Deglobalisation

Answering the question "What are the present trends to deglobalisation?", Chatgpt stated the following (19/4/23):

There has been a rise in protectionist policies and anti-globalization sentiment in recent years, leading to some degree of deglobalization. Here are some present trends towards deglobalization:

1. Trade Barriers: Some countries have imposed tariffs and trade barriers on imported goods to protect domestic industries and create jobs for their citizens. This has led to a decrease in global trade and an increase in protectionism.
2. Regionalism: Countries are focusing more on regional trade agreements and partnerships rather than global agreements. For example, the United States under the Trump administration pulled out of the Trans-Pacific Partnership (TPP) [in January 2017] and renegotiated the North American Free Trade Agreement (NAFTA). [The new agreement is called the United States-Mexico-Canada Agreement, or USMCA, and came into force in 2018. It is not substantially different to NAFTA, but has some stronger rules-of-origin conditions, benefits for US farm exporters, and new chapters on intellectual property, digital trade, etc. More significant is that USMCA has a "sunset clause" so that it will automatically end after 16 years, unless re-negotiated.][1]
3. Reshoring: Some companies are bringing production back to their home countries to reduce reliance on global supply chains and protect domestic jobs. This has been driven in part by the disruptions caused by the COVID-19 pandemic.
4. Immigration Restrictions: Some countries have tightened their immigration policies, making it more difficult for people to move across borders for work or study. This has led to a decrease in international migration and a more insular approach to economic and social policy.

Overall, while globalization has not come to a complete stop, the above trends suggest that there is a shift towards deglobalization. However, it's important to note that globalization is a complex and multifaceted process, and it is difficult to predict how these trends will evolve over time.

This video "Deglobalisation and global growth" by Eric Lascelles (chief economist, Global Asset Management, Royal Bank of Canada), posted in spring 2023, reviews other key factors of today's deglobalisation. Check these keywords of the video before watching it:

for several decades – global economy driven by globalisation, accelerating trade – trend slowed over last decade – now slightly reversing – as low-hanging fruit is already plucked – now pressures in opposite direction – frictions between large powerful nations – China-US not getting on – Russia subject to sanctions – tariffs rising – industrial policies on rise – onshoring is happening – friend-shoring – production to ideologically allied nations – near-shoring to close countries – net negative for China – net benefits for India, Vietnam, South-East Asia and perhaps Mexico – global economy moving less quickly – inflation higher – likely trend of foreseeable future.

A/ According to these two sources, are the following statements true or false:
1/ New tariff barriers are expressing rising protectionism. True/False
2/ Multilateral trade negotiations are making progress. True/False
3/ Companies operating internationally are relocating production activities. True/False
4/ Countries are protecting their citizens by introducing new restrictions on migration. True/False
5/ There are still numerous opportunities to achieve easy gains from globalisation. True/False
6/ Governments are once again trying to orient industrial development. True/False

B/ Match the following words and definitions.

1/ sunset clause	a/ having many different sides, aspects
2/ supply chain	b/ as far as we can see at present
3/ multifaceted	c/ initial gains that are easy to achieve
4/ picking low-hanging fruit	d/ a provision in an arrangement that ends the arrangement after a certain time
5/ foreseeable future	e/ the whole process of gathering inputs to make a product, including getting raw materials and parts

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[1] My additions, NS. **Answers : A/** 1/true; 2/ false; 3/ true; 4/ true; 5/ false; 6/ true. **B/** 1d; 2e; 3a; 4c; 5b.