

THE IMPACT OF DEGLOBALIZATION ON GLOBAL LOGISTICS

student Ryzhykh N.A.

scientific supervisor – senior lecturer Slesaryonok E.V.

Belarusian National University of Technology

Minsk, Belarus

In this article I want to examine the concept of deglobalization, which refers to the weakening or decline of globalization. It looks at the factors that determine this process, its impact on global logistics, and the opportunities and challenges it presents for business. The common approach to deglobalization is that it is a “process of diminishing interdependence and integration between certain units around the world, typically nation-states.” In other words, deglobalization would be a call to isolation or to revert from the increasing integration of the world in the nearest future. Deglobalization is the process of weakening or reducing globalization, which began in the 2010s and intensified in recent years. This process is caused by a number of factors, such as the rise of nationalism and protectionism, changes in technological and economic conditions, and political changes in many countries around the world. Deglobalization has a significant impact on global logistics. It causes changes in production and supply chains, increases risks for global corporations, and intensifies competition between national economies [1]. However, it also creates new opportunities for the development of local production and supply, as well as for the development of more sustainable and environmentally responsible logistics systems. One example of deglobalization is “Brexit” - the UK’s exit from the European Union. This has caused changes in the supply chains of many companies, which are now forced to seek new suppliers and markets. This has also led to increased delivery times and logistics costs. Another example is the trade war between the US and China. As a result of the establishment of trade

barriers between these two countries, many companies have revised their production and supply chains. Some companies have decided to move their production to other countries to avoid high tariffs and taxes. The COVID-19 pandemic was another major event that had a major impact on global trade, and consequently on global logistics. This not only isolated suppliers from different countries, but also halted the production of goods, sea and land transportations. However, deglobalization also creates new opportunities for the development of local production and logistics systems. For example, local semiconductor and microprocessor manufacturers have begun to emerge in many countries around the world. This allows companies to produce domestic goods instead of ordering them from abroad. These measures increase the independence of the economy from foreign TNCs.

How can the process of deglobalization affect the market for logistics services in Belarus? Firstly, this is a reorientation of logistics to Eastern countries such as Russia and China. We can already see the results of this shift in trading partners today. In addition, the level of integration of logistics in Belarus into the EAEU system is increasing.

Thus, deglobalization creates new challenges and opportunities for global logistics. Companies must be prepared to adapt to changing conditions and revise their strategies to maintain competitiveness in the new economic reality.

References

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