
THE GLOBAL AND THE LOCAL

THE IMPACT OF GLOBALIZATION ON QUALITY OF LIFE: AN EMPIRICAL INVESTIGATION FOR ASIAN COUNTRIES

Fatima Shafeeq, Syed Hassan Raza, and Shahid Ramzan

The main objective of the study is to investigate the impact of globalization on the quality of life in the Asian countries. The panel data for Asian countries was analyzed for the period from 1995 to 2015. The Human Development Index (Proxy variable of quality of life) was used as dependent variable, and political, economic and social globalization were used as independent variables. The stationarity of variables was checked and we found that all variables (LPG, LEG, LSG, HDI, KOF, LGDP, and PR) were not stationary at level but at first difference all variables were stationary. Pedroni and Johansen co-integration tests were used to find the long-run relationship among the variables. Fully Modified OLS shows that there is a positive impact of political, economic and social globalization on the quality of life in the Asian countries in the long run. The results of this study show that globalization enhances the quality of life of their residents by improving Human Development Index of Asian countries. Not only KOF Index but its main aspects (political, economic and social globalization) also play a role in improving quality of life in the Asian countries.

Keywords: Human Development Index (HDI), Quality of life (QOL), Asian Countries.

I. INTRODUCTION

Globalization is a powerful tool that stimulates economic development and ensures the provision of higher living standards to public and improving of their social lives. Globalization has been an experiential process among researchers, officials, legislators and even the whole community due to its fast-growing trends in the current age (Collier and Gunning 2008). Therefore, researchers focus their investigations on the effects of globalization on diverse aspects of human culture and life. Their opinions are, yet, extremely disputed. Particularly, some serious investigations are carried out in the industrial area which detect the harmful effects of globalization on culture and life quality, including unemployment (Scott 2001).

There are many controversies about globalization and country's Quality of life (QOL). There is very limited information to measure globalization of a state. How to calculate the QOL impact of globalization? How to find new measures to calculate QOL?

Globalization creates an advanced stage of human history in which country-states and administrations are helpless to recover the QOL of their residents claimed by these hyper globalists like Guillen (2001) and Soros (2000). According to them, globalization is a great danger for society and they oppose strongly globalization. But many other researchers detect helpful effects of globalization on the quality of life (Thorbecke and Eigen-Zucchi 2002). For the pro-globalists, the trade liberalization and enlarged marketing integration are chances to increase productivity and incomes which improve QOL of workers (Zoellick 2001). As they report, the harmful impact of globalization, like, for example, the shortage of industrial jobs is extremely exaggerated and the weakening of the industrial sector is an effect of quick fluctuations in skill but not of globalization (Krugman 1996).

The current world economies and social orders are globalizing more quickly than they used to (Dreher *et al.* 2008). According to Petras (1999), globalization is a flow of products and facilities, resources and procedures between nations. According to Bordo (2002), globalization is like a mix of things, facilities, specialists, and resources.

According to business analysts, globalization may bring meaningful results. Dreher utilized the elucidations of Clark (2000) and Keohane and Nye (2000) for characterizing globalization. He considered globalization as a connection among people throughout the world in goods, ideas and services. The procedure that expels national borders also blends economies and technologies (Dreher 2006). If we combine these definitions, we can characterize globalization as follows: Globalization is the elimination of obstacles for the exchange of things, labor, services, ideas and innovations all over the world.

Chilosi and Federico (2015) analyzed globalization in the world economy and integration of Asia. This study plays an important role in discussion on globalization and the excessive divergence with a complete examination of the mixing of Asia in the world marketplace from 1800 to World War II. The authors study the forms of convergence that contribute to an extensive variety of commodities between Europe and the main Asian states (China, India, Japan and Indonesia) and link them by convergence among Europe and the East Shore of the United States, hitherto the yardstick for the 19th century. Most price convergence occurred before 1870, mainly as a consequence of the abolition of the European trading monopolies with Asia, and, to a lesser extent, the repeal of duties on Atlantic trade. After 1870, the price differentials continued to decline thanks to falling freights and to better communication after the lay-out of telegraph cables. There was only little disintegration in the interwar years.

Kayani *et al.* (2013) investigated the perceptions of cultural globalization in urban Pakistan. In their study they used variables like cultural globalization, attitudes and perceptions of both genders towards cultural globalization, a household study was conducted in different socio-economic strata of Lahore in 2011. The results revealed that globalization improved job chances and quality of life. Communication skills enhanced the parent-child relationship and gave more communal opinion and independence to the Pakistani women.

Potrafke (2015) estimated the evidence on globalization. He discussed the significance of globalization by surveying the empirical globalization literature. Empirical findings reveal that globalization expanded human rights, promoted the gender equality and stimulated economic growth. It did not destroy welfare state activities; neither had

it any significant effect on labor market interaction. Globalization increased the income inequality in a society. The consequences of globalization are generally favorable.

Today we may observe the age of interconnections, knowledge, and information flows, inter-competition and regional co-operation. Globalization generates new and evolving trends in various domains, including education; therefore, it obviously leads to new prospects in education. The primary and basic issues imply the acceptance of worldwide tendencies in education particularly for the emerging states. All of these bring improvement as well as challenges. The paper by Zahid describes the current situation in Pakistan and suggests a pattern for the evolving trend of professional education. A comparison between global trends and local realities show that a rationalization approach is deemed important (Zahid 2015).

While discussing the probable significances of globalization, the non-economists usually oppose globalization since, for example, they suppose that the expenses related to globalization are larger than the benefits it gives, especially for the emerging nations. On the other hand, basing on numerous empirical studies, most economists strongly believe that the results of net globalization are helpful (Dreher 2006). Even though Tsai (2007) and Sirgy *et al.* (2004) have studied this problem by measuring the impacts of globalization on societal and human aspects of development, their efforts are still investigative and still more empirical investigations are essential.

1. The impact of globalization on the quality of life

There are a few studies that deal with the impact of globalization upon all aspects of quality of life and most of the relevant works explore the influence of a specific aspect of the former on a peculiar one of the latter. Several restrictions and limits arising from both subjects act as a hurdle for researchers from undertaking the assessment of the impact of globalization, considered as a whole, on all aspects of quality of life. Specifically, most of the works focus on the impact of some 'economic' aspects of globalization upon some aspects of quality of life (Tsakiri 2010a). That is mainly justified by the fact that at least on a macro level, both concepts – globalization and quality of life – can mostly be expressed in economic terms. Immense ambiguity and complexity are the most significant reasons explaining why researchers do not undertake the assessment of the impact of globalization.

These reasons characterize the issues of lack of consensus between authors about the content of both notions and, the significant degree of dynamism and changeability (Bowling 2004; Rojas 2007).

The above-mentioned conditions raise some limits on the extraction of some accurate results showing that the impact of globalization on quality of life is positive or negative. Thus, at least indirectly, the impact in question can be approached by the changes observed during the acceleration of globalization impact on some essential economic indices, assessing to some extent people's welfare and poverty, such as: (a) the global per capita GDP, that during the twentieth century increased almost fivefold (IMF 2000), permitting the relatively poorer population groups to attain higher living standards than they used to a hundred years ago (Kodolko 2001); (b) between 1965 and 1990 the glo-

bal prosperity increased tenfold, while the world population only doubled (Boff 1999). Along with these rather favorable changes it should also be added that people living in the more integrated countries express more satisfaction with their lives and a greater sense of personal progress than people living in less integrated nations do (Pew Global Attitudes Project 2002). These considerations drive us to conclusion that the impact of globalization on the quality of life is rather positive than negative.

Many researchers reject that globalization has positive impact on economic development. Their main emphases concentrates on the following (a) increasing inequalities between poor and rich which generated significant increase in the income gap (Kodolko 2001; Verne 2002; Bairoch 2000; Müller 2002; Habasonda 2003); b) 20 per cent of world population are poor and they have less than 2 dollars a day (Mofid 2003) while 80 million people in sub-Sahara Africa lived below the absolute poverty line during the period from 1987 to 2000 (Nyman 2001).

2. Donald Trump and Globalization

Nowadays globalization can mean anything that you want, no borders, no restrictions, and lower wages. Meanwhile, the current President of the United States Donald Trump is against globalization. He also does not support free trade agreements and free movement of people, whether poor or rich. It is fortunate that Trump has mostly failed to deliver what he promised. These disappointments are in part created by the faulty understanding of the trade deficits, trade agreements and trade contracts. Trump wants to make the USA a protectionist state. But it is unlikely that Trump will do well in any major revision of agreements with organizations like the WTO or NAFTA (Stiglitz 2018).

Trump came into power at the 2016 presidential election. His administration holds the views that globalization is negatively affecting the US economy. To mitigate that negative impact they decided to abandon the U.S. policies of globalization that were introduced and implemented by the previous government. After a long time, the trade policies succeeded to become a manifesto of the American election in 2016 since the immigrants' invasion caused the decline of the number of jobs in the manufacturing sector of the US economy so the foreigners were declared to be the reason for that decline and the anti-globalization message came into being. Nowadays high tariffs are imposed on the import from the US major trading partners – China and Mexico. The termination of the North American Free Trade Agreement (NAFTA) along with the withdrawal of the Trans-Pacific Partnership (TPP) and also pulling out of the WTO caused a decline in jobs and lowering of the wages in the United States. So Trump's administration tries to restrict the larger companies from overseas production and that led Trump to victory at the 2016 election. Therefore, Trump's anti-globalization policies may separate the USA from other economic powers of the world (Stiglitz 2018).

3. Objectives of the Study

The main objective of the study is to analyze the impact of globalization on the quality of life in the Asian countries and also find the long run relationship between globalization and quality of life.

II. LITERATURE REVIEW

Berggren and Nilsson (2015) studied the transmission of social values and globalization. They believe that the overall globalization has served a positive role in making parents tolerant and that in particular, the economic globalization has a positive impact on tolerance, while social globalization views are transferred more conveniently.

Labonte *et al.* (2015) investigated the impact of globalization on health. The results of the survey revealed that globalization and high-level public policies guarantee that globalization is beneficial for all since it provides better health facilities for many people.

Bergh and Nilsson (2014) examined the relationship between reducing absolute poverty and globalization, using data of 114 countries during the period from 1983 to 2007. In their study they used the fixed effect model and pooled OLS regression. The results revealed a certain correlation between globalization and poverty. The authors observed that absolute poverty negatively correlates with globalization across countries both in the panel with fixed effects and in a longer first difference regression. Both in the long run and short run, it is clear that growing trade reduces poverty. The analysis suggests that economic integration is a mean of poverty reduction.

Ezcurra and Rodriguez-Pose (2013) found that regional inequality is affected by economic globalization. They used the panel data from 1990–2007, the INEQ measure of regional inequality as a dependent variable and KOF index as an independent variable. There is a positive relationship between the magnitude of regional disparities and economic globalization. The results revealed that the effect of globalization is more evident in low and middle-income countries as compared to the high-income countries.

Hessami (2011) identified the winners and losers of globalization. This study reveals that globalization has increased the personal happiness of high-skilled workers, rightist voters and defendants that believe in the WTO, the World Bank, and the IMF.

Rao *et al.* (2011) estimated comprehensive measure growth effects of globalization. The results of their study show that permanent growth effects of globalization are not the same in all countries. The authors found the lowest effect of globalization is observed in Philippines while the highest – in India.

Tsakiri (2010b) analyzed the relationship between globalization and life quality. According to this study, globalization has both positive and negative effects. Positive impacts include economic development and minimization of poverty. Negative effects consist in inequalities and the fear of losing jobs among the workers. The negative impact of globalization can be reduced by the interference of government.

Seung-Whan Choi (2010) examined globalization and peace. He suggested that in relation with democracy, economic interdependence, overall globalization is a clear force for peace in state.

Hameed and Nazir (2009) analyzed economic effects of globalization and its impact on poverty and inequality. Their study suggests that if Pakistan wants to gain maximum profit from globalization it should invest in human capital development.

III. DATA AND METHODOLOGY

Data Description

On the basis of available data, seventeen Asian countries are taken for empirical estimation, namely: Bangladesh, Brunei, China, Cambodia, India, Jordan, Japan, Kazakhstan, Korean republic, Moldova, Malaysia, Oman, Pakistan, Philippines, Thailand, Lebanon, and Yemen. The study covers the time span from 1995 to 2015.

In this study, the data of real GDP and population growth are taken from the World Development Indicators (WDI). The data of HDI are taken from Human Development Reports of UNDP, Globalization Index (KOF Index), economic globalization, political globalization and social globalization from Dreher database (2006).

Methodology

The first step of panel data methodology starts with panel unit root tests and for unit root, Levin Lin Chu test (LLC) and ADF test were applied. After the unit root test, Pedroni (2004) and Johansen Fisher test was used to find the cointegration among the variables. Fully Modified Ordinary Least Square (OLS) are applied to check the sign of relationship among the variables in long run.

The dependent variable is HDI here. To find the quality of life HDI is used here.

Pedroni Panel Cointegration Test

Pedroni used various tests for co-integration in panel data analysis which permits considerable heterogeneity. Pedroni assumes a trend for the cross section units and constitutes the null hypothesis of no co-integration. If null hypothesis is rejected in the panel, the variables are said to be co-integrated. Pedroni's test permits for numerous regressors for the co-integration vector to change across various sections of the panel. Moreover it provides the appropriate critical values in complex regressions (Pedroni 1999). Pedroni proposed the following panel regression model

$$F_{it} = \alpha_i + \sum \beta_{oi} X_{oit} + \delta_t + \mu_{it}.$$

Pedroni has proposed seven different co-integration statistics to get the within and between effects in panel. The first category includes four tests which are based on pooling along within dimension. The second category includes three tests which are based on pooling along between dimensions and are known as group mean panel co-integration statistics. Pedroni concludes that in the seven statistics the distortions in size are negligible and power is high especially for long time span. A major shortcoming of Pedroni's test is that it deals with single co-integrating vector.

Over a long period of time the high power and distortions in magnitude are very small in all these seven statistics explained by Pedroni. Dealing with just one co-integrating vector is the major drawback of Pedroni's test.

The Johansen Cointegration test

Fisher's test for cointegration was presented by Maddala and Wu (2000) and Johansen based on multivariate framework. In this test two methods are proposed by Johansen. If in time series there is non-stationarity then the first method is likelihood ratio trace statistics and the second one is Maximum Eigen values statistics to see the presence of

cointegrating vectors. The aim of this test is to find more than one co-integrated vectors and related system methods. In case of long time period and if the units of cross-section are small, then this gives excellent results (Hlouskova and Wagner 2009). The advantage of this test is that it can be used for both balanced and unbalanced panel.

So, in this study we applied Pedroni and Fisher cointegration test.

Specification of the Model

Model 1: Impact of Economic, Social and Political Globalization on HDI

$$HDI_{it} = \beta_0 + \beta_1 LEG_{it} + \beta_2 LSG_{it} + \beta_3 LPG_{it} + \beta_4 PR_{it} + \beta_5 LGDP_{it} + \mu_{it}.$$

Model 2: Impact of KOF on HDI

$$HDI_{it} = \beta_0 + \beta_1 LKOF_{it} + \beta_2 PR_{it} + \beta_3 LGDP_{it} + \mu_{it}.$$

Here, in these models HDI_{it} (Human Development Index) is dependent variable; PR_{it} , $LGDP_{it}$ are control variables; and LEG_{it} (Economic Globalization); LPG_{it} (Political Globalization); SG_{it} (Social Globalization) and KOF_i (Overall Globalization Index) are explanatory variables. β = coefficient of explanatory variable, direction and strength of QOL indicator is explained by β . Moreover, i denotes the group identifier (*i.e.* countries), and t denotes the time, μ_{it} is an error term here that is unobservable country effect fixed over time.

IV. RESULTS AND DISCUSSION

Table 1

LLC Test Panel Unit Root Results

Variables	LLC test (At Level)	P-value	LLC test (At First Differ- ence)	P-value
LEG	4.16558	1.0000	-10.1612	0.0000
LSG	1.23824	0.8922	-10.1646	0.0000
LGDP	0.64520	0.7406	-4.92068	0.0000
LPG	4.31301	1.0000	-5.59407	0.0000
LKOF	6.44772	1.0000	-8.93564	0.0000
HDI	0.19895	0.5788	-12.6999	0.0000
PR	0.38600	0.6503	-2.98372	0.0014

Table 2

ADF Test Panel Unit Root Results

Variables	ADF test (At Level)	P-value	ADF test (At First Difference)	P-value
LEG	7.55007	1.0000	168.290	0.0000
LPG	18.0580	0.9886	92.2177	0.0000
LSG	9.97086	1.0000	142.334	0.0000
LGDP	8.50275	1.0000	92.8681	0.0000
LKOF	1.62168	1.0000	122.353	0.0000
HDI	4.70068	1.0000	146.072	0.0000
PR	41.4470	0.1777	99.2751	0.0000

Table 1 shows the result of LLC Test and Table 2 shows the result of ADF test to check the integrated of the variables. Probabilities values of both tables show all variables are non-stationary at level but stationary at first difference.

4.1. Model-1: Impact of Economic, Political and Social Globalization on HDI

4.1.1. Pedroni Panel Cointegration Results

To check the cointegration among the variables Pedroni's test was used (1999, 2004). In this model 60 per cent of the probabilities show that the significant result, which indicates the presence of cointegration among all variables: HDI, economic globalization (LEG), social globalization (LSG), political globalization (LPG) and (GDP) – throughout the time span of 1995–2015 in the Asian countries.

Table 3

Pedroni Panel Cointegration Results

Models	Statistics	P-value	Weighted Statistics	Weighted P-value
Panel ν -statistics	-1.385739	0.9171	-2.559522	0.9948
Panel δ -statistics	2.647700	0.9959	2.519128	0.9941
Panel pp-statistics	-3.378354	0.0004	-3.976868	0.0000
Panel adf-statistics	-2.943354	0.0016	-3.378249	0.0004
Group δ -statistics	4.332141	1.0000		
Group pp-statistics	-7.066189	0.0000		
Group adf-statistics	-2.458818	0.0070		

4.1.2. Johansen Panel Cointegration Results

Johansen test is used to determine the cointegration among the variables. The results are presented in Table 4. Cointegration technique developed by Johansen Fisher. The cointegrating vectors are shown significant in Trace statistics in addition to Maximum Eigen statistics.

(Variables HDI, LEG, LSG, LPG, PR, LGDP).

Table 4

Johansen Panel Cointegration Results

No. of CE(s)	Statistics	P-value	Statistics	P-value
	Trace Stat		Max Eigen Stat	
None	1093	0.0000	595.0	0.0000
At most 1	656.7	0.0000	364.7	0.0000
At most 2	388.6	0.0000	208.6	0.0000
At most 3	243.0	0.0000	156.8	0.0000
At most 4	134.1	0.0000	110.0	0.0000
At most 5	70.13	0.0003	70.13	0.0003

Trace test probability value is 0.000 which is less than the level of significance that means there is cointegration among variables. Maximum Eigen statistics probability value is 0.0000 which also indicates that there is cointegration among the variables.

4.1.3. Results of Fully Modified OLS

Table 5

Results of Fully Modified OLS

Variables	Coefficients	Stand error	t-statistics	P-Value
LEG	0.026330	0.011760	2.239001	0.0258
LPG	0.021710	0.006895	3.148899	0.0018
LSG	0.022672	0.010868	2.086101	0.0378
PR	-0.001379	0.000999	-1.379906	0.1686
LGDP	0.110625	0.005225	21.17365	0.0000

Fully Modified OLS are used to find the sign of long run relationship among the variables. The table above shows that the economic globalization and HDI have a positive relationship. The increasing economic globalization causes the HDI growth for the Asian countries. The results show that a percent increase in economic globalization causes a 0.02633-percent increase in HDI in the long run. The probability value of economic globalization is 0.0258 which is less than 5 per cent level of significance that indicates that the null hypothesis is rejected and alternative hypothesis is accepted which shows that economic globalization has significant effect on HDI in the long run. In the long run increasing economic globalization causes growth of HDI. This result coincides with the findings of Sirgy *et al.* (2004) and Sapkota (2011). Social globalization (LSG) causes the increase in HDI in long run. One-percent increase in LSG causes 0.0226-percent growth in HDI. Significant probability value shows that LSG has significant effect on the HDI. The positive relation between HDI and LSG is similar to the results got by Sapkota (2011). The coefficient values of political globalization (LPG) indicate that LPG has positive impact on the Human Development Index. One-percent increase in LPG which causes 0.0217 per cent increase in HDI in the long run. Probability value of LPG shows that it has significant effect on the Human Development Index

in the long run. The positive relation between the HDI and LPG is similar to the results gained by Tsai (2007) and Sapkota (2011).

The tables above show that GDP has a positive and significant effect on the Human Development Index in the long run for the Asian Countries. The positive correlation between GDP and HDI is just like the results of Godfrey (2013). The coefficient sign of population growth (PR) is negative which indicates that the increasing PR causes decrease in HDI for the Asian countries. One per cent increase in PR causes -0.00137 per cent decrease in HDI. But probability value shows that PR has insignificant effect on HDI. This result coincides with the findings of Sapkota (2011) and Kelley and Schmidt (1995).

The coefficient of LEG 0.02633 is greater than the coefficients of LSG and LPG which means that the effect of economic globalization on the Human Development Index is greater than that of political and social globalization. The coefficient of LSG, LPG, and LEG has a positive sign which means that increase in social, political and economic globalization causes an increase in the Human Development Index. The result shows that increase in LSG, LPG, LEG leads to an increase in Human Development Index in the long run.

4.2. Model-2: Impact of KOF on HDI

4.2.1. Pedroni Panel Cointegration Results

To check the cointegration among the variables, Pedroni's test was used. In this model 60 per cent of the probabilities show a significant result, which indicates the presence of cointegration among all variables (HDI, overall globalization KOF, population growth rate PG and GDP) throughout the time span of 1995–2015 for the Asian countries.

Variables: HDI, PR, LGDP, LKOF.

Table 6

Pedroni Panel Cointegration Results

Models	Statistics	P-value	Weighted Statistics	Weighted P-value
Panel v-statistics	-1.259863	0.8961	-2.057453	0.9802
Panel δ-statistics	0.211975	0.5839	-0.023601	0.4906
Panel pp-statistics	-3.708674	0.0001	-4.769826	0.0000
Panel adf-statistics	-4.772577	0.0000	-5.270428	0.0000
Group δ-statistics	1.846168	0.9676		
Group pp-statistics	-6.653989	0.0000		
Group adf-statistics	-4.865732	0.0000		

4.2.2. Johansen Panel Cointegration Results

To check the presence of cointegration among variables we further used the cointegration technique developed by Johansen Fisher. The results estimated with the help of Johansen Fisher cointegration technique are reported in Table 7.

Variables: HDI, PR, LGDP, LKOF.

Table 7

Johansen Panel Cointegration Results

No. of CE(s)	Statistics	P-value	Statistics	P-value
	Trace Stat		Max Eigen Stat	
None	364.9	0.0000	274.1	0.0000
At most 1	166.8	0.0000	115.5	0.0000
At most 2	92.10	0.0000	84.67	0.0000
At most 3	44.03	0.1164	44.03	0.1164

The Trace test probability value is 0.000 which is less than level of significance that means there is cointegration among variables. Maximum Eigen statistics also confirm long run relationship among the variables. The existence of three cointegrating vectors approves the long-run relationship among variables.

4.2.3. Fully Modified OLS results

Table 8

Results of Fully Modified OLS

Variables	Coefficients	Stand error	t-statistics	P-Value
LKOF	0.085910	0.017435	4.927356	0.0000
LGDP	0.109823	0.005504	19.95340	0.0000
PR	-0.001531	0.000972	-1.574532	0.1164

Fully Modified OLS is used to find the sign of long-run relationship among the variables. Table 8 shows that the KOF (Globalization Index) has a positive impact on HDI. The increase in LKOF causes increase in the HDI for the Asian countries. The coefficient value of LKOF is 0.0859 which indicates that one per cent increase in LKOF causes 0.0859 per cent increase in the HDI in the long run. The probability value of KOF is 0.0000 which is less than 5 per cent level of significance that indicates that the null hypothesis is rejected and alternative hypothesis is accepted which shows that LKOF has a significant effect on the HDI in the long run. The positive correlation between HDI and LKOF is just like the results of Sapkota (2011), Tsai (2007), and Sirgy *et al.* (2004). GDP has a positive and significant effect and PR has a negative but insignificant effect on the HDI (Human Development Index).

V. CONCLUSION

This study concludes that globalization enhances the quality of life of the residents of the Asian countries. Not only the KOF index but its main aspects (political, economic and social globalization) also play an important role in improving the quality of life in Asian countries. The results show the positive impact of political, economic and social globalization on the quality of life.

In the first model HDI (Human Development Index) was dependent variable and political globalization, economic globalization and social globalization were independent variables. The results were positive and similar to the results of Tsai (2006) and

Sapkota (2011) who suggested positive association between economic, political and social globalization.

Secondly, the dependent variable (Human Development Index) was estimated with overall globalization index (KOF) separately. The results were positive and similar to the results of Sapkota (2011); thus, overall globalization promoted Human Development Index, Dreher (2006) also pointed to the fact that globalization positively correlates with economic growth.

REFERENCES

- Bairoch, P. 2000. The Constituent Economic Principles of Globalization in Historical Perspective: Myths and Realities. *International Sociology* 15(2): 197–214. DOI: 10.1177/0268580900015002004
- Bergh, A., and Nilsson, T. 2014. Is Globalization Reducing Absolute Poverty? *World Development* 62: 42–61.
- Berggren, N., and Nilsson, T. 2015. Globalization and the Transmission of Social Values: The Case of Tolerance. *Journal of Comparative Economics* 43 (2): 371–389.
- Boff, L. 1999. *Liberation Theology and Globalization*. Third World News Agency Inter Press Service.
- Bordo, M. D. 2002. Globalization in Historic Perspective. *Business Economics*. January: 20–29.
- Bowling, A. 2004. A Taxonomy and Overview of Quality of Life. In Brown, J., Bowling, A., and Flinn, T. (eds.), *Models of Quality of Life: A Taxonomy, Overview and Systematic Review of the Literature*. Sheffield: European Forum on Population Ageing Research.
- Clark, W. C. 2000. Environmental Globalization. In Nye, J. S., and Donahue, J. D. (eds.), *Governance in a Globalizing World* (pp. 86–108). Cambridge, MA; Washington, D.C.: Brookings Institution Press.
- Collier, P., and Gunning, J. W. 2008. *Globalization and Poverty*. Cheltenham/Northampton: Edward Elgar Publishing.
- Chien-Fu Lin, and Chia-Shang James Chu. 2002. Unit Root Tests in Panel Data: Asymptotic and Finite-Sample Properties. *Journal of Econometrics* 108(1): 1–24.
- Chilosi, D., and Federico, G. 2015. Early Globalizations: The Integration of Asia in the World Economy, 1800–1938. *Explorations in Economic History* 57: 1–18.
- Dreher, A. 2006. Does Globalization Affect Growth? Evidence from a New Index of Globalization. *Applied Economics* 38 (10): 1091–1110.
- Dreher, A., Gaston, N., and Martens, P. 2008. *Measuring Globalisation: Gauging Its Consequences*. New York: Springer Science & Business Media.
- Ezcurra, R., and Rodríguez-Pose, A. 2013. Does Economic Globalization Affect Regional Inequality? A Cross-Country Analysis. *World Development* 52: 92–103.
- Guillén, M. F. 2001. Is Globalization Civilizing, Destructive or Feeble? A Critique of Five Key Debates in the Social Science Literature. *Annual Review of Sociology* 27 (1): 235–260.
- Godfrey, B. 2013. *The Effect of Gross Domestic Product on the Human Development*. Doctoral dissertation. Kyambogo University.

- Habasonda, L. 2003. *Globalization and Socio-Economic Development in the Small Economies in Africa*. Workshop Proceedings, 22–23rd September, Lusaka.
- Hameed, A., and Nazir, A. 2009. Economic Globalization and Its Impact on Poverty and Inequality: Evidence from Pakistan. *ECO Economic Journal* 1: 1–21.
- Hessami, Z. 2011. Globalization's Winners and Losers – Evidence from Life Satisfaction Data, 1975–2001. *Economics Letters* 112 (3): 250–253.
- Hlouskova, J., and Wagner, M. 2009. The Performance of panel Cointegration Methods: Results from Large Scale Simulation Study. *Econometric Review* 29 (2): 182–223.
- Kayani, A. K., Ahmad, K., and Saeed, A. 2013. Perceptions about Cultural Globalization in Urban Pakistan. *South Asian Studies* 28 (1): 127–138.
- Kelley, A. C., and Schmidt, R. M. 1995. Aggregate Population and Economic Growth Correlations: The Role of the Components of Demographic Change. *Demography* 32 (4): 543–555.
- Keohane, R. O., and Nye, Jr. J. S. 2000. Globalization: What's New? What's Not? (And so what?). *Foreign Policy* 104–119.
- Kodolko, G. W. 2001. *Globalization and Transformation: Illusions and Reality*. Working Paper No. 176. OECD Development Centre.
- Krugman, P. 1996. *Pop Internationalism*. Cambridge, MA – London: MIT Press.
- Labonte *et al.* 2015. Globalization and the health of Canadians: ‘Having a job is the most important thing. *Globalization and Health* 11 (19): 1–16.
- Levin, A., Lin, C. F., and Chu, C. S. J. 2002. Unit root tests in panel data: Asymptotic and finite-sample properties. *Journal of Econometrics* 108: 1–24.
- Maddala, G. S., and Wu, S. 1999. A comparative study of unit root tests with panel data and a new simple test. *Oxford Bulletin of Economics and statistics* (61): 631–652.
- Mofid, K. 2003. G. with Compassion—for the Common Good. In *Middle East/North Africa Regional Conference in Psychology*, Dubai 12th, www.commongood.info.
- Müller, K. 2002. *Globalisierung*. Campus Einführungen. GmbH, Frankfurt/Main.
- Nyman, R. 2001. *The Impact of G. on Human Rights, Women and Good Governance*. Southern African Peoples Solidarity Network (SASPEN) Peace, Human Rights & Democracy in the Context of a Globalisation, 26–28 November. Malawi.
- Pedroni, P. 1999. Critical Values for Cointegration Tests in Heterogeneous Panels with Multiple Regressors. *Oxford Bulletin of Economics and Statistics* 61 (1): 653–670.
- Pedroni, P. 2004. Panel Cointegration: Asymptotic and Finite Sample Properties of Pooled Time Series Tests with an Application to the PPP Hypothesis. *Econometric Theory* 20 (03): 597–625.
- Pew Global Attitudes Project. 2002. What the World Thinks in 2002, How Global Publics View: Their Lives, Their Countries, the World, America. The Pew Research Center for the People & the Press.
- Petras, J. 1999. Globalization: A Critical Analysis. *Journal of Contemporary Asia* 29 (1): 3–37.
- Potrafke, N. 2015. The Evidence on Globalisation. *The World Economy* 38: 509–552.

- Rao, B. B., Tamazian, A., and Vadlamannati, K. C. 2011. Growth Effects of a Comprehensive Measure of Globalization with Country-Specific Time Series Data. *Applied Economics* 43 (5): 551–568.
- Rojas, M. 2007. The Complexity of Well-Being: A Life-Satisfaction Conception and Domains-of-Life Approach. In Gough, I., and McGregor, A. (eds.), *Researching Wellbeing in Developing Countries* (pp. 259–280). Cambridge University Press.
- Seung-Whan Choi 2010. Beyond Kantian Liberalism: Peace through Globalization? *Conflict Management and Peace science*, 27(3): 272–295.
- Sapkota, J. B. 2011. Globalization and Human Aspect of Development in Developing Countries: Evidence from Panel Data. *Journal of Globalization Studies* 2 (1): 78–96.
- Scott, R. E. 2001. NAFTA's Impact on the States: The Industries and States that Suffered the Most in the Agreement's First Seven Years. *Economic Policy Institute Briefing Paper*. Washington, DC.
- Shultz, C. J. II, Rahtz, D. R., and Speece, M. 2004. Globalization, Transformation and QOL: Reflections on ICMD-8. *Journal of Macromarketing* 24 (2): 168–172.
- Sirgy, M. J., Lee, D. J., Miller, C., and Littlefield, J. E. 2004. The Impact of Globalization on a Country's Quality of Life: Toward an Integrated Model. *Social Indicators Research* 68 (3): 251–298.
- Soros, G. 2000. *Open Society: Reforming Global Capitalism*. New York: Public Affairs.
- Stiglitz, J. E. 2018. Trump and Globalization. *Journal of Policy Modeling*. URL: <https://doi.org/10.1016/j.jpolmod.2018.03.006>.
- Thorbecke, W., and Eigen-Zucchi, C. 2002. Did NAFTA Cause a 'Giant Sound'? *Journal of Labor Research* 23 (4): 647–658.
- Tsai, M. 2006. Does Political Democracy Enhance Human Development in Developing? URL: <http://globalization.kof.ethz.ch/query/>.
- Tsai, M. C. 2007. Does Globalization Affect Human Well-being? *Social Indicators Research* 81 (1): 103–126.
- Tsakiri, M. 2010a. Globalization and Personal Needs Prioritization: Do Individual Perceptions of G. Affect the Human Needs Hierarchy? *C.I.J.M.* 14 (1).
- Tsakiri, L. T. 2010b. Is Globalisation Affecting the Quality of Life? A Review of the Literature. *European Research Studies* 13 (4): 157–168.
- Verne, J. F. 2002. The Advantages of Globalization in Terms of Economic Development and QOL. *CEREFI, Research Notes*, no 263 – 2002/10.
- Zahid, G. 2015. Globalization, Nationalization and Rationalization. *Procedia – Social and Behavioral Sciences* 174: 109–114.
- Zoellick, R. 2001. *Remarks at the National Foreign Trade Council*. July 26. URL: <http://www.ustr.org>.