

## GLOBALIZATION AND SUSTAINABLE DEVELOPMENT: OPPORTUNITIES AND CHALLENGES

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### **Abstract**

*Globalization is not a new phenomenon, it is a positive force for change, that brings both opportunities and challenges in different sectors of community life, including economy, politics, culture or institutional sector, through its effects, traditionally associated with the development of the global market. Its benefits are spread unequally among people and regions, without considering their potential level of adaptability to change and competition. In response to the effects of globalization, a widely spread conception of sustainable development helps us reflect about the risks faced by population, economies or even planet, and shows that a global and concerted form of intervention is possible and, even, required.*

*This paper is structured using the broad topics of definitional complexities, conceptual distinctions and functional divergence, seeking to discuss the intersections of the roles of globalization and sustainable development.*

**Keywords:** globalization, sustainable development, goals, challenges, opportunities

### **1. Introduction**

Globalization is an extraordinary concept. It has become a familiar enough word, maybe even a cliché. It is a concept that was rarely used until the 1990s, but processes of globalization had been happening for centuries. Some authors sustain the idea that this phenomenon, inherent to human nature, appeared at the beginning at the human history, developed as commercial trade and populational exchanges evolved, becoming commonly used after the second half of the 20<sup>th</sup> century.

Globalization is evidenced in the growth of world trade, it is reflected in the explosion of foreign direct investment, in national capital markets becoming increasingly integrated, in the permanently increasing share of consumption of same goods, produced by the same companies, using the same standardized technology, that are available almost anywhere in the world. Above all, ideas have increasingly become the common property of the whole humanity.

Globalization, usually seen as an economic phenomenon linked with the appearance, development and consolidation of the global market, and its effects, have caused anxiety, becoming connected with areas previously regarded as bearing little relevance to economic development. The world is becoming a single social space, shaped by complex economic and technological forces, involving new problems and challenges for society through the power of events occurring, decisions taken and measures introduced, with profound effects on the lives of individuals or communities in any corner of the world. The impact of these changes is so immeasurable that governments and individuals can do little to contest or resist them.

The concept of sustainable development designates all forms and methods of socio-economic development, the foundation of which is primarily to ensure a balance between socio-economic systems and the elements of natural capital.

It was promoted for the first time in the Brundtland Report in 1987, also known as “Our Common Future”, gained a great awareness since the Rio “Earth Summit” of 1992, due to the major environmental problems and international disparities that appeared in the world as a natural

consequence of globalization. It is based on the idea that present generation meet its needs without compromising the possibility of future generations to meet their own needs, that is a mix of imperatives of both the present and the future, explained through preservation of the environment and natural resources or social and economic equity.

## 2. Conceptual Framework of Globalization

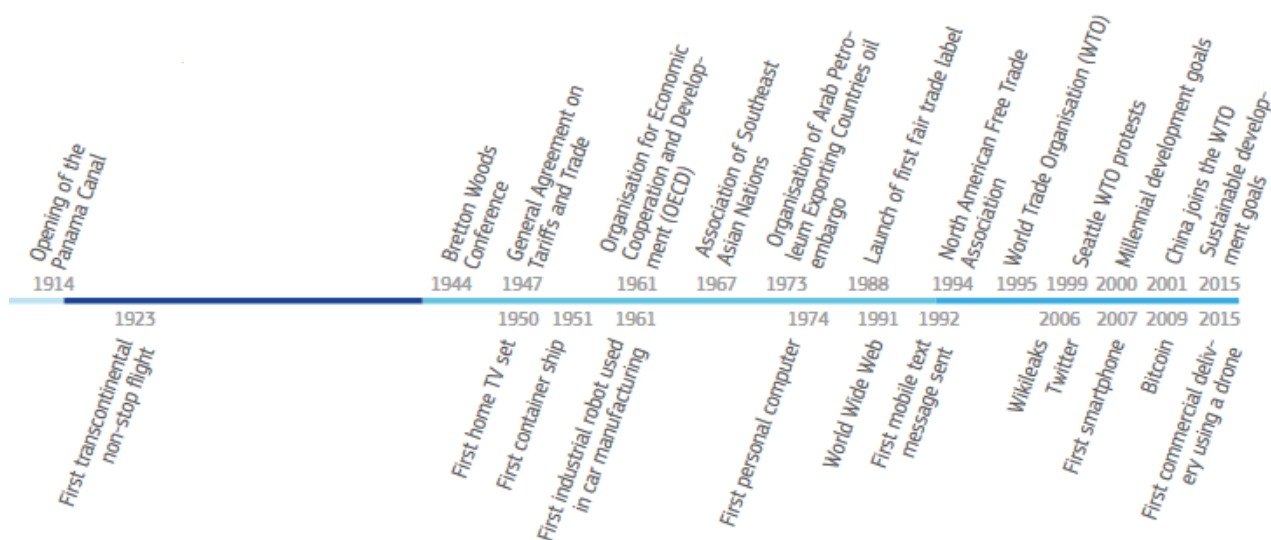
Usually thought as an economic and financial phenomenon, globalization is, in fact, a multi-facet phenomenon, including, in addition to the two components mentioned above, the following elements:

- technological globalization, due to interconnection of people from different corners of the world through digital platforms enabling a real-time movement of information
- geographic globalization, as a consequence of disappearance of borders between countries, distance being no longer a barrier
- cultural globalization, seen as an interpenetration of cultures leading to a unique supra-culture;
- political globalization, due to governmental actions at international level or due to the existence of international organizations;
- ecological globalization.

Modelski considers globalization is “a historical process which is characterised by a growing engagement between peoples on all corners of the globe” (2003), global interaction being centuries old and reflecting a human instinct to find new opportunities and exchange ideas and/or goods.

In 2000, Gao Shangquan, member of the Committee for Development Policy, offered a definition of the concept discussed above, based especially on its economic impact: “the increasing interdependence of world economies as a result of the growing scale of cross-border trade of commodities and services, the flow of international capital and the wide and rapid spread of technologies. It reflects the continuing expansion and mutual integration of market frontiers, and is an irreversible trend for the economic development in the whole world...The rapid growing significance of information in all types of productive activities and marketization are the two major driving forces for economic globalization.”

**Figure 1** *The phases of globalization*



Source: European Commission (2017)

Under the effect of rapid technological change, globalization has known, over time, a spectacular evolution, from a trade in goods and capital flows to knowledge-based driving forces, making the world more connected and facing new opportunities and challenges. In the last century, globalization registered several phases, as one can easily notice in the Figure above, each of them with its own historical contribution for what this phenomenon has become nowadays and how it will look like in the next decades.

There are three main views on globalization which include hyper-globalization, sceptic and transformationalist.

According to the first perspective, globalization defines a new epoch of human history in which traditions nation-states have become unnatural, even impossible business units in a global economy. Hyperglobalists consider that globalization is already taking place and it is eradicating local cultures due to the increase of international capitalism.

They believe that globalization is a positive action characterised by economic uplift, high prosperity and the spread of democracy, but “bringing about a denationalisation of economies through the establishment of transnational networks of production, trade and finance” (Held et al, 2000).

Table 1

### Conceptualization of globalization

	<i>Hyperglobalists</i>	<i>Sceptics</i>	<i>Transformationalists</i>
<i>What's new?</i>	<input type="checkbox"/> A global age	<input type="checkbox"/> Trading blocs, weaker geogovernance than in earlier periods	<input type="checkbox"/> Historically unprecedented levels of interconnectedness
<i>Dominant features</i>	<input type="checkbox"/> Global capitalism, global governance, global civil society	<input type="checkbox"/> World less interdependent than in 1890s	<input type="checkbox"/> „Thick” (intensive and extensive) globalization
<i>Power of national governments</i>	<input type="checkbox"/> Declining or eroding	<input type="checkbox"/> Reinforced or enhanced	<input type="checkbox"/> Reconstituted, restructured
<i>Driving forces of globalization</i>	<input type="checkbox"/> Capitalism and technology	<input type="checkbox"/> States and markets	<input type="checkbox"/> Combined forces of modernity
<i>Pattern of stratification</i>	<input type="checkbox"/> Erosion of old hierarchies	<input type="checkbox"/> Increased marginalization of South	<input type="checkbox"/> New architecture of world order
<i>Dominant motif</i>	<input type="checkbox"/> McDonalds, Madonna etc.	<input type="checkbox"/> National interest	<input type="checkbox"/> Transformation of political community
<i>Conceptualization of globalization</i>	<input type="checkbox"/> As a recording of the framework of human action	<input type="checkbox"/> As internalization and regionalization	<input type="checkbox"/> As the reordering of interregional relations and action at a distance
<i>Historical trajectory</i>	<input type="checkbox"/> Global civilization	<input type="checkbox"/> Regional blocs / clash of civilizations	<input type="checkbox"/> Indeterminate: global integration and fragmentation
<i>Summary-argument</i>	<input type="checkbox"/> The end of the nation-state	<input type="checkbox"/> Internationalization depends on state acquiescence and support	<input type="checkbox"/> Globalization transforming state power and world politics

Source: Held & al. (2004) *apud* Neag M.M, Bucăța G. (2015), p.17

The representants of the second view are sceptical about the idea of global economic integration, believing that globalization is exaggerated and insisting that instead of witnessing globalization, the world is going through ‘regionalisation’. In arguing that globalization

is a myth, the skeptics rely on an economist conception of globalization, equating it primarily with a perfectly integrated global market.

According to transformationalist, modern processes of globalization are historically irrelevant as the government and people across the world believe that there is an absence of clear distinctions between the global and the local. Globalization is a central driving force behind the rapid social, political, and economic changes that are reshaping modern societies and world order.

### **3. The Great Challenges of Sustainable Development**

In 1987, the Brundtland Commission published its report, *Our Common Future*, providing the so often cited definition of “development that meets the needs of the present without compromising the ability of future generations to meet their own needs” (United Nations General Assembly, 1987, p. 43) in an effort to link the issues of economic development and environmental stability.

Although there is a wide range of ideas defining the concept of sustainable development, the most often used is that proposed by the Brundtland Commission (Cerin, 2006; Dernbach J. C., 2003; Stoddart, 2011), focusing on the idea of conserving resources for future generations, considered one of the major features that distinguish sustainable development policy from traditional environmental policy. The overall goal of sustainable development is the long-term stability of the economy and environment that could be reached through the integration of economic, environmental, and social concerns throughout the decision making process.

Originally, sustainable development referred only to the economic aspect, but, in time, it was agreed that it is natural that sustainable development requires the simultaneity of several conditions (Bari, 2001, p.379), including a permanent and safe compatibility of the environment created by man with the natural environment, an interpretation of present in terms of the future, by introducing the environmental security instead of maximizing profits as the aim of sustainable development and the introduction of the compatibility of the national strategies of development as a result of growing interdependence in the economic and environmental plan.

According to several authors, to be able to discuss about sustainable development some minimal requirements must be achieved (Orboi et al., 2010):

- redimensioning economic growth for reasonable resource allocation and high production quality;
- poverty eradication, by meeting the essential needs of the population: job, food, energy and water supply, a place to live in and health;
- controlled demographic increase
- natural resource preservation and increase through maintaining ecosystem diversity and monitoring the impact of economic activities upon the environment;
- technological shifting and the control of technological resources;
- government decentralization, active involvement in the decision-making process;
- corroborating national and international decisions regarding environment and development;
- global unification of decisions on the environment and economy.

All in all, sustainable development must be understood as a broad concept, integrating concerns for the economy, the environment, and employment, these elements being strongly influenced by technological innovation and globalised trade.

An important step in implementing the concept is represented by the Millennium Declaration, eight precise development goals, such as: reduction of poverty and hunger, achievement of universal access to primary education, promotion of gender equality and empowering women, reduction of child mortality, improvement of maternal health, HIV/AIDS, malaria and other diseases control, environmental sustainability and creation of global partnerships for development being set to be achieved by 2015.

Based on the successes of the Millennium Development Goals, the 2030 Agenda of the United Nations General Assembly designed the Sustainable Development Goals (SDGs), otherwise

known as the Global Goals, a universal call to action to end poverty, protect the planet and ensure that all people enjoy peace and prosperity, including new areas, such as climate change, economic inequality, innovation, sustainable consumption, peace and justice, among other priorities.

Sustainable development seeks to provide a framework through which communities can use resources efficiently, create efficient infrastructures, improve the quality of life. It aims to contribute to the consolidation of the economy through the commercial activities created. Moreover, the concept of sustainable development seeks to integrate the considerations of natural and demographic environment with national and international development strategies, aiming to ensure a relative and dynamic balance between economic growth, cultural development, technical-scientific progress and environmental protection, thus satisfying the requirements of social development.

Like any large-scale project, sustainable development involves a procedural evolution achievable by solving problems, of which, very important are: demographic constraint, technical constraint, equity and intra- and intergenerational compensation, efficiency (sustainable development aiming to demonstrate that profit should not be the main goal) and, last but not least, the economy of the environment, which represents a challenge for the theory of sustainable development insofar as it tries, among other things, to humanize and green the economy.

## CONCLUSIONS

Globalization is a mega trend which significantly shapes contemporary economy. As such, globalization is subject to intensive theoretical debate in contemporary socio-economic theory.

Hyerglobalist comprehends globalization as a unique, lawful and progressive process of unification of world economy. Transformationists view the process of globalization as uneven and uncertain in terms of results, whereby insist on its multidimensionality. Skeptics challenge effects, ubiquity and sustainability of globalization.

Sustainable development involves economic growth in line with the requirements of ecological balance and human development, which means that all aspects of human and man-oriented progress are taken into account: culture, science, civilization, equality and equity, ethnicities, nations, peoples.

Although the concept of sustainable development has undergone certain changes during the past, its fundamental goals and principles have contributed to a more conscious behaviour adapted to the limitations of the environment. Contemporary understanding of the concept is considered taking into account the broad based and interdependent Global Goals, part of a wider 2030 Agenda for Sustainable Development, set by the United Nations General Assembly in 2015 focused on no poverty, zero hunger, good health and well-being, quality education, gender equality, clean water and sanitation, affordable and clean energy, decent work and economic growth, industry, innovation, and infrastructure, reducing inequality, sustainable cities and communities, responsible consumption and production, climate action, life below water, life on land, peace, justice, and strong institutions, partnerships for the goals.

In conclusion, both globalization and sustainable development are undoubtedly not new concepts. Through a simple analysis of the theory and especially of current practice, we could easily say that, through sustainable development, we are dealing with the latest expression of a very old ethic, which involves people's relationships with the environment and the responsibilities of current generations to future generations, as a reaction to the challenges globalization brings to community life.

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