**HOW GLOBALIZATION AFFECTS DEVELOPED COUNTRIES**

**КАК ГЛОБАЛИЗАЦИЯ ВЛИЯЕТ НА РАЗВИТЫЕ СТРАНЫ**

Таукчи А.А.
Научный руководитель: ст. преподаватель Дерман И. Н..
Белорусский национальный технический университет

The concept of globalization began to be born with great speed when people began to settle in various regions of our planet. Recently, this concept has gained significant progress and has become an international dynamic. Over time, globalization has increased in speed and scale, thereby affecting the countries of all five continents of our planet.

Globalization compels businesses to adapt to different strategies based on new ideological trends that try to balance rights and interests of both the individual and the community as a whole. This change enables businesses to compete worldwide and also signifies a dramatic change for business leaders, labor and management by legitimately accepting the participation of workers and government in developing and implementing company policies and strategies [1].

Globalization is defined as a process that, based on international strategies, aims to expand business operations on a worldwide level, and was precipitated by the facilitation of global communications due to technological advancements, and socioeconomic, political and environmental developments [2].

The goal of globalization is to provide organizations a superior competitive position with lower operating costs, to gain greater numbers of products, services and consumers. This approach to competition is gained via diversification of resources, the creation and development of new investment opportunities by opening up additional markets, and accessing new raw materials and resources. Diversification of resources is a business strategy that increases the variety of business products and services within various organizations. Diversification strengthens institutions by lowering organizational risk factors, spreading interests in different areas, taking advantage of market opportunities, and acquiring companies both horizontal and vertical in nature [3].

The components of globalization include GDP, industrialization and the Human Development Index (HDI). The GDP is the market value of all finished goods and services produced within a country’s borders in a year, and serves as a measure of a country’s overall economic output. Industrialization is a process which, driven by technological innovation, effectuates social change and economic development by transforming a country into a modernized industrial, or developed nation. The Human Development Index comprises three components:

a country's population's life expectancy, knowledge and education measured by the adult literacy, and income. The degree to which an organization is globalized and diversified has bearing on the strategies that it uses to pursue greater development and investment opportunities [4].

The economic consequences of globalization are causing great damage to developed countries. Business is forced to adapt to strategies based on the balance of human rights and interests and society as a whole. This strategy allows firms and enterprises to have competitive relationships around the world. It also allows employees to participate in the development of strategies and policies of the company. The interaction of companies with international financial institutions and international markets will allow the company to reduce risks through diversification. Globalization brings reorganization at the international, national, and sub-national levels. Specifically, it brings the reorganization of production, international trade, and the integration of financial markets. This affects capitalist economic and social relations, via multilateralism and microeconomic phenomena, such as business competitiveness, at the global level. The transformation of production systems affects the class structure, the labor process, the application of technology, and the structure and organization of capital. Globalization is now seen as marginalizing the less educated and low-skilled workers. Business expansion will no longer automatically imply increased employment. Additionally, it can cause a high remuneration of capital, due to its higher mobility compared to labor.

Beneficial Effects also present in the concept of globalization. Some economists have a positive outlook regarding the net effects of globalization on economic growth. These effects have been analyzed over the years by several studies attempting to measure the impact of globalization on various nations' economies using variables such as trade, capital flows, and their openness, GDP per capita, foreign direct investment (FDI), and more. These studies examined the effects of several components of globalization on growth using time-series cross-sectional data on trade, FDI, and portfolio investment. Although they provide an analysis of individual components of globalization on economic growth, some of the results are inconclusive or even contradictory. However, overall, the findings of those studies seem to be supportive of the economists' positive position, instead of the one held by the public and non-economist view. Trade among nations via the use of comparative advantage promotes growth, which is attributed to a strong correlation between the openness to trade flows and the effect on economic growth and economic performance. Additionally, there is a strong positive relation between capital flows and their impact on economic growth. One of the potential benefits of globalization is to provide opportunities for reducing macroeconomic volatility on output and consumption via diversification of risk.

Globalization as a phenomenon has its own harmful consequences. As many non-economists believe, the costs associated with globalization will outweigh the benefits in the short term. Less rich industrialized countries may not have as pronounced a beneficial effect of globalization as richer countries, measured GDP per capita, etc. Although free trade expands opportunities for international trade, it also increases the risk of failure for small companies that cannot compete globally. In addition, free trade can lead to increased production and labor costs, including higher wages for more skilled labor, which again can lead to the outsourcing of jobs from countries with higher wages. One of the dangerous consequences is the excessive use of natural resources and the abuse of these resources. In the modern world, due to the advantages of other countries in specific industries, domestic industry in some countries is becoming threatened.

Summing up the results on the topic under consideration, we can say that at present, it is impossible to say for sure whether the process of globalization has a positive or negative development. In the course of the work, it can be concluded that global cooperation based on the creation of formal or informal international institutions is an important mechanism for solving the problems generated by the process of globalization. With its help, it is possible to achieve stability in a globalized world, achieve economic growth everywhere, control the labor market, accelerate the development of the poorest states, as well as solve the problems of globalization that are non-economic in nature.

## Литература


1. Козлова А.С. Особенности влияния глобализации на страны с различным уровнем развития // Бизнес и общество: электронный журн. 2017. № 4 (16). [Электронный ресурс] URL: http://busines-society.ru/2017/num-4-16/22_kozlova.pdf (дата обращения: 23.03.2022)
2. Bogatenko, E. R. Positive and negative impacts of globalization on developed countries / E. R. Bogatenko, M. V. Tarasova // Вестник Тульского филиала Финуниверситета. – 2019. – No 1-2. – P. 42-45.
3. Pologeorgis N. A. Investopedia: How Globalization Affects Developed Countries [Electronic resource]. - URL: http://www.delo-angl.ru/ekonomicheskij-anglijskij/kak-globalizaciya-vliyaet-na-razvitye-strany-ekonomicheskaya-statya-na-anglijskom-sperevodom/ (дата обращения: 23.03.2022)
4. Zohari T. S. Digitpro: Globalization and its effects on developing countries [Electronic resource]. - URL: https://www.digitpro.co.uk/2014/02/16/globalization-global-competitions-effect-developing-countries/ (дата обращения: 23.03.2022)