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Who has benefited more from globalization: Developed or Developing countries?

Outline:-

Thesis statement:- Globalisation has deeply penetrated into all areas of world, but there is uncertainty around globe as to whether globalization means more opportunity or more risk. It has benefited more ^{wealthy, industrialised} developed countries than developing weak countries and has widened gap between them.

Introduction

What is globalization?

• Globalization has

• Developed countries has benefited more from globalization:-

- ① Economic inequality: rich getting richer.
- ② Spread of culture: loss of cultural identity.
- ③ Access to new markets.
- ④ Exploitation of cheap labour.
- ⑤ Cost of Products.
- ⑥ Tariffs war: high tariffs on export.

• Developing Countries has benefited more from globalization:-

- ① Economic growth opportunities.
- ② New markets: export of products.
- ③ Spread of technology and information.
- ④ Higher standards of living.
- ⑤ Reducing poverty.

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- Developing countries are not using tool of globalization effectively and efficiently:-
 - 1) Highly dependant on developed countries
 - 2) Competition among domestic and foreign companies.
 - 3) Unavailability of job opportunities: more immigration to developed world.
 - 4) Low export.
 - 5) Exploitation of own resources.
 - 6) Trade deficit.

Conclusion .



Essay :-

Who has benefited more from globalization: developed or developing?

Globalization is process of connecting world. It is the word used to describe growing interdependence of world's economies, cultures, flow of information and technology from one part of world to other part. It has benefited countries around the globe. Globalization has penetrated deeply into all areas of the world but there is uncertainty as to whether globalization means more opportunity or more risk. It has benefited developed countries more than developed ones and widened gap between them in terms of interdependence in economic growth, cultural growth. Developed countries are exploiting developing countries for that reason there is de-globalization is growing.

Globalization is the word used to describe the growing interdependence of world's economies, cultures. It has made cross-border trade easier. It has connected whole world and made it a global village. It has led countries to build economic

partnerships. However, fruits of globalization are not equally enjoyed by countries around the globe. As developed countries are benefiting more from it than developing ones.

Firstly, Developed countries are the biggest winners of increasing globalization, while developing and emerging economies lag behind. The domestic product per capita (GDP) of developed countries continue to be increasing which has widened growth gap between developed and developing countries. It has created economic inequality. Largest income gains are found in developed countries according to Secondly, Global Europe Report 2020.

Secondly, Globalization has made cultural diffusion easier. Developed countries culture is spreading and influencing other cultures of world especially of developing countries, which has resulted into loss of cultural identity of developing states. For instance developing countries are speaking foreign languages in their own countries, and promoting. Developing countries are adopting art, dress codes, foods of developed countries.

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Moreover, Globalization has allowed developed countries companies to find lower cost ways to produce their products. The developed countries are taking raw materials from developing countries and at cheaper prices and send back those materials with high prices to same developing countries, such as leather products, ^{PHIP} Himalayan salt is exported to developed countries from Pakistan but it come back into markets in with imposed tags at higher prices. Developed countries are exploiting periphery and core states on name of globalization.

Furthermore, Developed countries, due to globalization, are increasing their businesses influence and their economic growth by bringing cheap labour into their countries and opening their assembling centres in developing countries. For instance, Nike, Adidas companies has their assembling and construction centres in Vietnam, Bangladesh and India. ^{US automobile centres in Mexico,} By getting access to cheap labour, developed countries are selling low cost products

at high prices in developing countries

Moreover, Developed countries gain a great deal from globalization for their business. For new customers and diverse revenue streams they search new markets. Globalization has enabled developed countries to grow their business overseas. For instance, many textiles and tech, ^{automotive} companies are operating in developing part of world like, Aldo, Nike, Apple. From these markets developed countries not only gains in terms of selling products but also getting spare parts and fabrics at low prices, as their policy is just to take raw not to give technology.

Further In addition, Developed countries are exploiting developing countries by charge imposing high tariffs on their products. There is high difference in products which are brought from developing countries and, developed countries. The developed countries imposes ^{policy of} high tariffs on things which they export and low tariffs on imported products from developing countries. As according to

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UNCTAD 2019 report, trade costs directly related to tariffs were at about 1% for developed countries and at about 4% for developing countries. This inequality in trade tariffs is mostly visible in South-Asian and African countries.

While on the other hand developed countries are of view that developing countries has benefited more from globalization than developed countries.

Globalization has led to increases in standards of living of developing countries. It has provided new markets for developing countries. The garment industry in Bangladesh makes clothes that are then shipped out across the world. Pakistan major export market for textile prod. industries is USA. Due to increase in export of textile products four million people are employed in this sector which is

growing.

Furthermore, globalization has increased job opportunities for young ^{bulging} population of developing countries, having positive

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effect on national economy and results in a higher standard of living.

China is a prime example of a country that has benefited immensely from globalisation. Immigration has resulted into loss of jobs for foreigners in their developed countries.

In addition, Globalization has helped developing countries to lower their poverty level. By providing job opportunities and new markets it has raised standard of living. For example in Vietnam, where globalization has contributed to an increase in prices for rice, lifting many poor rice farmers out of poverty. As the standard of living increased, more children of poor families left work and attended school. Immigration

Moreover, due to globalization world has become a global village which makes countries help each other in time of ^{economic} crisis or in natural disasters. For instance, during world saw how ^{developed} countries sent aid ~~both in terms of~~ to developing countries.

Due to flow of information

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and technology developing countries economies. are undergoing rapid change. Developing countries are giving technology to developed countries so they become self-sufficient. For instance, due to globalization developing countries are making and transporting electronics, automobiles, etc.

Globalization has benefited both developed and developing countries. But still, developing countries are lagging behind from developed countries and are highly dependent on them. Globalization is a tool and it gives benefits more to one who uses the tool in best way. Globalization has increased inequality in developing nations. The benefits of globalization is not universal. It is making the rich richer and the poor poorer.

Although new markets increase a nation's wealth. But it also increase competition. Local businesses must compete with multinational corporations. Due to this competition, people in developing countries are more inclined to buy

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foreign products than local. The developing nations should improve their products quality and like developed countries they can also impose protective tariffs.

Wealthy, industrialized nations exploit cheap labour and resources of developing nations by entering into agreements with them. For example, United States of America has been known to use foreign sweatshop labor to produce cheaper goods. By providing job opportunities to young population, developing countries can tap their talent for their own progress.

Globalization ^{has} also created trade deficit which make developing countries to borrow money from foreign lenders or permitting foreign investments in its assets. Developing countries like Pakistan, Malaysia are always struggling to get out of trade deficit. In critical situation these foreign countries backed out, especially in 1997 during Asian Financial crisis. Developing nations should learn lesson from past and have to strive for making themselves self-sufficient by increasing their exports by utilizing

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their natural resources. For instance, Pakistan should exploit its coal reserves in that to lessen its import budget of oil and gas. Developing countries like Pakistan should adopt new ways of producing crops on which they are highly independent.

Developing countries are not fully exploiting benefits of technology. For instance in world of E-commerce, companies around world are allowed to sell products such as through Amazon, but there are more products of developed countries. Developing countries should avail these opportunities by increasing quality and sale of their products worldwide.

To encapsulate, globalization is a tool which gives benefits to its user according to the way it uses. Benefits of globalization are more to developed countries than to developing countries. It is due to various factors which includes centuries of exploitation of developing countries by developed ones but it is also due to inefficiency of developing countries to fully avail opportunities provided by globalization. Developing countries can grow like developed ones if they use tool of globalization efficiently.