GLOBALISATION TENDENCIES AND TRENDS TODAY

Ildikó Csapó[1] – Brigitta Szőke[2]- Éva Balázs[3]

Szent István University

e-mail: csapo.ildiko40@gmail.com; szoke.bridget@gmail.com; balazs_eva@hotmail.com

Abstract

In today's developed world there is an increasing emphasis on megatrends that influence the development of our society. Megatrends are effects and processes that strongly determine the future and also the limitations of economy and society, at the same time indicate viable options. An example is globalisation, the catalyst of development, which includes world-wide standardisation and universalisation processes in the economy, society and several other areas of life. Taking these into consideration, and also based on the article titled 'The New Rules of Globalization', which was published in Harvard Business Review, our aim is to present the most important views of globalisation, and its effects on national culture and businesses, including a few paradox effects. We also analyse the trends and directions of foreign investment inflows and regional features. We illustrate transnationalisation based on data of Top 500 and Top 10 international companies. Our ultimate aim is to clarify the definitions and identify the main drivers and effects of internationalisation and its more advanced form: globalisation.

Keywords: globalisation, world economy, transnationalisation, economic sovereignty, FDI,

Introduction

What is globalisation?

The cultural concept of globalisation can be characterised with one single word: multiculturalism (BERGER, 1998). The word *globalisation* comes from *globus* (latin) which means a sphere having both an outer surface and internal content, therefore it refers to processes involving the Earth, the whole globe. According to some definitions globalisation is identified as the process solving nationally insurmountable, 'global' problems that call for collective international cooperation or the process of uniting world society, as well as the development of a certain 'information world society' (SZENTES, 2003). Globalisation can also be interpreted as a series of changes, causing countries and economies become more and more integrated due to transnational economic activity (KANTER & PITTINSKY, 1996). Others identify the concept with the spread of multinational companies. Globalisation can also mean divergence, as face-to-face relationships loosen, traditional communities might break up, while other (virtual) communities are built (CSÁNYI, 2002). László Árvai describes it as "the unification and growth of world economy production and distribution processes, as well as the world's cultural consumption (…) and the growth – with occasional downturns – of the level of goods exchange and division of labour among different regions of the world" (ÁRVAI, 1999).

Where does globalisation come from? Its predecessor is the 13-17th century Hanseatic League, which connected the trading towns of Northern Europe and the Baltic region. Due to the discoveries of the 16th century and the emergence of colonial empires, trading along the Atlantic coast began. The industrial revolution gave another strong impetus to globalisation, which was further strengthened by free trade treaties among the states. It progressed further in the end of the 20th century, owing to the development of the means of communication and telecommunication. “Globalisation is the result of international division of labour, the development of world economy, it is also the manifestation of the processes taking place in modern market economy – contemporary capitalism – and the state-of-the-art international economic integration; therefore it is an asset available for all the operators of world economy” (CSÁKI, 2013b).

According to the International Monetary Fund “the definition of globalisation reflects the growing worldwide economic interaction of states, by which there is an increase in the volume and variation of transactions, in terms of goods and services, international movements of capital, as well as fast and wide-range technology-diffusion” (BLAHÓ et al, 2015).

“Some believe that globalisation means worldwide standardisation, due to which products and services are not adapted to the needs of a particular national market” (BLAHO et al, 2015).

Globalisation is “a complex, multifaceted and contentious phenomenon”, it is the “process of forming an organic system” including more and more countries in the world economy, the deepening of mutual dependences, and the increase of their intensity (SZENTES, 2003).

Cultural (idea) evolution allows the development of global society despite the fact that 6 billion people inhabit the Earth (CSÁNYI, 2002). “Society is the relationship between man and man, man and community, mediated by objectivation. Culture is man’s relationship with objectivations, that is, “the human creation”, the world created and shaped by man. In reality, the different spheres of human life appear in indivisible combination, only human abstraction can set them apart. Setting apart is important for our thinking, however, the spheres have to be constructed” (VITÁNYI, 2002). “Culture involves certain behaviour patterns that can be acquired and passed on through symbols and that are specific to different groups of people; on the other hand, it includes the objectified forms of behaviour, and historically selected ideas and values. Culture, in the first place, is the result of actions; in the second place, it is the fundamental element of further actions” (KROEBER – KLUCHOLN, 1952). It must be remembered that the concepts of culture, civilisation, society and globalisation did not develop simultaneously, since the latter – in today’s sense– was only used in the second half of the 20th century, when the phenomenon became widespread and also grew into one of the largest problems of humanity. “Some have high hopes about the evolution of a global civilisation, they expect that a more peaceful, and, regarding differences, more tolerant world” (GRÜLL, 1998) will be born. At the same time, sceptics are afraid of the world culture evolving into an “airport culture”, where the diverse human civilisation will blend and become vulgarised. It is needless to say that the fear from cultural homogenisation is the strongest in countries with the oldest and most diverse traditions. Preserving cultural identities in the European and global economic and political “pot” is a perfectly justifiable desire, and the relevant concerns are not unfounded” (BERGER, 2000). Cultural globalisation could not be more explicitly expressed as in the multiplication of internationally distributed brands. The icons and products of popular culture proliferate globally and are broadcast simultaneously through satellite channels for millions of people on all of the continents. The main agents of cultural globalisation are large transnational media companies that give rise to the comprehensive system of cultural production and distribution, and which create a global cultural market (BAYER, 2002).

Samuel Huntington, American sociologist, in his book the *Clash of Civilizations and the Remaking of World Order* (1996), differentiates four main processes of cultural globalisation, which occur simultaneously and have a complex relationship. One cultural trend is the global business culture of western (mostly American) origin, often called the "Davos culture", which is becoming more and more widespread in parallel with the development of global economy. Its transmitter is international business life. It is integrated into the lives and values of participants, the fast pace of modern business life takes over business people's family lives and free time as well. Concepts such as costs, profit, profit maximisation make their way from business to private lives (GRÜLL, 1998). The global business and intellectual culture trends evidently have several conflicts of interest. The representatives of this movement are mainly non-governmental organisations, such as foundations, non-profit organisations, or multinational agencies including several UN member organisations (e.g.: UNESCO). The third popular version of global culture was named "McWorld" by Benjamin Barber in his book published in 1995 titled *Jihad vs. McWorld*. "This culture can be described best by the term 'westernisation', since it originates in the west, more precisely in the USA" (GRÜLL, 1998). Last but not least, analysts consider the Evangelical Protestant movement as one of the prominent elements of global civilisation, especially its Classical Pentecostalism movement (which places a heavy emphasis on the Holy Spirit and its central role), which constitutes 80% of neoprotestant denominations worldwide. This dominant trend, the Evangelical Neoprotestant movement and its cultural, economic and political influence is treated in an outdated, antiquated way by both the state authority and traditional churches in Eastern-Europe.

From a scientific point of view, "in the context of the connection between globalisation and culture, the following three characteristic cultural trends need to be emphasised. Firstly, there is the so called *culture-free* trend whose followers believe that technological development undermines cultural differences and strengthens convergence. Second is the *culture-bond* movement, according to which local culture should be taken into consideration when applying different management techniques. Finally, the third group is the *interculture* movement whose followers claim that convergence and divergence co-exist" (BLAHO. et al, 2015).

The culture-bond movement highlights ethnocentrism, which states that the individual ethnicity or the ethnic group itself has a central role that acts as a point of reference for evaluating all the other groups' activities, behaviour, values, etc. Its special type is cultural ethnocentrism, which means that representants of a certain culture regard themselves as superior to others.

Materials and methods

Our primary aim was to prepare a quantitative research (questionnaire) to examine what the adult population in Hungary expect from globalisation. We applied the method of quota sampling. Literature overview, definitions, the drivers, advantages and disadvantages of globalisation, as well as the brief analysis of transnational companies' data were used for the survey. The questionnaire has been developed, piloting is happening now. In December 2017 the questionnaire will be distributed and then, in the first half of 2018, data will be clarified, analysed and evaluated.

Results and discussion

The drivers of globalisation

Globalisation, encompassing world-wide standardisation and universalisation processes, is the catalyst of development (SZŐKE et al, 2016). Its „most important drivers are the following:

• breaking down the barriers of capital flow that would hinder FDI (foreign direct investment) activities becoming global;

• liberalization of domestic markets and significant reduction of trade barriers (e.g.: tariffs) accompanying phenomena of globalisation;

• evolution of global capital markets as a new phenomenon in modern business world;

• development of a worldwide network of information and communications technologies;

• increasing interconnectedness of international financial markets;

• international spread of liberal economic policies favouring market mechanisms," (BLAHÓ et al, 2015).

Globalization – advantages and disadvantages

The concept of globalisation is highly controversial today. According to Csáki, globalisation has a positive welfare effect not only for capital exporting countries, but also for capital importing ones –, however, advantages are fewer for importing countries than for investor transnational companies (CSÁKI, 2013b):

Table 1. Effects of globalisation

ADVANTAGES	Disadvantages
Investment inflow	Local level de-industrialisation
New jobs	Profit repatriation
New technologies	Global bargaining power of multinational companies
New management methods	

Source: Blahó A. et al,(2015)

Based on Blahó's work the following section comprises a summary and some additional thoughts on the advantages and disadvantages considered as most important in relevant literature.

Advantages (for the recipient country) - Foreign Direct Investment (FDI)

There are two main types of FDI inflow: *a)* non-ownership capital flow (different forms of international lending and non-repayable international grants); *b)* ownership capital flow (international investments, for example, setting up a new company, acquisition of an existing company, or lending or capital increase from parent company to foreign subsidiary) (ÁRVAI, 1995).

According to the OECD a foreign investment qualifies as FDI if it acquires minimum 10% ownership and governance rights in a domestic company and the following criteria are simultaneously met:

• representation in Management Board;

• participation in decision-making;

• financial relationship between foreign and domestic companies;

• shared management by managerial personnel;

• mutual sharing of technical information;

• granting long-term loans to each other at below market interest rate (OECD, 2016).

Positive effect on the balance of payment – Transnational (TNC) and Multinational (MNC) big companies emerging

After the Second World War American multinational companies dominated the FDI market, but European and Japanese companies also played an important role. Bank investments into industrial production enhanced the efficiency and fast growth of businesses and sped up international trade.

It is without doubt that capital recipient countries are highly dependent on transnational and multinational companies starting business in more and more countries as a result of globalisation. There might be some overlap between the two concepts, but they refer to different business types. When the owners of the company are from different countries, we mean multinational companies. According to Dunning (2008), transnational companies (hereinafter: TNC) engage in FDI and they have ownership or governance over a defined percentage of their share capital in more than one country, therefore their investments and operations influence more than one national economy. A definite percentage of their share capital comes from a given country, their business policy is centred around global optimisation of overall company operation; thus the company creates value during production. Trans- and multinational companies are possibly the most preferred financers of current account deficits.

Increasing employment

TNCs are giant employers. "In the developed countries of the western world the rate of employees working for foreign companies is 5-6% - with the exception of Ireland (50%) and New-Zealand (25%). In Eastern European countries this rate is 6-8%, whereas in three countries of the Visegrad Group – Slovakia (30%), Hungary (22%) and Czech Republic (16%) – the percentage is higher" (BLAHÓ et al, 2015).

These companies establish subsidiaries, production, serving and assembly units in different countries. When low-cost labour is the main motive to start a subdivision, it will be located in the area with the cheapest workforce. When expertise is the major criterion, the location will be selected based on the availability of workforce with appropriate skills and qualifications. The main purpose is the efficient operation of the company and to produce maximum profit.

Spread of modern production and management techniques and methods

FDI inflow is accompanied by the emergence and spread of new production/service technologies, as well as new management techniques and methods in recipient countries. The subsidiaries of multinationals not only introduce up-to-date technologies, but they also establish and exercise modern management know-how. In relation to globalisation G. Hofstede (1991) says that management methods are universal, but they must be adapted to the requirements of the specific national culture.

The term "fourth industrial revolution" (i4.0) was introduced at the Hannover Fair in 2011. It refers to the change in production and manufacturing processes with the use of information communications technologies within the network, enabling fast information sharing in order to optimise production processes. Physical aspects of technological changes include self-driving vehicles, memory alloys, self-healing and self-cleaning intelligent materials, 3D printing and state-of-the-art robotics. Artificial intelligence and automated learning create the link between the physical and digital sides of technological inventions. The i4.0 affects the social and economic environment, the business sphere, governments and employment alike.

Positive budgetary impacts (taxes and contributions)

Transnational companies – through their subsidiaries – are advantageous for the host country. For example, these companies are significant taxpayers, and, since they play an important role in employment, they have other beneficial budgetary impacts, both directly (PIT – personal income test, contributions) and indirectly (by increasing purchasing power, consumption-based tax payments also increase).

Convergence

Emerging markets often owe their economic and technical success to globalisation, which gives developing countries the opportunity to catch up with the developed centre of world economy.

Evidently, globalisation does not only have positive effects. Negative impacts can mainly be experienced in the areas of social welfare and security.

Disadvantages - Increasing inequalities (between and within countries)

World-scale processes deepen both international inequalities and inequalities within countries. Poorer classes become outcast, therefore they have less access to economic and technical innovations. Unemployment emerges, and small businesses go bankrupt while competing against multinational companies. The social safety net could get damaged; the upkeep of welfare institutions becomes harder or harder, or totally impossible. It is proven that the gap between developed and underdeveloped countries has widened over the course of the last few decades. It has been argued that globalisation has taken the wrong path, as it only increases the wealth of the international financial oligarchy.

Increasing corporate uncertainty

"Rapid changes and the global co-dependency of national economies significantly increase corporate uncertainty in business life. Some authors emphasise that there are few products that are truly appropriate for world-wide globalisation. What is more, even today, there is no clear trend in exploiting the possibilities globalisation presents (POÓR & FARKAS, 2001)."

Decreasing employment

One of the previously mentioned advantages of globalisation was increasing employment rate. The purpose of working capital investment is to minimise production costs, which entails the relocation of production and employment to developing economies. Advanced technology, though, eliminates this kind of competitive advantage; therefore, certain jobs become obsolete and might completely disappear. This change has an extremely strong impact on economies relying on labour-intensive production. According to the World Economic Forum's (WEF, 2016) report titled 'Future of Jobs', the changes in the labour market will increase productivity and create an even wider skills gap. These changes will enhance job loss and the disappearance of jobs at a higher rate than new jobs creation. According to the study, in the 15 most advanced industrial countries job losses will amount to 7.1 million altogether by 2020, whereas 2 million jobs will be created. The 5 million job losses will occur in financial, healthcare and energy service sectors. New jobs will emerge in business services sector, since robotisation will create a demand for highly qualified IT, engineering and ICT experts. Jobs requiring the use of ICT tools will affect not only the types of labour, but also the type of jobs: it will promote flexible forms of employment (WEF, 2017). Although changing production methods will cause disruptions at workplaces, businesses and factories will have new opportunities to increase their efficiency and productivity. By using digital technologies, businesses will be able to introduce newly developed products and innovations to the market. A disadvantage of digitalisation is growing energy-consumption, thus the key topics of related research are sustainability, increasing energy-efficiency, and the more wide-spread use of green technologies and renewable energy resources (WEF; 2016b).

Limiting the sovereignty of national economies

While globalisation limits the sovereignty of national economies, "the objective should not be to keep sovereignty in a traditional sense, since – from an economic point of view – it is not reasonable to stick to. It is important, though, that integration into global business networks and value chains must provide sufficient welfare conditions for the economy. (CSÁKI, 2013b)."

Market distortion – state intervention (aid)

"A conflict of interests between TNCs and capital importing countries can manifest in the form of strong assertion of TNC interests and strong economic policy pressures to enforce the support of development – most importantly investment (CSÁKI, 2013b)."

The dominance of state capitalism can distort market dynamics, and consequently has a negative effect on globalisation. Thus, it is of utmost importance that multi- and transnational companies design an appropriate market entry strategy that is in line with the given government's policies, for example, in terms of the production of goods not favoured by the government. Occasionally, particular companies and countries might develop partnerships. For instance, the Chinese government increased the quota of imported foreign films in 2012, and as a result, local investors gave 20% support for a German company. General Electric – a multinational company providing technological and financial services– is involved in several dozen investments in the different sectors of the Chinese economy. Certain African countries launch programmes in infrastructure for foreign companies. A few countries such as Nigeria, Kenya, Ghana, in the lack of local technical or economic expertise, rely on western private investors that can provide the needed technology (BREMMER, 2014).

Falling behind (countries not involved in globalisation)

"Countries that cannot adapt to the globalisation of world economy may fall behind (CSÁKI, 2013b)." Foreign capital is an organic part of economic systems, and it is a prerequisite for a dynamically developing country and competitiveness.

Table 2. The effects of globalisation

ADVANTAGES (recipient country)	Disadvantages
Foreign direct investment (FDI)	Local level de-industrialisation
Positive effect on the balance of payment – Transnational (TNC) and Multinational (MNC) big companies emerging	Profit repatriation

Increasing employment	Global bargaining power of international companies
New management techniques and methods	Increasing inequalities (between and within countries)
New technologies	Increasing corporate uncertainty
Positive budgetary impacts	Decreasing employment
Convergence	Limiting the sovereignty of national economies
	Market distortion (state intervention)
	Falling behind (countries not involved in globalisation)

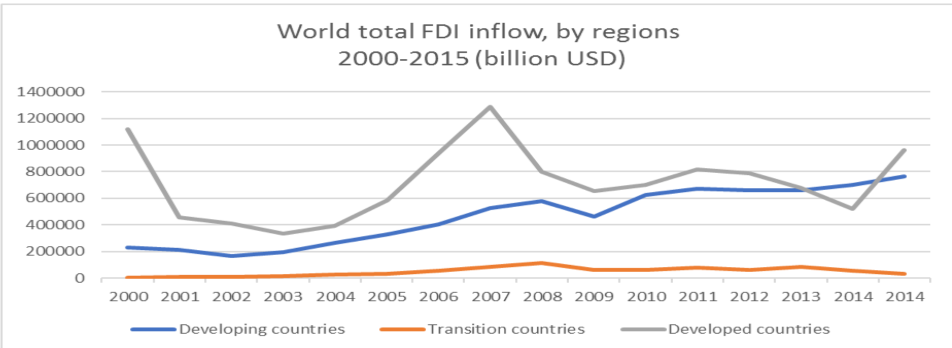
Source: Authors' own compilation based on Blahó et al, 2015

Capital flow in details

Capital flow gained momentum at the beginning of the 80s, when its volume started to rise significantly. However, the mid-80s brought not only quantitative changes, but the trends of direct investment flows have also shifted, as both the forms and targets of direct capital investments of international companies have changed (POÓR, 2009).

Figure 1 shows FDI flow in the world based on UNCTAD data.

Figure 1 World total FDI inflow, by regions, 2000-2015 (billion USD)



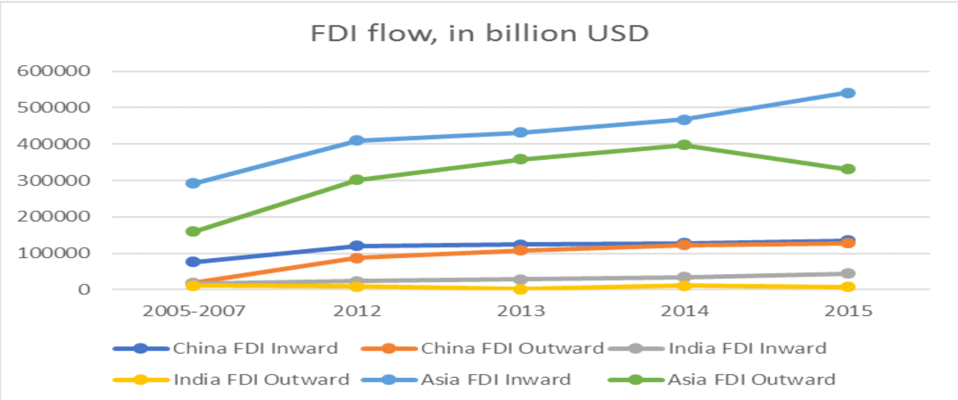
Source: UNCTAD 2015

Direct working capital investments show a decline starting from the 2000s. War against terrorism since 11 September 2001, unsuccessful cross-border M&Ąs and changes in the international investment environment play a significant role in this process (POÓR, 2013). From 2004 there is a constant increase in FDI flow in all of the three regions, however, the 2007-2009 recession caused a decrease in FDI flow in developed countries. In these countries increased flow can be observed only after 2014, owing to the economic fragility of developing nations, their regional conflicts and political insecurities. Global FDI volume increased by 38% (1.76 trillion USD) in 2015, which is the highest value since the 2007-2009 economic and financial crisis. Data show a record amount of cross-border M&A activities, rising to a 721 billion dollars high, contrasted with 432 billion in 2014. In 2016 global FDI flow decreased by 13%, due to poor global economic growth and weak commercial profit volume. The extent of decline varies regionally.

At the start of significant increase in working capital flow volume, capital flow typically took place among developed countries (investment Triad), or from developed to developing countries. Today, however, it no longer holds that working capital flows from developed to less developed countries. Among developed countries the USA is no longer the largest working capital exporter, Western European companies have notably higher investments in the USA than the USA has in Western Europe. Developing counties not only receive more than half of FDI inflows, but they also export more than 25% of FDI (UNCTAD, 2012, 4.). "The development of emerging countries – both becoming more attractive capital importers and becoming significant capital exporters – causes bigger competition among capital importing countries. The 2007–2009 crisis set back globalisation. In 2016 the Latin American countries, the Caribbean region and certain areas of Asia suffered the largest loss. At the same time capital investments in Kazakhstan greatly increased thanks to the marked growth in mining research. Cross-border mergers and acquisitions have been increasing (by 13%) since 2015. Greenfield investments show a 5% rise owing to a few larger projects carried out in a couple of countries. At the same time, the decreasing rate of production projects raises concerns. In developing Asian countries foreign working capital inflow has significantly dropped, except for China, which is still the most popular destination for FDI, reaching 139 billion USD in 2016 (UNCTAD, 2017).

Asia: The rate of FDI flow in Asia region is shown in Figure 2. The following section analyses the characteristics of FDI flow in China, India and the United Arab Emirates.

Figure 2. FDI flow in the Asian region



Source: UNCTAD 2017

The large inflow of foreign direct investment in China began owing to the Open Door Policy announced in 1978 and the abolishment of a few restrictions, which created opportunities for the economic growth of the country. FDI flow used to be a one-way process, however, the country's rapid economic growth and large capital accumulation provided the means to reverse the process. Chinese FDI export has increased in the past few decades and sped up in the last few years; in 2012 China became the 3rd largest investor after the USA and Japan, and was able to keep this position in 2015 (SAUVANT-CHEN, 2014). Chinese FDI outflow has an incentive effect on Chinese economic growth and convergence. The Chinese leadership's open foreign trade and economic policy promotes the establishment of new industries in the country. Chinese FDI outflows were drawn in the following industries: agriculture, chemical industry, energy sector, financial sector, trade services, mining, wholesale and retail trade, production, construction, transport. Cross-border mergers and acquisition are motivated by different reasons, such as increasing market shares, increasing growth rate, decreasing costs or adopting new technology. The most important directions of Chinese FDI are the following: brand shopping, e.g.: Volvo, Hummer, MG, acquiring new markets for export, outsourcing polluting industries and purchasing strategic resources. UNCTAD (2012, 2016) statistics show 7% increase in cross-border M &A from 2014 to 2015, while greenfield investments show a 7% drop. A popular target of Chinese foreign direct investment is the Central-Eastern European region, especially Hungary. However, working capital often arrives through intermediaries to the region, well-illustrated by the Wanhua investment group taking over Borsodchem in Kazincbarcika, through a Dutch intermediary.

India opened up for foreign direct investment in 1991, opening gateways for the integration of know-how. FDI inflows made it possible to access new technologies, marketing expertise in order to acquire modern governance techniques. Foreign direct investment affected all areas of the economy, improved Indian companies' access to investment capital, created new jobs and facilitated the government to develop education. The Indian government FDI-friendly measures increased the rate of foreign capital investments by 300% between 2005 and 2010. In 2015 FDI inflow rose by 22% compared to the previous year, in contrast capital outflow dropped by 40%. India received special attention as a target for greenfield investments, in 2015 the total value of investments reached 63 440 million USD, which is 2.5 times more than it was in 2014 (UNCTADSTAT, 2017).

According to 2016 UNCTAD reports the United Arab Emirates is the 9th largest foreign direct investment recipient country in Asia, it attracted 25% more working capital in 2015; the main investors arrive from the UK, Japan and Hong Kong. The majority of foreign direct investment is concentrated in production of hydrocarbon from the country's easily accessible resources, as well as water and electricity production. Other strengths of the country are easy-to-access oil reserves, low energy-consumption and high purchasing power, however, there are some disadvantages as well, such as small domestic market and lack of currency control and business taxation (SANTANDER TRADE, 2017).

Africa: Foreign direct investment flows into the African continent show a 5% decrease in 2015, compared to the previous year. FDI value dropped by 22% in the Western African region, and by 55% in the Central-African region, from 9091 billion to 5830 billion USD, due to the unpredictable political environment, lack of infrastructure and spread of terrorism. Both greenfield and cross-border M&A show a decline on the African continent. In 2014 the largest demand for greenfield investment was in Northern and Southern Africa. In the Northern region the highest amount of FDI was received after the 'Arab Spring', when capital inflow grew by 49% compared to 2014. The biggest investors are the USA, China, France and the UK in production, development, ICT and infrastructure. Reasons for the decline are lack of infrastructure, fluctuating regulations and disparate political environment in the countries of the continent. Transnational companies in Southern Africa invest in telecommunication, mining and retail trade (UNCTAD, 2017).

EU: Foreign direct investment in the EU dropped significantly in 2014, but 2015 marked a higher growth. The targets of EU foreign investment are Great Britain, Germany and France, altogether 55% of the total. FDI capital export is mainly invested in the processing industry, as well as in the financial sector, transport and telecommunication, retail and catering, and construction. Greenfield investments in EU countries rose by 17%, while mergers and acquisitions increased from 37 821 million USD in 2014 to 270 096 million USD in 2015.

TNC and MNC performances in rankings

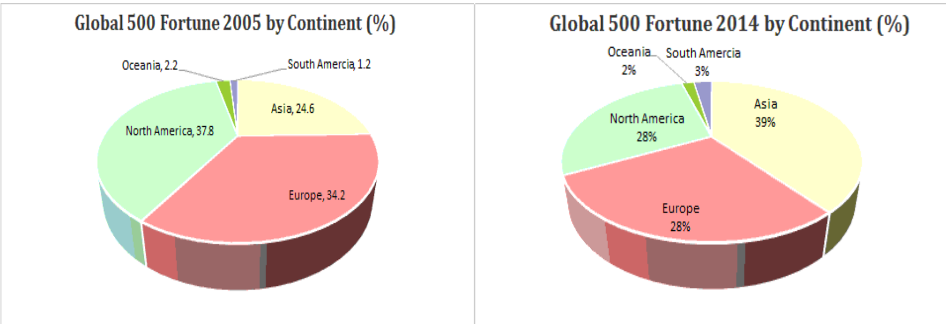
Transnational companies controlled 70% of world economy in the 2000s, the number of businesses exceeded 30 000 with 200 000 subsidiaries under their control.

The Top 500 (Fortune Global 500)

Before 1995 the Forbes magazine compared large American companies, since 1995 it has published annually the TOP 500 multinational companies for international comparison. In 2015, the Top 500 multinational companies produced 27.6 billion USD turnover that generated 1.5 billion profit. These companies employ 67 million people in 33 countries of the world.

The TOP 500 multinational companies' regional distribution is shown in Figure 3.

Figure 3 Multinational companies' regional distribution in 2005 and 2014



Source: GIS (2015)

Comparison by continent shows that North American and European participation decreased, while Asian increased and Oceania and South America didn't show significant change between 2005 and 2014.

The number of businesses between 2010 and 2014 are demonstrated in Table 3.

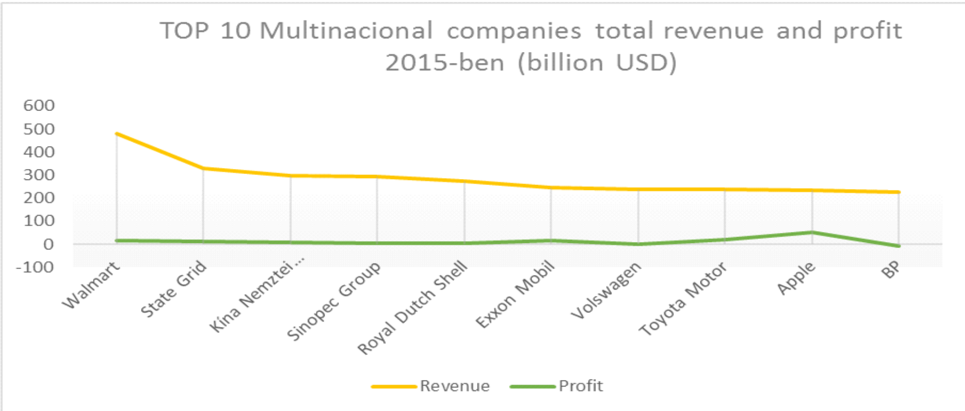
Table 3. Evolution of the number of multinational companies, by parent company, 2010-2014

	2010	2011	2012	2013	2014
United States	141	135	134	132	131
Japan	71	68	68	62	57
France	40	36	33	31	32
Germany	36	33	31	29	27
United Kingdom	29	28	25	27	27
China	47	62	74	89	95

Source: GIS (2015)

In the USA, Japan, France, Germany and the UK, the number of MNCs has gradually decreased, while in China it has increased, it doubled over the course of 5 years.

Figure 4. TOP 10 Multinational companies' total revenue and profit, 2015 (billion USD)



Source: Fortune Global 500 (2016)

In 2014 the TOP 10 (in *Fortune Global 500*) multinational companies produced 3700 billion USD revenues which constitutes 5% of world GDP. Based on the data, it can be concluded that 15% of transnational companies deal with oil, fuel and/or gas production and distribution, this is followed by trade, engine production, food processing, pharmaceuticals and electronics, as demonstrated in Figure 4.

Conclusions

• There are different definitions of and several approaches to globalisation. Besides its economic effects, it is also important to consider it as a complex system.

• Foreign direct investment is closely related to economy, society and the environment, it can have positive effect on the recipient country's financing sources, employment rate, balance of payment, competitiveness, it facilitates transferring technical, technological and management knowledge.

• Foreign direct investment can bring forth qualitative and quantitative improvement.

• Widening the range of multinational and transnational companies' activities, the vertical development of globalisation is both a challenge and an opportunity (involvement in world economy, structural changes).

• Globalisation is multi-faceted; besides positive effects, it has negative impacts as well, even on developed countries.

• Chinese foreign direct investment outflow encourages the growth of the Chinese economy. China seeks to become the global economic leader.

• Labour market changes cause higher productivity and widening skills gap.

• Globalisation restrains the state's economic authority, but paradoxically, at the same time, it also increases the significance of the government's role.

• The largest uncertainty factors of 2017 – according to PWC research – are general elections and their possible outcome.

Due to the new, world-wide recession, different economic processes are taking place simultaneously. They call for a slower, more controlled form of globalisation to compensate for the growing income disparities in developed states and the decrease in developing countries, since they have ~~a~~ negative effect on the economy, politics, society and also on the institutions of the country.

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GLOBALIZÁCIÓS TENDENCIÁK ÉS TRENDEK NAPJAINKBAN

Csapó Ildikó – Szőke Brigitta – Balázs Éva

Napjainkban a fejlett világ számára egyre nagyobb jelentőséget hordoz a világ fejlődését befolyásoló megatrendek hatása. A megatrendek olyan hatások, folyamatok, amelyek erősen meghatározzák a gazdaság és a társadalom jövőjét, mozgásterét, voltaképpen rámutatnak, hogy merre vannak járható utak. Ilyen például a gazdaságra, a társadalomra, illetve az élet számos területén hatását kifejtő világszintű egységesedési és univerzalizálódási folyamatokat magába foglaló globalizáció, amely a fejlődés mozgatórugója. Ezen hatásokon elgondolkozva, illetve a Harvard Business Review által kiadott folyóiratban megjelent „The New Rules of Globalization" - Új szabályok a globalizációban című tanulmányban olvasottak alapján szeretnénk ismertetni a globalizáció legfontosabb nézeteit, bemutatni a nemzeti kultúrára továbbá a vállalatokra gyakorolt hatását, felvázolva néhány paradox hatást. Ezt követően elemezzük a külföldi tőkebeáramlás trendjeit és irányait, és egyes régiók jellemzőit. A transznacionalizálódást a nemzetközi vállalatok Top 500 és Top 10 adatai alapján szemléltetjük. Tanulmányunk célja, hogy átláthatóbbá váljon a nemzetköziesedés és ennek sajátos lépcsőfokát jelentő globalizáció értelmezései, legfőbb mozgatórugói és hatásai.