ABSTRACT
This paper gives an analysis of the dynamics of global change and transformation. The paper is a literature review of theory and research addressing change and transformation. The paper aims to explore the following questions: What are the major economic, political, technological, ecological, demographic and socio-cultural changes? What are the effects and consequences of these global change trends on organizations? For example, what are the role of information technologies on organizational transformation? How do globalization, regionalization, privatization, deregulation and other major economic transformations affect organizations? What are the major advantages as well as disadvantages of these ongoing change dynamics? How can (and should) organizations prepare themselves against current global trends and change dynamics?

Keywords: global change trends, transformation, economic change, organizational change, organizational transformation management
“... Come my friends, ‘tis not too late to seek a newer world. 
... for my purpose holds To sail beyond the sunset... and tho’
We are not now that strength which in old days
Moved earth and heaven; that which we are, we are;
One equal temper of heroic hearts,
Made weak by time and fate, but strong in will
To strive, to seek, to find, and not to yield.”

Lord Tennyson

“The deed have been awakened - Shall l sleep?
The world ‘s at war with tyrants- Shall l crouch?
The harvest ‘s ripe- and shall l pause to reape?
I slumber not; the thorn is in my couch;
Each day a trumpet soundth in mine ear,
Its echo in my heart”

Lord Byron

1. I. INTRODUCTION

No doubt that the world is in a great social transformation. There are variety of issues that are important in today’s world. Look at the issues that we have been talking on for the last two or three decades: Security, conflict, crime, terrorism, disarmament, globalization, regionalization, localization, privatization, deregulation, knowledge revolution, scientific development, information and communication technologies, e-commerce, e-government, environment, climate change, human trafficking, humanitarian assistance and refugees, migration, population increase, sustainable development, human rights, democratization, good governance, peace building, poverty reduction, private sector development etc. and etc.
My aim in this paper is to explore the change trends and dynamics in general.

2. **II. CHANGE DYNAMICS**

In the present time, we may point to seven significant changes in the world. (Figure-1.) These are:

- Economic change,
- Political change,
- Technological change,
- Ecological change,
- Demographic change,
- Socio-cultural change,
- Organizational change.

Now, let’s explain these major change trends in detail. (Aktan, 1999; Held et.al, 1999.; United States Department of State, 2003.)

**Economic Change**

There are many aspects of economic changes such as globalization, regionalization, privatization, economic decentralization etc. (See. Figure-1 and Figure-2.)

Undoubtedly, one of the major changes in the world economy is globalization. (Guillén, 2001.) Globalization means the increased integration of world markets of goods, services and capital. In broad meaning, globalization refers to integration of trade, finance, people, and ideas in one global marketplace. (see: Aktan & Vural, 2004.)

There are several dimensions of globalization, such as political globalization, economic globalization, social and cultural globalization. (Quattara, 1997.) Economic globalization refers to global economic integration.
Global economic integration - the widening and intensifying of links between the economies of industrial and developing countries - has accelerated rapidly. Underpinning the intensification of these links - which include trade, finance, investment, technology, and migration - are several structural factors. The progressive liberalization of trade policies negotiated during consecutive rounds of trade talks - culminating in the Uruguay Round - has lowered tariffs and stimulated trade. The integration of the world economy through trade has been reinforced by increases in the private capital flows, particularly in the 1990s. And technological advances in transport and telecommunications have lowered the cost of operating globally and provided developing countries with new opportunities to benefit from the growing world economy.
Figure 1: Change Dynamics and New Change Trends

- Domestic Migration (Urbanization)
- International Migration
- Increase of Life Expectancy
- Population Growth
- Aging
- Environmental Pollution
- Climate Change
- Biodiversity Loss
- Deforestation

- Demographic Change
- Ecological Change
- Economic Change
- Social/Cultural Change
- Technological Change
- Organizational Change
- Political Change

- Political Openness (Transparency)
- Political Decentralization
- Civil Participation
- Democratization
- Civil Society

- New Technologies

- Poverty
- Globalization
- Voluntarism
- Privatization
- Regionalization
- Liberalization
- Decentralization (Localization)
- Competition among Jurisdiction
- Secularization vs. Fundamentalism
- Nationalization vs. Internationalization
Globalization increases the ability of individuals and firms to undertake economic transactions with residents of the other countries. Critics and proponents of globalization generally agree that the world is more integrated now than 50 years ago. But they disagree on whether integration is an opportunity or a danger and whether is a strategic choice or an inevitable consequence of economic and technological change.

The increasing globalization of the world economy in terms of trade and finance brings new opportunities and challenges. (IMF, 1997; Dash, 1998.) Decisions taken in London, New York or Tokyo can have a profound effect on the lives of millions far away. We travel to distant places and trade with people of whom we knew little. We are mutually dependent.

While globalization presents great opportunities, opponents argue that, it does not necessarily benefit everybody equally. The poorest countries are also often the least able to take advantage of the opportunities, and globalization can lead to an increase in inequality in these countries. Globalization needs therefore to be accompanied by policies to help the poor. (Rodrik, 1997a, 1997b.; Rowthorn, & Kozul-Wright, 1998.)

Together with globalization, there is another economic change, which can be called as regionalization. In contrast to the globalization, regionalization refers to regional economic cooperation and integration. On the one side, we are witnessing that the national economic boundaries are losing their importance and free trade is becoming possible among nations, on the other hand some nations are becoming a part of regional economic blocks, in which they are implementing tariffs and non-trade barriers to the other non-member countries. (Ohmae, 1991, 1995.)

Economic liberalization is another economic change trend. Individuals are becoming freer, in other words, they enjoy economic freedom more than ever. From the perspectives of individuals, economic liberalization provides more economic rights and freedoms. Individuals rights and freedoms (freedom of property, freedom of entrepreneurship, freedom of choice etc.) are gaining more respects in many countries and those rights and freedoms have been protected effectively via constitutional, legal and institutional provisions.

Multilateral liberalization of trade, including increased access to markets is an important development throughout the world.
Privatization, in its account is the most important policy towards economic liberalization. Privatization has been a popular global trend since the beginning of the 1980s. In broad meaning, privatization refers to the transfer of functions previously performed exclusively by the public sector, to the private sector. With the privatization, the role and functions, are transferred to the private sector. Especially in the developed countries, some roles and functions are also transferred to the non profit sector. I would like to call this change trend as “voluntarization”

Today, decentralization –both economic and political- is also a global change trend. Economic decentralization means transferring several roles and functions of the central government (or federal government) to the local governmental units. Decentralization is also called as “localization.” Globalization and localization are two main forces shaping the world. As defined earlier, globalization means the continuing integration of the countries of the world. Localization, on the other hand means the desire for self determination and the devolution of power. The demand for self-determination can take a number of forms, including the replacement of authoritarian or single-party rule by multiparty politics, greater autonomy of subnational political units, and the involvement of community groups and nongovernmental organizations (NGOs) in governance. (World Bank, 1999:31.) Today, at the subnational level, localization has led many central governments to grant political, fiscal and administrative powers to local governments.

At first glance, globalization and localization may look like countervailing forces, but in fact they often stem from the same source and reinforce each other. For example, the same advances in information and communications technology that have been so important in the spread of global economic forces, often allow local groups to bypass central authorities in the search of information, visibility, and even financing. Together, these global and local pressures are revolutionizing traditional forms of centralized governance. (World Bank, 1999:32.)

It should be pointed out here that three observed changes in the world – privatization, localization and voluntarization- limits the power of the government at last. In other words, the role and the functions of the government are being transferred either to the private sector through privatization or to the non-profit sector through voluntarization. Although localization does not result in a consequence of restraining the size of the government, however it restraints the power of central government and local communities gain more rights and freedoms.
One of the important changes that we observe in the world economy is the widening gap between rich and poor. Poverty is the main problem for many countries.

According to the World Bank statistics, some 1.3 billion people nearly a quarter of the world's population continue to live in extreme poverty, on less than the equivalent of $1 per day. They lack access to opportunities and services. They feel isolated and powerless and often feel excluded by ethnicity, geography, gender or disability. They lack information and access to health and education facilities.

We have summarized the economic change trends under various concepts such as globalization, regionalization, liberalization, privatization, localization, poverty etc. Now, let’s analyze the political change.

**Political Change**

When we look at the world, we observe important developments in the political arena. The first is democratization. (see. Figure-3.)

Democracy is not synonymous with freedom. But the most important element of democracy is political freedom. Democracy, in a narrow definition is a political order in which individuals enjoy basic political freedom and civil liberties. Democracy, in its broad meaning, consists of the following elements:

- the rule of law,
- Separation of power
- Transparency
- Secularism
- Civil society (civic participation)
- Democratic culture.
- Political decentralization

After the collapse of communism, the number of democratic countries started to increase. According to the Freedom House Annual Survey on Political Rights and Civil Liberties, at the end of 1998 there were 117 electoral democracies, representing over 61 percent of the world’s countries and nearly 55 percent of its population. The number of democracies was only 69 in 1988. The proportion of countries with some form of democratic government rose from 28 percent in 1974 to 61 percent in 1998. (Freedom House, 1999:5.)
Plural politics and broad-based popular participation are rapidly becoming features of modern governance. It should be pointed out that a majority of governments have made legally binding commitments to respect the civil and political rights of their citizen. (World Bank, 1999:42.)

As noted above, one of the key elements of democratization is civic participation. Civil society is also gaining importance together with democratization. As people’s participation in society grows, so does the number of organizations that give it voice. NGO’s and civic movements are on the rise, assuming an ever-larger role in articulating people’s aspirations and pressuring governments to respond. Increased participation and plural politics push for three major changes. (World Bank, 1999:43.)

First, vigorous political activity involving many organized groups rooted in assertive societies will substantially reduce the scope for autonomous government action. The central government will have to engage and negotiate with society, field claims and pressures from diverse quarters, and seek legitimacy by winning public approval for its performance.
Second, political openness will highlight the disclosure of information. Democratization and technological developments forces governments to disclosure the information. E-government movement provides more information to the individuals every other day.

Third, participatory politics, by giving more voice to people, will hasten decentralization.

In brief, democratization, plural politics, civic participation and political openness are some of the most important waves of political change.

**Technological Change**

No doubt that, the great transformation that we live in is due to technological developments. This important transformation has changed the economic structure a great deal. There has been a shift from first wave economy to the third wave economy.

In a First Wave economy, land and farm labor are the main "factors of production." In a Second Wave economy, the land remains valuable while the "labor" becomes massified around machines and larger industries. In a Third Wave economy, the central is knowledge.

The industrial age is not fully over. In fact, classic Second Wave sectors (oil, steel, auto-production) have learned how to benefit from Third Wave technological breakthroughs - just as the First Wave's agricultural productivity benefited exponentially from the Second Wave's farm-mechanization.

Table-1 exhibits the course of technological change from the beginning of industrial revolution to the 21st century. As understood, the main features of the industrial society was steam power, railways, and electricity. At the information or knowledge age, the most important factor of production is knowledge and the environment where the knowledge takes place and expands is called “cyberspace.”

Cyberspace is the land of knowledge. More ecosystem than machine, cyberspace is a bioelectronic environment that is literally universal: It exists everywhere there are telephone wires, coaxial cables, fiber-optic lines or electromagnetic waves.

There is a huge technological change caused by developments in the ‘generic’ technologies such as information technology, biotechnology, materials technology, energy technology, and space technology. We observe very radical innovations in various fields of research.
Technology is, without doubt, one of the most important contributory factors underlying the globalization of economic activities. Technological change is the prime engine of economic globalization.

Internet worked technologies, of which the internet is the most publicly visible form, are turning the world upside down as they achieve critical mass in societies around the world.

Table-1: From Industrial Society to Information Society

<table>
<thead>
<tr>
<th>Timing</th>
<th>Features</th>
<th>Communications</th>
<th>Energy</th>
<th>Key Factors</th>
</tr>
</thead>
<tbody>
<tr>
<td>First</td>
<td>Industrial revolution</td>
<td>Canals, roads</td>
<td>Water power</td>
<td>Cotton</td>
</tr>
<tr>
<td>1780's - 1840's</td>
<td>Steam power and railways</td>
<td>Railways (iron), telegraph</td>
<td>Steam power</td>
<td>Coal, iron</td>
</tr>
<tr>
<td>Second</td>
<td>Electricity and steel</td>
<td>Railway (steel) telephone</td>
<td>Electricity</td>
<td>Steel</td>
</tr>
<tr>
<td>1840's - 1890's</td>
<td>Steam power and railways</td>
<td>Railways (iron), telegraph</td>
<td>Steam power</td>
<td>Coal, iron</td>
</tr>
<tr>
<td>Third</td>
<td>Mass production</td>
<td>Highways, radio &amp; TV, airlines</td>
<td>Oil</td>
<td>Oil, plastics</td>
</tr>
<tr>
<td>1890's - 1940's</td>
<td>Micro-electronics &amp; computer networks</td>
<td>Digital networks</td>
<td>Gas/oil</td>
<td>Micro-electronics</td>
</tr>
<tr>
<td>Fourth</td>
<td>Micro-electronics &amp; computer networks</td>
<td>Digital networks</td>
<td>Gas/oil</td>
<td>Micro-electronics</td>
</tr>
<tr>
<td>Fifth</td>
<td>Micro-electronics &amp; computer networks</td>
<td>Digital networks</td>
<td>Gas/oil</td>
<td>Micro-electronics</td>
</tr>
<tr>
<td>1990's - ??</td>
<td>Digital networks</td>
<td>Gas/oil</td>
<td>Oil, plastics</td>
<td>Micro-electronics</td>
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</tbody>
</table>


Increasingly, networks are reshaping the way people live, communicate, and work. Those same technological changes that are transforming the business world and civil society will also revolutionize the way government does its business and the very nature of public life.

Information and communication technology (ICT), especially the Internet, is transforming the world into a network economy, which means not only electronic commerce but also a new global economic order. The network economy affects a
vast array of enterprises, governments and other stakeholders. It challenges basic assumptions about business in the old economy, accelerates the process of economic globalization and deepens international economic integration, changing fundamentals and infiltrating all aspects of the world economy.

Today's great challenge is to understand and develop the new economy, and to prepare for the emerging network economy. Every country wants to see its public and private sectors, and even individual citizens, well equipped to thrive in the new century and to enter the new millennium.

The network economy offers opportunities as well as risk for developing countries. (Castells, 1997.) It has the potential to accelerate economic and social development, narrow the poverty gap, and eliminate geographical obstacles to prosperity. But it can also marginalize countries, leaving them in a low-income poverty trap. While the network economy and economic globalization have attracted capital, technology and new markets to some developing countries and to some groups within those countries, they have also brought increased uncertainty, including the risk of financial turmoil, economic crises, weakened state structures, loss of government sovereignty, and more inequalities in the distribution of income, any one of which can exacerbate social instability.

In general all countries benefit from science and technology – in vaccines, antibiotics, and better seeds and fertilizers. But many new technologies are too expensive for widespread application in poor countries. Poor countries – and poor people – suffer not only because they have less capital than rich countries. They also suffer because they have less scientific and technical knowledge. There is a “knowledge gap” and also “digital gap” between developed countries and developed countries. (World Bank, 2000:257.)

**Ecological Change**

One of the important developments in the world is due to ecological change. (See. Figure-4.) Economic, technological and social changes are putting increasing pressure on the world’s environmental resources. Much of the world’s biological diversity is in the developing nations and it is estimated to be disappearing at 50 to 100 times natural rates. Wetlands and forests are being lost at 0.3 to 1 percent a year. Greenhouse gas emissions are growing strongly with increasing activity. (World Bank, 1999:109.)
As a result of these changes, many governments are adopting policies for the sustainable development that is development that preserves the opportunities for well-being of both current and future generations.

Today, global concerns have acquired a new urgency. Climate change, the loss of biodiversity, and other issues related to the global commons are slowly being recognized as problems that the community of nations must take on collectively.

Climate change is perhaps the most serious global environmental problem the world face. The Intergovernmental Panel on Climate Change advises that, if greenhouse gas emissions continue to rise, by the year 2100 average global temperatures will have risen by between 1 and 3.5 degrees centigrade. This will cause sea levels to rise perhaps up to a meter over the same period, trebling the number of people at risk from flooding from 46 million now to 118 million.

![Figure 4. The Ecological Change Dynamics](image)

Climate change is likely to have a significant adverse effect on areas of the natural world and human society, affecting eco-systems, human health, water resources,
agriculture and forestry. The impacts will be felt by all of us, but developing countries and some of the poorest within them could be hit particularly hard.

The Governments now recognize that climate change is a global problem and one which requires a global solution. Developed countries have been responsible for the majority of emissions to date and have a moral obligation to take the lead in reducing emissions. That is why many countries on course to meet the emission targets set so far, is in the forefront of those pressing for significant reductions in emissions to be agreed by developed countries at Kyoto.

There have been two international agreements to reduce emissions of greenhouse gases, in Rio in 1992 and in Kyoto in 1997. The Kyoto convention made an important step forward in trying to ensure efficiency in reducing emissions.

The evidence on biodiversity loss is also growing. The major causes of biodiversity loss are modern farming techniques, deforestation, and the destruction of wetland and ocean habitats, all of which are closely linked to development activities. (World Bank, 1999:42.)

In brief, ecological change in the world have important side effects. Neglecting the global environment would eventually jeopardize all sustainable development objectives.

Demographic Change

Besides economic, political, technological and ecological change trends, there is also a demographic change. (See. Figure-5.) A main feature of society is it's demographic make up, including, for example, population size, age and race/ethnic breakdown, and urbanization. We review here some of the major trends in these characteristics.( Shackman, Wang, Liu. 2002.; Shackman, Wang, Liu. 2002.; Shackman, Liu Wang. 2002.; Gelbard, Haub and Kent, 1999; Kinsella and Velkoff, 2001.)

First of all, demographic change is important, because it has significant effects. In underdeveloped countries, the rate of population growth is high; but, the life expectancy at birth is low as opposed to the developed countries. Knowing and analyzing demographic change is important for evaluating the welfare of citizens, assessing the productive capacity of its economy, and estimating the quantity of goods and services that will be needed to meet future needs.

The population growth rate is a key demographic change in the world. The second half of the twentieth century has seen unprecedented changes in the size, structure
and setting of the world's population. In 1945, the population of the world, at 2.3 billion. Since then, it has more than doubled to 5.8 billion. It could easily reach 9 billion by 2045, representing a quadrupling within 100 years. Ninety-five percent of the current growth is in developing countries, least well-equipped to cope with the consequences. This presents immense challenges for all concerned with reducing poverty.

Relatedly, the aging of the population is another major trend. The population age 65 and older is increasing at an unprecedented rate, both in developed and developing countries, and expected to continue to increase well in the coming years. The increase is occurring more in developing countries, though. Related trends are that public pension take a large part of GDPs, that disability rates are more likely to be a problem in developing states than in developed states, and that in most countries, there are more elderly women than elderly men.

The world is also both younger and older than ever before. Today, half the population in developing countries is under 23 years old. Life expectancy in 1945 was 45 years; it is now about 65, the highest ever, and by 2045, it is estimated it will be 76. By 2020, two thirds of the world's elderly people will be in developing countries.
A further dimension of the demographic change has been the increasing urbanization of the world's population. (Brockerhoff, 2000.; Eighty-four per cent of urban growth since 1970 has been in the developing countries, a proportion which continues to increase. It is estimated that about two-thirds of world population will be living in the urban areas by 2025.

More than half of the world's population are now for the first time in history living in towns and cities. For most poor people, urban environment problems such as air pollution, poor sanitation and contaminated water are major concern. In many cases, the infrastructure to tackle these problems either does not exist or ignores their needs.

Rapid urbanization has social and political implications. The institutions, social capital, and politics that served a stable, dispersed rural population do not transfer well to cities. The moral economy of a hierarchical rural society, which provided a measure of insurance against risks is not valid in big cities anymore and needs to be replaced by urban safety nets. (World Bank, 1999:48.)

While some cities may manage the growth process well, some of the concerns are about the threat of increasing morbidity and mortality, depletion of nonrenewable natural resources, and increasing urban poverty and inequality, with consequent weakening of the state, civil unrest, urban-based revolutions, and radical religious fundamentalism.

International migration is also a long-standing phenomenon in the changing world. It can be driven by, for example, disasters, conflict and the persecution of minorities, and economic factors. The pressures of a growing population combined with the fragile environments of many poor countries has increased migration as people leave their homelands no longer able to gain a secure livelihood because of drought, soil erosion, desertification and other environmental problems. At the beginning of the 21st century, it is estimated that more than 130 million people live outside the countries of their birth, and that number has been rising by about 2 percent a year. Each year between 2 million and three million people emigrate to especially developed countries.

Cross-border migration combined with the “brain drain” from developing countries to industrial countries, is one of the major forces shaping the landscape of the world.

Migration can have both positive and negative effects on development. Migrants may meet critical labour needs in the receiving country. Many send home
remittances which are a very important source of foreign exchange for a number of countries. However, a brain drain may slow development in the sending country and the social fabric is weakened by family break-up. In the short term, sudden disorderly large-scale migration flows frequently the case for refugee movements can make social and economic integration difficult, and can impact adversely on receiving countries.

**Socio-Cultural Change**

As a result of globalization, there are socio-cultural shifts toward far more diversity and fragmentation of values, life-styles, and tastes. The major social and cultural changes are: (See. Figure-6.)

- Nationalism versus internationalism.
- Secularization versus fundamentalism
- Individualism and social exclusion
- Urbanization etc.

![Figure 6. The Socio-Cultural Change Dynamics](image-url)
The effects of social and cultural change can be summarized as follows: (Castles, 1999.)

- Social change or transformation affects all types of society in both developed and less-developed regions, in the context of globalisation of economic and cultural relations, trends towards regionalisation, and the emergence of various forms of global governance.

- Globalisation is leading to new forms of social differentiation at the international and national levels. Polarisation between rich and poor, and social exclusion are problems affecting most countries as well as the relations between them.

- The issue can no longer be defined in terms of development, since it is now longer possible to draw clear lines between developed and underdeveloped areas, nor to put forward a universally-accepted goal for processes of change.

- Studying social transformation means examining the different ways in which globalising forces impact upon local communities and national societies with highly-diverse historical experiences, economic and social patterns, political institutions and cultures.

- Any analysis of social transformation therefore requires analysis both of macro-social forces and of local traditions, experiences and identities.

- The response to social transformation may not be adaptation to globalisation but rather resistance. This may involve mobilisation of traditional cultural and social resources, but can also take new forms of ‘globalisation from below’ through transnational civil society organisations.

3. III. CONCLUSION

This paper has discussed the new change trends and dynamics that shape the new world order. In order to understand the challenges, opportunities and threats that we all face, we need to understand the change trends and dynamics first. There are great advantages as well as disadvantages of these ongoing change dynamics. Resisting change is not an option even, because no single actor(s) or countr(ies) are able to alter the winds of change.

The best strategy for all micro and macro actors would be trying to understand the new trends first and then to get benefit from all opportunities and get rid of all threats as much as possible.
References


