

MARKET ECONOMY AND STATE LAW IN THE CONTEXT OF GLOBALIZATION

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Abstract: Each period has its trademark of manifestation. Globalization is a phenomenon that can presently be produced in its most extended qualities. We are thus trying to analyze to what extent, market economy and state law express themselves in the context of the current era of globalization. Therefore the first part presents the characteristics of market economy, and in the second part we analyze the way in which state law is being looked up in the existing global context.

Keywords: Market economy, globalization, state law, progress.

1. Introduction

In The Business Dictionary, we read that Globalization is the “free economic, financial and commercial use worldwide and communication integration. Globalization involves open mindedness beyond local and national prospects to a wide opening of interconnected and interdependent world with free transfer of capital, goods and services, across national borders”.

By presenting these features, we admit that the phenomenon of globalization implies the need for knowledge and understanding among different cultures, requires adequate information and promotion of economical, social and cultural contribution on a worldwide level. On this basis, in 2007, The Globalist launched Global Education Initiative. Promoting an “open global economy” lies at the basis of keeping the appropriate framework for the going on of the competition on a worldwide level, competition that generates investment and quality. There are various approaches to tackle globalization.

2. Globalization and its characteristics

Globalization may also cause the transition to new paradigms of thought and action. Global changes described an unexpected development in different areas. The virtual reality, the horizon of a programmed reality, spreads out beyond the end¹.

Virtual reality develops as globalization evolves.

Globalization presents a way of conceiving the world order following the principles of the only system that survived the Cold War, the capitalist regime of production of goods. This system has its ends, the new economic units, profit-seeking, but must turn increasingly their attention towards investment in human capital. The tension and the differences between the plurality of cultures and the cosmopolitanism evolution reveals the complexity of the reactions occurring at the birth of a single market on a world scale.

Grahame Thompson and Paul Hirst in “Globalization in Question” [2] identify three shortcomings of globalization: the absence of a commonly accepted model of the new global economy, the absence of a clear model to relate various economic trends, the lack of historical vision.

However, increasing global competition requires a strategic global vision on planning markets, pulsating to a universal standard for the new economical units. The company is a dynamic whole and its globalization can be internal and external. Within the global company there are no rigid hierarchies, it adopts a model of communicative administration imposed by

the necessity of free communicational flows (design, manufacturing, distribution, synergy skills, capture the know-how and interactions into the work organization).

Any world-wide market strategy must be at the same time local and global. This project of integration of the global company cannot be dissociated from the existence of a culture of enterprise, sharing values, rituals and objectives whose only mission is to achieve local-global alliance, and effective communication, the only guarantee of performance.

In the field of globalization, we can say that the springs of all the constituent circles are represented by data, information and knowledge. Since the information is endless, knowledge is rare. Investing in human capital attracts the increase of efficiency and of company profits. In the field of globalization there are changes which determine global decisions. Therefore, an analysis of globalization is required both from the point of view of the changes that occur more extensively worldwide and in terms of the effects they produce at this level. Should this sphere actually be a bubble that may whenever be broken? And if it breaks, and the interior remains empty, there will be nothing inside or what there is available only in this bubble, just following the rules of adaptation in this kind of life?

There are many reports which are presently ongoing worldwide, each segment surrounding a well-established research in various fields show that we cannot know for sure whether a certain opinion is right, the fact is that the activities worldwide depend on how well they are managed. Based on economic globalization, the pressures that the global market makes on consumers, it can be said that major changes have occurred internationally.

We lose our identity, is there still the concept of the nation, do we know what it stands for?

We do not know where we are, but we know that we are, we do not know where we're going, but we know we have to find something, we do not know what we listen to, but we know the rhythm, we feel how our condition changes from day to day.

"This something that happens to us and that we call globalization, signifies primarily a complex of large transformations in full progress of the parameters of the human condition"². We notice a change, but although we turn into a sphere that few people can understand, those who do understand localize it into a nothing integrated into a whole, and those who do not understand leave it forgotten into the available definitions throughout a few years. "For hundreds of millions of people one thing is clear: there is no globalized progress ". Many have a lot to lose, but the few who win, have much to gain.

Globalization is due to technological progress and imposes a new lifestyle, the global one, without past and future, with an uncertain present, but satisfactory for some of us.

Each stage of history has its development determined by certain influences, more or less necessary, so we could say that globalization best fits the phrase "nothing new under the sun"⁴.

Globalization is still in continuous transformation, reinvention and interpretation.

3. Market economy and state law in a global context

Mike Moffatt⁵ believes economic market as being the economy in which allocation resources is based on demand and supply, and we ask ourselves whether there is market economy and state law in a global context.

So we accept that the market economy is an economy that is centered on private property, it is important the relationship between demand and supply and the price allows access to different products or services. In the global context, we can notice the presence of market economy with the impact of developed countries.

The state law is, in our opinion the most suitable to exercise global context that combines strict adherence to laws and individual freedoms.

4. CONCLUSIONS

Globalization is one of the most remarkable phenomena in the world and market economy has the most to gain or lose from the advance or decline of globalization. The state law expresses in a global context being the present interest in the last decades.

From globalization features we could detach the impact this phenomenon has on the changes of the market economy in recent years.

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