

The Effect of Globalization on Growth and Economic Development of Countries

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Abstract: Most of world countries emphasize on a liberal unified market in the world, some of them believe the globalizations in all areas not only the markets. Globalization if be generally or be subject to marginal changes is one of the most attractive phenomena discussed by many researchers since its emergence. The Current paper reviews the globalization, its impact on the development of the societies and sustainable development.

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Introduction

The first and maybe most important specialty is economic globalization contain developing business be that is the exciter of economic activities and without business development talking about economic development is meaningless. Production and jobs can be separate from business the main goal of production is consuming and reach to this aim is not available without money exchange or business. Founder of economy knowledge from the first emphasized that the amount of rich production in every society is basis on market.

Adam smith in his famous book "search in the reason of rich" explain that rich accession in every society is basis on development of work division depend on the amount of business. He image human as exchanger and said if no barrier for exchanging produced and business exchange increase, the effects of it would be increased rich production and human welfare. This ideal of Adam Smith that freedom in business is the main resource of increasing rich production or as todays people say economic growing is the main basement of economy knowledge.

Globalization is a powerful approach that in short time is bad for countries which cannot adapt themselves with it but in other place it cannot benefit add cause economic and politic development in countries. From the other hand investigating economic and politic approach of Iran during 25 last year show that Iran lacks of a suitable strategy and program for facing with challenges and benefits of globalization chance cause high damage in country.

In these current years Iran has effect space for solving this problem. But the politic economy structure of Iran is also a barrier in front of this problem.

Ways of development and globalization at the same time

As we said before globalization represent in different space policy, economy and social, but it shows it better in economy. So for preventing some problems in Russia and other countries, in order to avoid economic damages of this approach, show points as following:

- A. In simple way, when a country enter to W.T.O it should have decreased its tariff for example if today for entering a car we should pay 1 percent tax for it and with entering W.T.O its tax decrease a lot, decreasing tax means decreasing the government budget and the shortage of government income cause shortage budget. When it happens for compensating that, if government try to solve this problem with copying money, in front of increasing money productions increase, it means money more than needs of society and goods become expensive, the result of it would be inflation. Inflation cause import foreign goods, some currency exit and finally the balance of government business would be interfered. So copying money cause inflation and increasing import. So the best way is balancing taxes in the way tariff customs have been compensated.
- B. Teaching work because new technology causes them would have unemployment.
- C. Educating young people for competition with workers of universal markets. Students of high school and universities should prefer for activities in companies and institutions which competing in universal market. This magazine is for young people from today they should communicate with global society, and they can prefer for their abilities.

Most part of exporting product like India is for buying software. Toffler

Said about future "jobs define in families". our young people should benefit a lot from using computer and instead of playing, they should pay to basic program and preparing software and different majors.

- D. Central bank should provide a trustable currency system and we just point to that in currency system, at least 6 models presented regarding economy of each country, the best models will chose.

THE REALITY OF GLOBALIZATION

Some thinkers knows second half as the start of universal communication and economy. Communication changed with development of telegraph lines from 1850 and with developing telephone and radio communications at the end of 19 century and at the beginning of 20 developed a lot. (Sholet 74) Universal copper market confirm ate from 1850, and it cause the communications between Australia, Chili, Cuba, England, and U.S.A. London irons bourse established in 1876 and exchanging have been done without regarding source and target in England.

In this time universal pricing system established with grains, cotton between bourse in different place of world. International telegraph Union established in 1865 and International post Union began at 1874. At the beginning of 20 century the number of these Unions increased. International society established after First World War (1920), Interpol at 1923 and international bank at 1930 (Sholes, 86)

If we look from the view of economic relations especially international business, we can investigate 3 big waves of globalization contain from the second of 19 century. Maybe we can the first big wave of globalization contain 1870 to 1914. At this time business increased a lot and developing emerges happened in big industry. England which was the biggest economic power on that time, The portion of export in inside gross production reached from 10.3 percent in 1870 to 14.07 percent in 1913. This changes in Germany changes from 7.4 percent to 12.2 percent (Behish, 27) the reason of first wave globalization was as before: establishing costanse peace for long time during 19 century in Europe, producing politic economy from free business and finally fast progress in transporting technology and a way of communication. Vast immigration from Europe to other places and they have conveyed culture, knowledge and new experience and also increasing foreign investment is the other property.

Starting the first world war was in 1914, causing business and produced untreatable time for international relations that have been lasted to the end of 1945. On this time we faced war in most of countries which causes protected politics. So International business in facing with customs barriers not developed a lot. But technical and knowledge program progress in transporting and communication are continuing and it causes the development of universal economic.

Globalization and Economic Growth

Universal book as " globalization, economic growing and poverty reported providing a universal economy" show that however globalization decrease poverty in most developing countries but this approach should have guided in a way to improve the life of most poor people.

After 11 event and world economic stagnation after this event have had special important, it means events had most pressure on poor countries.

Base on this report, 4 developing countries in 1980, 1990 decades have emerged in global economy, and they have reached higher education. these countries that their population is about 3 milliard people, in 1990 decades had average growing 5 percent. Most of these countries like China, India, Mexico, could increase their business problem from inside grossing production. their annual growing reached from 9 percent in 1960 dedicate to 5 percent in 1990. In these countries wage have increased and the number of poor people have decreased.

Central bank reported although all countries have not emerged they win in economy.

Especially in south west of Africa desert, Middle East and Russia about 2 milliard people are living in countries which are backwards. They have more global economic and faced with educational growing.

In this paper for helping developing countries which are benefit more from globalization and provide a program. In this program have wanted from poor countries in order to develop the condition of investment. In this program have wanted from rich countries to open their market in facing with exporting products in developing countries.

In this paper for increasing helps that relate to education and health.

Here 7 programs reported as following:

1. "Development time" in business negotiations: If rich countries accept decreasing business barriers and obey world business organization in Doha, developing countries benefit a lot. Poor markets in developing countries will not benefit a lot.

Now these markets with twice tariff face in front of markets in rich countries. This situation should be changed. Rich countries should decrease their loans. The loans now reach to 350 milliard dollars each year; it is 7 doubles of money that rich countries have devoted to development helps. these loans are now damage not only poor people in developing countries but also cause increasing taxes and prices for people in rich countries will benefit from increasing to each other's markets. Available barriers between these countries still are more than rich countries.

2. Adjusting conditions and investment environment in developing countries: Encouraging investment and providing jobs need a suitable economic management. This is important especially for companies, little and average farms which are the mystery of producing jobs and developing the level life of rural.
3. Improving educational and health benefits: These developing countries which have been taken the most benefits from emerging of universal economy would have faced more progress in education and health of children. This show that most of countries invest in these fields.
4. Providing social security for workers: Providing social security with needs of one changeable economy help workers to adapt themselves with changes in economy. It cause that workers and employers use more new chances.
5. Increasing developing helps in rich countries: Witness show that when low income countries pay to developing investment and social security, personal investment maybe not provide with suitable speed. Exactly in this stage presenting vast economy helps can have a lot effect on economic growing and adjusting poverty. Economic helps should have paid attention to marginal countries. Foreign have been decreased to 22 percent to inside grossing production, it means the lowest level from the start of these helps in Marshal Design in 1950.
6. Adjusting debts for adjustments: adjusting and decreasing the debts of marginal countries especially in Africa made them to part in globalization approach and take more advantage from its benefit. Adjustments is especially more effective than improve their investment and social security. Now in adjustment program design, very poor debating countries estimate the whole predict for help to 36 milliard dollars. There is adjustment debate program for 25 countries. So this point is so important that debate should not be provided from foreign

helps, because this problem just causes missing the help. Debate adjustment should have been with foreign helps

7. Paying attention to greenhouse gasses: In this background there is a high agreement between scientists that we have faced with becoming world warmer in effect of human activities and tolerating these changes would be difficult for poor countries. In the report of universal bank that point to more effective cooperation.

Discussion and Conclusions:

Globalization and development have been discussed much in the management and business among the researchers. Good or bad, globalization obligates the countries many pre-requisites. One of the most important pre-requisites is development. Also, development can be one of the outcomes of the globalization. In the current paper, the authors discussed 7 alternatives for the globalization of health and education. These alternatives are: Development time, Adjusting conditions and investment environment in developing countries, providing social security for workers, increasing developing helps in rich countries, Adjusting debts for adjustments, paying attention to greenhouse gasses, improving educational and health benefits.

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