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HOW GLOBALIZATION AFFECTS ON THE DEVELOPED COUNTRIES?

***Annotation:** Globalization is a phenomenon that has been rapidly gaining momentum over the past few decades, transforming the way that countries all around the world interact and trade with one another. While there are many aspects to this complex process, one of the most interesting questions that arises is how globalization affects the developed countries of the world. In this essay, I will explore some of the ways in which globalization has impacted these countries, both positively and negatively.*

***Key words:** globalisation, economics, development, prosperity, company.*

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КАК ГЛОБАЛИЗАЦИЯ ВЛИЯЕТ НА РАЗВИТЫЕ СТРАНЫ?

***Аннотация:** Глобализация - это явление, которое быстро набирает обороты в течение последних нескольких десятилетий, трансформируя способы взаимодействия стран по всему миру и торговли друг с другом. Хотя*

у этого сложного процесса много аспектов, один из наиболее интересных вопросов, который возникает, заключается в том, как глобализация влияет на развитые страны мира. В этом эссе я рассмотрю некоторые из способов, которыми глобализация повлияла на эти страны, как положительно, так и отрицательно.

Ключевые слова: *глобализация, экономика, развитие, процветание, компания.*

Globalization forces businesses to adapt to various strategies based on new ideological trends that are aimed at balancing the rights and interests of both individuals and society as a whole. These changes allow the business to withstand global competition, and also mean a significant change for business leaders, employees and managers, which consists in the legislative approval of the participation of workers and the state in the development and enforcement of company policies and strategies. Risk reduction through diversification can be achieved through the company's participation in international financial organizations and partnerships with both local and international businesses.

This phenomenon seems to be driven by three main forces: the globalization of all commodity and financial markets, technology, and the easing of government regulation. The globalization of commodity and financial markets implies an increase in economic integration and economies of scale, which lead to an increase in the provision of financial services due to capital flows and cross-border activities. The technology factor, especially the availability of telecommunications and information, facilitated remote deliveries and provided new channels of access and distribution, while at the same time modernizing industrial structures for financial services, providing access to non-banking organizations such as telecommunications and utilities.

First and foremost, one of the most visible effects of globalization on the developed world has been the proliferation of outsourcing and offshoring. As

companies seek to reduce costs and improve efficiency, they have increasingly turned to low-wage countries in Asia and elsewhere to perform manufacturing and other labor-intensive tasks. While this has undoubtedly had a negative impact on some workers in developed countries who have lost their jobs and seen their wages decline, it has also helped to lower the cost of goods and services for consumers, boosting overall economic growth and reducing inflation.

Another major impact of globalization on the developed world has been the rise of international trade and investment. As barriers to trade and investment have been eliminated or lowered, companies from developed countries have been able to tap into new markets and opportunities around the world. This has helped to drive economic growth, create jobs, and increase prosperity for many people in these countries. At the same time, however, globalization has also resulted in increased competition from foreign firms, which can put pressure on domestic companies to innovate and improve their products and services.

A third way in which globalization has affected developed countries is through the flow of people and ideas across borders. As more and more people migrate from one country to another, they bring with them new cultural influences, ideas, and perspectives. This can have both positive and negative effects, depending on the context. On the one hand, it can lead to increased diversity, creativity, and innovation, as people from different backgrounds come together and share their knowledge and experiences. On the other hand, it can also lead to cultural clashes and tensions, as people struggle to adapt to new ways of life and protect their own identities and traditions.

In the global economy, a company's strength lies in its ability to manage both tangible and intangible assets, ensuring customer loyalty regardless of their location. Regardless of size or geographical location, a company can meet the standards of globalization and connect to global networks, succeed and act as a world-class thinker, manufacturer and trader using its greatest assets: their concepts, competence and connections.

Like any economic strategy, globalization has its advantages and disadvantages. To begin with, consider the advantages:

1. Trade between countries using comparative advantage stimulates growth, which is attributed to a strict correlation between the openness of foreign trade flows and the impact on economic growth, and economic indicators;
2. Foreign direct investment has a positive effect on economic growth in rich countries. The result of increased trade and foreign direct investment is higher growth rates.

The harmful effects of globalization are as follows:

1. Free trade can contribute to an increase in production costs and labor costs due to higher wages of more skilled labor;
2. Domestic industries in some countries may be at risk due to the comparative or absolute advantage of other countries in certain industries;
3. Excessive use and abuse of natural resources to meet new, higher requirements in the production of goods.

After analyzing the above information, we can create a logical conclusion. One of the potential benefits of globalization is to provide opportunities to reduce macroeconomic volatility in production and consumption through risk diversification. General data on the impact of globalization on macroeconomic volatility in production volumes show that although the direct effect in theoretical models is unclear, financial integration helps to diversify the national production base and leads to increased specialization in production. However, specialization of production based on the concept of comparative advantage can also lead to higher volatility in certain sectors of the economy. Over time, successful companies, regardless of their size, will remain the only participants in the global economy.

In conclusion, globalization has had a profound impact on the developed countries of the world, both in terms of positive and negative effects. While it has undoubtedly created many new opportunities for trade, investment, and cultural exchange, it has also brought with it many challenges and risks. As we continue to

navigate the complexities of this global process, it is important to remain mindful of both the benefits and the costs, and to work together to create a more fair, sustainable, and equitable global system for a

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