

Knowledge Economy-New Economy

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Abstract :-

Economic structure and nature has been changed due to Globalization and e-commerce. This is the new influencing factor for the current economy.

This is termed as Knowledge Economy, New Economy or E-economy.

Globalization, a process in which companies and governments of many different nations interact, has had a tremendous effect on economic growth and on the well-being of individuals all around the world particularly those in developing countries. What are the 21st century skills that our schools and colleges should impart to all students? In a globalised world the ability to communicate effectively both in speech and writing should be given primary importance. Access to Internet is essential for 21st century learning, and Government should make sure that broadband is available in all schools and colleges.

Globalization changed the shape of the economy explosively. It reduces the administrative barriers. It reduces the transportation and communication cost. It gives ideas to new world like development of new investment opportunities, new markets, new resources, etc.

It changed the overall structure of thinking in new era or new format. It gives E-commerce and M-Commerce environment to the whole world, social media, etc.

It gives new business models like B2B, B2C, C2B, C2C, etc.

Keywords:- globalization, e-commerce, new economy, business models.

Introduction :-

Globalization and E-Commerce :-

Globalization, a process in which companies and governments of many different nations interact, has had a tremendous effect on economic growth and on the well being of individuals all around the world particularly those in developing countries. Although, globalization can be a good thing financially and economically, it can have a detrimental effect on people who live and work in poorer, underdeveloped countries. This is where the ethical issues of globalization arise. It is unethical to decrease the value of human life and to abuse workers for the sake of economic prosperity. Ethical issues arise in the globalization of commerce when there is use of sweatshops, forced labor, child labor, unsafe working conditions, physical and mental abuse of workers, and low safety, health, and environmental standards.

Information technology has played the dominant role in this area. i.e. internet, e-commerce, e-business, etc.

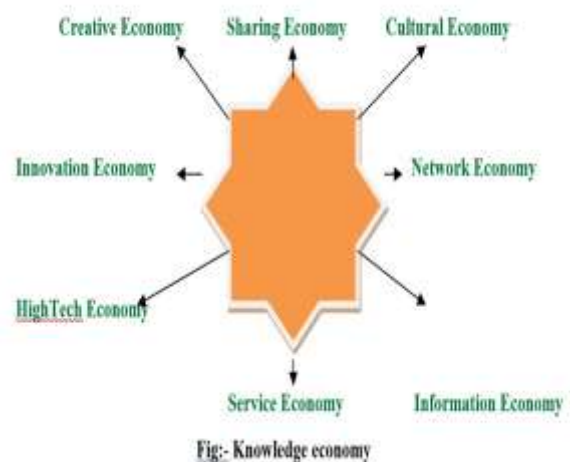


Fig:- Knowledge economy

The relativity of the system of financial reporting with that of the economic, legal, educational and political institutions in a country. There have been major changes in financial reporting in India since the economic reforms and globalisation began in the early 1990s. Commerce education should be in convergence with the global requirement but basically should be divergence in function.

C2B - a future prospective of customer to Business. The most important point was that C2B will be a new empowerment of customers. C2B will be coming. It will be accepted not just by the businessmen but by the whole community of academics, politics, economics and others because C2B is basically for the public.

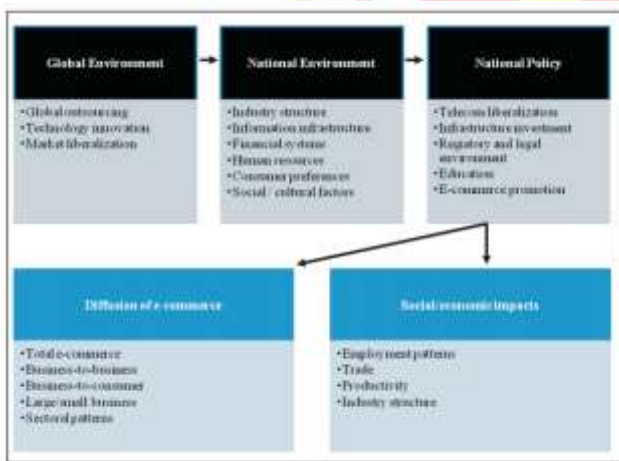


Fig.1. Conceptual Framework. Emerald I. Kramer, Globalization of E-Commerce, 2014

Source:- 10th International Strategic Management Conference The Relationship between Globalization and E-Commerce: Turkish Case Erdal Aydına , Burcu Kılınc Savrul

From the above figure it is cleared that Global Environment affects National Environment, it further affects National Policy.

In post globalisation scenario the Global Supply Chain Management is becoming an interesting area of academic investigation.

The most obvious source of change is one that has increasingly affected all aspects of our lives, let alone business - computerisation. The business community has been quick to see the benefits of the electronic age, and computers are being used in a great many businesses from small to large. More and more aspects of business activity are now being computerised. E-commerce is now an everyday expression. The internet is now used by upwards of

100 million people, with numbers are doubling every year. However, there are less visible changes brought about by the increased electronic technology - in the area of communication. The speed with which information can be transmitted has added an urgency to business activity. Since the 1980s, telecommunications traffic has been expanded by an average of 20% per year.

Extensive use is made of computers and the Internet - global electronic business is viewed as an essential element of accounting education. Thus, graduates are fully aware of the global aspects of modern business. Communication skills are developed as well as teamwork. Not only does this enhance personal confidence, it makes graduates more attractive to prospective employers, as the ability to work in teams and communicate with clients, peers and superiors in the work environment is crucial.

Conclusions :-

- Globalization changed the shape of the economy explosively.
- It reduces the administrative barriers.
- reduces the transportation and communication cost.
- It gives ideas to new world like development of new investment opportunities, new markets, new resources, etc.
- Knowledge economy is the giant economy
- In every country in the world, business practices are becoming increasingly complex.
- Commerce education should be in convergence with the global requirement
- C2B - a future prospective of customer to Business.
- Higher Education is basically recognized as a service due to the fact that this sector has a huge potential customers in the form of students worldwide.
- The nation now needs a sensible policy which can give attention to the implications of WTO's GATS taking its positive perspectives
- Businesses are being managed through new, sometimes merely fashionable, management

concepts. For example, total quality management, total productive management, activity-based costing resulting in greater demands on business advisors for risk assurance boundaries, in many different currencies and expressed in many different languages.

- The most obvious source of change is one that has increasingly affected all aspects of our lives, let alone business - computerisation.
- The business community has been quick to see the benefits of the electronic age, and computers are being used in a great many businesses from small to large.
- E-commerce is now an everyday expression.
- The information superhighway that Bill Gates talked of ten years ago is now a multiple-lane freeway.
- Ethical issues arise in the globalization of commerce

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