Exploiting ~~dev~~ underdeveloped countries by providing less percentage of profits ~~and degrading~~
Case in point: Cobalt acquire from Democratic Republic of Congo for Electric Vehicle Batteries.

4. Analysing the concept of Globalisation of markets from Technological Aspects.
4.1 Facilitated in Ease of doing Business by sending soft copies of documents.
4.2 Lowering the cost of operating Business by opening multiple offices in different countries
Case in point: Mercedes based in Germany but can be imported in all countries like Pakistan.
4.3 High risk of data, information, trademark and patent infringement and violation
Case in point: Mondo, a Thailand-based coffee shop is opened in Karachi with same theme and ~~name~~ trademark without buying royalities. Mondo Thailand took legal action against replicated Mondo ~~Ka~~ Karachi ~~Karachi's~~

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5. Analysing the concept of Globalisation of Markets from Environmental Aspect

5.1 Cutting down trees and creating factories without reforestation

Case in point: As per Global Forest Watchdog approximately 600,000 hectares of land is deforested during last decade.

5.2 Increase in global average ~~temp~~ ~~temperat~~ temperature by 1.5°

Case in point: Natural fire in Amazon forest, and Eastern Siberia wildfire in 2003.

5.3 establishing ~~new~~ sustainable initiatives to protect the environment

Case in Point: "Go Green" Initiatives by the banks

6. Analysing the concept of Globalisation of Markets from Political Aspect

6.1 Normalising the relations between hostile countries

Case in point: European Union nations

6.2 Isolating the countries by ~~pa~~ imposing Sanctions as a punishment for violating International law

~~6.2~~ Case in point: Iran and North Korea

7. Conclusion

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According to the World Bank's World Development Indicators, the global trade across the countries amounted to approximately 63% of world GDP in 2022 only. This is the highest level of global trade ever recorded. One of the biggest achievement of the human beings in the ~~21st~~ 19th century is the ~~econo~~ Globalization. The first wave of the globalization was initiated after the industrial revolution and expansion of global trade in early 1900s. After that people started trade within their towns. ~~which~~ Later on, they expanded their business to the different countries through sending their merchants. After a century of painstaking efforts and a century full of ups and downs, today world is fully globalized and now it is ~~cal~~ called as Global Village. With successive innovations, revolutions and developments, ~~create~~ an environment is ~~created~~ created where humans can easily connect with eachother and this ~~fx~~ further ~~trade~~ created efficiency in business activities and dealings. Today, business can be done from anywhere in the world. Goods can be delivered around the world, services can be easily provided and humans can travel easily. Globalisation helped the countries to trade the goods so much so, that, today every nation is dependented on one another. Therefore, this essay will discuss about the concept of Globalisation of markets. After that, this essay will analysis the concept of Globalisation of markets from economic aspect, providing absolute and competitive advantage to the countries, and with that how countries create monopoly,

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joint venturing with countries to explore rare minerals, and how one ~~aead~~ developed country exploit the vulnerable nation. Then, it essay will discuss about the globalisation of markets from technological aspects; how technology ~~&~~ created ease ~~and~~ of doing business, deminish the cost of running business, with that how technology is giving threats ~~to~~ and putting business at stake. Moving forward, it will ~~shed~~ shed some light on environment aspect. Globalisation leading to deforestation, increasing in ~~over~~ global average temperature and to mitigate those threats, globalisation established several green sustainable initiatives to protect the environment. Lastly, it will highlight how globalization played crucial role in creating better politics in the world, how ~~reg~~ nations ~~in~~ ~~create~~ improve their relation. While, isolating the ~~ca~~ country that breach international law by imposing sanctions.

The concept of globalisation refers to the integration of national markets into a single global marketplace. Where consumer preferences are prioritized, products are manufactured as per benchmark and standards and where business dealings and practices are done ~~with~~ ~~with~~ ~~honesty~~ with fairness. Globalisation further strengthened after the creation of World Trade Organisation (WTO). The main objective of WTO is to regulating international trade, reducing trade barriers, settling business disputes and ensuring fair competition in the international arena. Moreover, globalisation

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encourage labour mobility, creating business networking and ensures process of global supply chain without any hindrances. It helped in creating opportunities for people to explore and meet ~~entrepreneurs~~ entrepreneurs to expand the horizons of ~~theirs~~ business operations. E-visa initiatives like, Schengen visa, and EU Blue card ensures ~~smooth~~ seamless travel of businesspersons. Thus, Ease movements of goods and businessmen across the world made the markets truly globalised.

To begin with, with the help of globalisation of markets, ~~eco~~ countries economies have significantly ~~and~~ restorated. Globalisation allowed countries to manufactured goods in bulk, and countries enjoyed from ~~econ~~ economics of scale. Just like ~~in~~ China, is having competitive advantage of availability of relatively less expensive labour. In comparison to the other nations labour. China's human capital, ~~it~~ however, is more productive, skilled and efficient due to which China's cost of producing goods is low, and making it one of the most low-cost manufacturing country in the world. Conversely, many of countries also get a platform to enjoy from absolute advantage just like Saudi Arabia and Japan. Because of availability of natural reserves - oil, and gas - Saudi Arabia is one of those country that produce oil. Japan, having huge skilled labour and cutting-edge technology, is able to ~~cred~~ create hybrid cars, Electric vehicles and other electronics. Hence, globalisation allow each country to get benefit from what it is best at.

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Globalisation of markets provides enough space to the multinational firm to ~~become~~ create ~~exist~~ monopoly in the international ground. Monopolist firms have full control over ~~power and~~ price and supply of the final goods, making countless obstacles for others firms to enter in the competition and make survival of low-market sharing firms next to impossible. After oil and gold reserves, semi-conductor is dominating the world's economy currently. As in every electronic item need chip and that chip is manufaktured from the semi-conductur. ~~The~~ Presense of the USA and China in Taiwan is just because of Semiconductor as Taiwan ~~is one of~~ has one of the biggest reserves of semi-conductor as per international official estimates. China's giant company, Taiwan Semi-conductor Manufacturing (TSCM) holds 65% of world market share in semiconductor only making it one of the biggest monopoly. ~~in the globa~~ in the world.

Globalistion of markets allows wide range of investment opportunities in any economies of the world that can be facilited through partnership, joint venture, merger and acquisition. Innumerables business entities do not establish operations from the ~~stretch~~ Scratch as it involves ~~huge~~ high risks and huge losses. ~~Therefore~~ business companies joint venture with host country companies so that risk is minimised. With ~~that~~ that being said, several countries are inundated with rare minerals, but due to constraint of research and development, and advanced technologies, countries ~~are~~ find multilayered impediment to extract those reserves. Countries like Pakistan, rich in ~~rare~~ rare minerals but unfortunately inadequacy ~~of~~ and insufficiency of equipments, resources and capital created multiple barricades to extract those resources from the earth surface of Pakistan. Pakistan government joint ventured with Barrick Mining corporation in Reko Diq and Metallurgical corporation of China in Saindek. Here ~~half of the~~ profits are obtained as per agreed ratio between the government and foreign Business entity. This is all possible because of globalisation. Otherwise, companies would have never ~~set~~ step ~~steped~~ out from their countries and Pakistan's ~~reservoir~~ reservior would have never ~~harn~~ harness in the forthcoming years. Therefore, globalisation made joint venture business to flurish.

Globalisation of economies, however, adversely affected to plethora of countries. International Business entities exploits the host country ~~and~~ in several ways. Many of foreign business exploit the underdeveloped countries by allocating insufficient percentage of profits. less-developed nations have no option to ask for higher sharing because of their inability ~~to protest~~ and deficiency in the business legal drafts and Memorandum of Association at the time of signing the contracts. Cobalt raw material utilised in the electric vehicle's ~~battle~~ battery is

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acquire from Democratic Republic of Congo, (RRC). According to official estimates, around 80% of profit is repatriated ~~to~~ ~~the~~ from the ~~the~~ DRC. This, ~~$~~ is one of the finest example how the multinational firms exploiting the under-served countries. Hence, globalisation of markets can easily exploits ~~and~~ vulnerable and economically fragile countries.

Preceding paragraphs threw light on ~~an~~ ~~strategic~~ economic aspect of globalisation, and succeeding paragraphs would pinpoint technological aspect of globalisation.

"Technology has the power to unit people across borders and cultures like nothing else in history". This statement of Kofi Annan highlights the significance of technology in the people lives. ~~But~~ With the aggrandise use of ~~tech~~ internet and technology more than $6.3 trillion global is recorded on ~~average~~ ~~average~~. daily. Technology has facilited every sector of business. by conducting virtual meetings, integerated computer systems, sharing of documents, ~~&~~ engaging with customers virtually and enforcing legal constracts. All these instigators have made ease of doing business from any corner of the world. ~~to~~ Reducing red tapism and other ~~unnecessary~~ ~~&~~ unnecessary procedures ~~have~~ contributed in easily establishment of business. ~~Maersk~~ Maersk logistic company, for instances, is fundamentally

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American-based company. But due to ease of doing business to operate anywhere around the world, is also running part of their operations ~~to the~~ from the Karachi, Islamabad and Lahore. Hence, ease of doing business, a ~~[illegible]~~ technological aspect, has truly further seamlessly encourage the concept of globalisation of markets.

Second most important feature of globalisation from technological dimension is that it lowers the cost of operating business by opening multiple offices, showrooms and outlets in ~~[illegible]~~ various countries. ~~I~~ The necessity of opening Mercedes or Apple showroom and ~~outlet~~ store respectively is no longer in need. Affordable consumers can easily contact ~~[illegible]~~ to the ~~[illegible]~~ authorised vendors to acquire the desire goods. For this, it was not ~~necess~~ essential for brands like these operate in ~~the~~ any country because they can easily export their products to their ~~last~~ intended users. Through authorised vendors, many business ~~[illegible]~~ amalgamates with host country business and can carry out trade easily without any significant barricades. ~~[illegible]~~ Customers, specifications details, complaints, documentations etc are ~~[illegible]~~ uphold easily by sharing ~~[illegible]~~ soft copies. Hence, technological aspect of ease of operating business has also streamline the process of globalisation.

Use of technology specially in case of running bussiness carries multiple barriers. One of those hindrances is it ~~[illegible]~~ upholds high risk of data theft, trademark and patent infrigement and violation. Availability

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of business information online is ~~are~~ the major drawback which ~~are~~ puts business reputation at stake. ~~[illegible]~~ ~~can be~~ Cyber crime is rampant regularly even states' and governments' own data has been hacked multiple times then business ~~data~~ ~~is~~ is easy to breach. for example, Mondo, a Thailand-based coffee shop is opened in the Karachi's most prestigious area. ~~That~~ The real mondo declared that Mondo Karachi is not their franchise because people perceive it is same ~~those~~ that in Thailand due to exact copy of theme, menu and ambiance. Mondo Thailand had trademarked and patented its own logo- ~~but~~ still unable to legal action against Mondo Karachi due to high cost litigation process and filing a ~~suit~~ case in the international business courts. Ergo, with technology, globalisation has been highly impacted for such cases. and creates several stumbling blocks for small business like Mondo.

Previous paragraph singled out the use of technology and coming paragraph would highlights environment aspect of globalisation.

~~According to Intergovernment Panel on climate change reports, approximately 21 per cent of global~~

Environment is ~~only~~ also affected by the exacerbate process of globalisation. fulfilling never-ending demands of goods and service by the consumers, businesses operating units are expanding vertically as well

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as horizontally. And Industries expansion led to cutting down trees and creating and expanding factories without reforestation. For that atmosphere is polluted and contains hazardous gases which are lethal and life-taking ~~for~~ not only for humans but also for livestock such as carbon dioxide (CO_2), ~~and~~ Nitrogen, and etc. ~~[illegible]~~ After ~~[illegible]~~ ~~of~~ ~~[illegible]~~ deforestation, the levels of carbon dioxide augments due to less green area that can absorb gases. As per Global Forest Watchdog approximately 600,000 hectares of land is deforested during last decade in the realm of expansion of market and globalisation. ~~[illegible]~~ So, Globalisation has ~~[illegible]~~ created negative externalities in the ~~context~~ of ~~deforestation~~ environment.

Secondly, process of globalisation contributes and emits more carbon foot prints that pollutes the atmosphere. Carbon emission increases the atmosphere temperature. According to official estimates globalisation ~~[illegible]~~ ~~[illegible]~~ ~~[illegible]~~ increases average global temperature by 1.5° that can highly contributes to erratic weather patterns, droughts and desertification. Moreover, increase in temperature results into wildfires such as natural fire in Amazon forest and Eastern Siberia wildfire in 2003 are the real time evidence which ~~occured~~ occured due to increase in temperature, deforestation and globalisation.

~~[illegible]~~ Thirdly, it is concept of globalisation, on the other hand, establishes sustainable initiatives to protect the environment by adopting multiple

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multiple strategies. Use of paperwork - which is created from trees - is reduced by doing works in soft copies. Shifting from paper money to plastic money and digital currency to reduce dependency from the papers. Most of the banks have launched the idea of "Go Green Initiative" to avoid customers to get their receipts. After the partial completion ~~of~~ and achievement of Millenium Development Goals, United Nations is pushing countries to adopt and implement Sustainable development goals. With the help of these goals, deforestation will be limited, afforestation and reforestation will be encouraged and ~~environment~~ environment will be ~~prod~~ protected and secured and the concept of globalisation will ~~further~~ aggrandise.

~~Ro~~ ~~cap~~ ~~GK~~ ~~atty~~

Lastly, globalisation also plays significant role in the ~~politics~~ domestic, regional and international politics. European countries, who had been fighting ~~for~~ for a century, with the idea of globalisation, their aggression and confrontation was transformed into a good friendly countries. Globalisation ensured that all 22 European countries must come under single umbrella so that their economies ~~can~~ could perform well and hostile relations could be diminished. Luckily, globalisation was able to create good associates between

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European countries. Currently, under the head of European ~~union~~, residents of each countries can easily ~~move~~ travel in any European countries ~~and go~~ with specific visa and goods are trade without any ~~tay~~ ~~tarri~~ tariffs. Thus, globalisation was ~~also~~ truly able to create good political ties between the countries, and created friendly environment in the ~~g~~ region.

Moreover, it is globalisation in politics, ~~to~~ that has ~~isolat~~ isolated several countries from their representation, ~~and~~ in the international platform and imposed ~~rust~~ sanctions as a punishment for violating international law and UNO charter. Iran, that was making nuclear energy for ~~c~~civilian purpose sanctioned multiple times. Because of misinterpretation and misinformation by the western-led media outlets. So is the North Korea sanctioned because of posing nuclear weapons of mass destruction after entering into ~~treaty~~ called Non-proliferation Treaty. furthermore, after the Soviet break down in 1970s cold warg Russia is still under sanctioned due to cold war aftermath, and giving ~~tough~~ ~~complicating~~ tough time ~~to~~ to USA. Conversely, Israeli is genociding in Gaza, and attacking syria, lebanon, and qatar recently, has not be sanctioned because of ~~western~~ Israeli is close ally of USA. Hence, this ~~happ~~ creates double standards in the global policis and severely impacting process of globalisation

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To cap it all, the concept of Globalisation of market has greatly helped the world to become ~~interdependente~~ interdependent on each other from every aspect of ~~a~~ activity. With that, ~~the world is the be~~ Globalisation ~~as~~ bought the another idea called "Global Village". Which mean goods, service and people can ~~easy~~ easily move around. Globalisation, where is it bought several benefits there it also created som multiple challenges in the world. Such as widening the gap between global north and global south, and international law is only to control economically weak and fragile countries. ~~Essay~~ Hence, this essay shed some lights and highlights the concept of globalisation of market from various ~~angels~~ angles like economic interdependence, technological integration, environment protection and security and lastly, this essay discussed the political influence due to globalisation of markets.