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ЭКОНОМИЧЕСКАЯ ГЛОБАЛИЗАЦИЯ

Аннотация: в данной статье рассматривается процесс глобализации экономики, как глобальные цепочки создания стоимости связаны с глобализацией, как глобализация повлияла на занятость.

Ключевые слова: экономическая глобализация, глобальные цепочки создания стоимости, прямые иностранные инвестиции.

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ECONOMIC GLOBALIZATION

Abstract: this article discusses the globalization of the economy, How global value chains connect to globalization, how globalization has impacted employment.

Keywords: economic globalization, global value chains, foreign direct investments

Economic globalization, generally speaking, is the process of growing national economies' global connectivity, primarily through trade and financial flows. Trade in goods and services, capital transfers, the exchange of assets (such as money and stocks), the transfer of technology and ideas, and international labor or migration flows are all aspects of economic globalization. There have been numerous instances of economic globalization, according to some scholars.According to academic research, the most recent wave of economic globalization began some time in the decades that followed World War II. Global commerce as a share of GDP grew from 25% to 60% between 1960 and 2019. In the years following World War II, global trade generally expanded more quickly than GDP (though this trend has not held in recent years). As a percentage of global GDP, foreign direct investment (FDI) increased from 6% in 1980 to 42% in 2019. Numerous technological developments in communication and transportation have greatly lowered the physical distances that currently divide economies, which has enabled the international economy's rising integration. Additionally, since World War II, domestic and multilateral policies have steadily reduced man-made barriers to international trade (such as tariffs, quotas, subsidies, immigration regulations, and capital controls). Despite the fact that the majority of economists claim that globalization has raised living standards everywhere, there is still disagreement over whether and to what extent greater economic integration has been inclusive, benefited some groups more than others, and increased inequality between nations [1].

What are global value chains and how do they relate to globalization?

Global value chains (GVCs) allow businesses to strategically organize different parts of their value chain by breaking down production processes into discrete stages in different parts of the world to achieve efficient production, such as locating in a target customer's home market or a competitor's base.

Companies have increasingly organized international trade around global value chains since the 1990s, spurred by trade liberalization through free trade agreements (FTAs), the founding of the World Trade Organization (WTO), developments in services, and technology [2].

Each year, more than two-thirds of global trade is performed through GVCs, signaling a change in the way that trade and commerce are conducted as intermediate products and services trade outpaces trading in raw materials and final items. Recent occurrences have brought to light the potential hazards and vulnerabilities of GVCs, particularly those confined in a certain region or dependent on a single supplier, despite the fact that GVCs are becoming more prevalent in the global economy.

The Coronavirus Disease 2019 (COVID-19) pandemic and other policy-driven situations have demonstrated how GVC ties integrate and generate dependency amongst economies, leaving businesses exposed to outside shocks, such as disruptions in other nations.

Interdependence can also result in broader economic growth and improved ties between nations. Although there are many advantages to employing GVCs, there are also hazards and additional expenditures involved.

Companies may rethink their business models and aim to incorporate redundancies for resilience, concentrate more on shorter local or regional value chains, and/or (use emerging technology to lower and diversify risks and costs in order to mitigate risks and vulnerabilities.

Depending on the location and accessibility of suppliers and customers as well as domestic and international trade and investment rules, these shifts are likely to vary across industry sectors.

Foreign direct investment (FDI) is regarded as one of the main drivers of commerce, and trade and investment flows complement one another. A resident of one country (including a firm) acquiring a long-term stake in and some degree of control over the administration of a business entity in another country is known as foreign direct investment (FDI). Multinational firms (MNCs), which source production internationally, have used FDI to foster the creation of global value chains. As a result, the majority of trade occurs within MNCs, which ship components to and from sites both domestically and internationally to be assembled into finished goods. Selling goods and services to overseas markets is a major factor why American businesses invest abroad. Many businesses desire to keep local operations so they may monitor customer preferences and tastes that may differ from those of American consumers (e.g., SUVs preferred in the United States versus small cars in Japan). The most recent information available on the operations of American multinational corporations shows that in 2018, 12% of the sales of American foreign affiliates went to American parent companies, while 58% of the sales went to the host country's local market and 30% went to other foreign countries. To replace exports or production, acquire access to raw materials, or hire less expensive labor elsewhere, some businesses may also open offices abroad.

How does globalization affect jobs?

Market disruption may result from increased global trade and investment movements, as well as specialized production processes.

The shifting of manufacturing and commercial operations to nations with cheaper labor costs, sometimes known as "offshoring" or "outsourcing," may raise difficulties as a result of this disruption.

For instance, certain U.S. multinational corporations (MNCs) concentrate on high-end operations related to developing products in the United States, such as research and development (R&D), while contracting with suppliers and sites abroad for the production of components and final product assembly.

Although the majority of economists believe that trade liberalization and globalization are unlikely to have an impact on the overall level of employment in the United States, increased volatility in American worker incomes and employment in specific industries are potential consequences.

Another concern is how globalization affects income distribution, for instance by lowering salaries for lower-skilled American workers who face more overseas competition than higher-skilled workers or by increasing capital returns over labor.

According to the findings of one study by the OECD, "in advanced economies, at least 10% of the decline of the labor share [in total national income] is attributable to increasing globalization—and in particular, to pressures from the delocalization of some parts of the production chain as well as from import competition from firms producing in countries with low labor costs."

Numerous studies indicate that globalization has only slightly increased pay disparity in the US, by a factor ranging from 10% to 20% [2].

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