

SECTORAL DEVELOPMENTS AND GEOPOLITICAL TRENDS

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Introduction. According to some expert estimates developed nations average agricultural subsidies, at some US\$300 billion per year, are larger than the GDP of all of Africa. That number is also equal to six times all of the global aid that is given from developed countries to developing countries. A global simulation had brought down tariff peaks in agriculture; brought down tariff peaks in manufacturing. It lowered averages. A good agreement could boost incomes anywhere from US\$270 billion to US\$520 billion, depending on the assumptions. These models are open to interpretation because of assumptions, but basically, developing countries would stand to gain anywhere from half to two-thirds of the total benefit from WTO Doha agreement. That's US\$350 billion of additional in-come that could be expected in addition to normal growth, the income that normal growth would produce by 2025. But to realize the development promise of WTO, World Bank, FAO and others means reducing the barriers that face poor people all over the world. And here, agriculture is a priority, particularly border protection and subsidies in the rich countries.

Methodology and literature review. Reducing protection on manufactures – and here, tariffs tend to be higher in developing countries against developing country exporters as well. In ag-riculture, one of the striking features about the international trading system is that developing countries have failed to penetrate agricultural markets of rich countries, in contrast to what they have done in virtually every other market. The developing count-ries' share of total world exports in manufacturing to rich countries has risen from about 12 percent to over 22 percent in 2005-2020. Similarly, intraregional trade in developing countries has also expanded. So their share of manufactures in each others' markets has increased. They also have increased in agriculture, but only in trade with each other. Meanwhile, exports to rich countries during this period have fallen.

Some experts attach special attention on how should national governments respond to globalization [Dunning, 1997, 55-66]. Others examine the role of the international organizations, particularly, the World Bank and struggles for Justice in the age of globalization [Goldman, 2005, 45]. Today's world economy cannot be assessed in any way without the growing role China [Hutton, 2005], the trends of globalization and regionalization [Stiglitz, 2002, 112-128]. We also take into consideration the United Nations reports on mentioned issues [UN report, 2020], as well as UN recommendations

how to reach the Sustainable Development Goals [SDG, 2015] and going beyond to eliminate poverty and hunger by 2025 [Weber, 2001, 27-36].

Analysis. As consumer spending remained strong, what was a critical factor was the fall in investment spending. And for recovery to get off the ground there is a need for an improvement in business confidence and capital spending, and these were factors clearly required. Among the improvements in the climate for investment, corporate profits are now advancing at high rates in the U.S. and Japan. There are stronger equity markets across the OECD that had been sustained so far that tend to bolster confidence, and they may also reflect improved economic expectations. And indeed, business sentiment is now picking up, and this includes Europe. When stocks go up steadily in the United States questions begin to arise about economic growth. And job creation figures from the Labor Department, one of the most closely watched barometers of the nation's economic health, begin to fall. After that, confidence in the economy and stocks begin a nosedive, leading to a long drought that pushed the major indexes lower. Why sometimes the stock market cannot perform the same way as after it fell so badly but made a fast recovery. There are three main reasons for that: jobs, oil and the dollar [Market Gyration, 2005, 11-19].

The Role of Education. Education will be determinative of success in the 21st century at both the individual and country levels. The globalizing economy and technological change inevitably place an increasing premium on a more highly skilled labor force. Adult literacy and school enrollments will increase in almost all countries. The educational gender gap will narrow and probably will disappear in East and Southeast Asia and Latin America. Progress will vary among regions, countries, and social groups, triggering increased income inequalities within as well as among countries. School enrollments will decline in the most highly impoverished countries, in those affected by serious internal conflicts, and in those with high rates of infectious diseases. With the intense demands for education created by the shift to a knowledge-oriented economy centered on intellectual property, educational institutions will experience enormous pressure to reorganize around fulfilling the goals of actually preparing their students for the new economic order. Also, the demographic profiles of students will change significantly, as lifelong learning will become commonplace, with people shifting careers frequently, continuing to be economically productive into old age. Such mature students will be much more demanding consumers of education than today's. Those individuals who do excel at teaching will have new electronic venues for transmission of their knowledge. This will provide a large economic incentive to devote energy to teaching, as they will be reaching millions of students, rather than hundreds. At the pre-university level, many more options will be available to students and parents, and the current state-run monopoly will disappear. Updated versions of "voucher

systems” will be commonplace, and competition among a set of institutions providing a diverse set of educational options will provide exceptional educational preparation for the university environment.

Technology and Place of Work. Global economic restructuring continues to be impacted by various advancements in information technology that have made the world 'functionally smaller' and have drastically changed the work place and where people work, spawning the emergence of the 'technology-integrated' office environment. As computer devices become smaller, more portable, and perform more complicated business tasks, they will continue to revolutionize how and where business is conducted.

Cluster Sector Development. Over the last few years, the economy has seen the growth of 'sector clusters' in various municipal settings. Sector clusters represent the concentration of investment and job creation in like-companies located in proximity to each other in relatively concentrated centers. A prominent example of an emerging cluster in the GTA is Toronto's biotechnology industry cluster, which represents a growing critical mass of biotech and related research and development, and related convergent industries.

Emerging Growth Sectors. The 19th-century was the heyday of society's transformation by technology. While its influence was still large in the 20th century, its impact in the 21st will be less dramatic. Nonetheless, one can anticipate the following technology-driven transformations representing the future engines of growth.

Computers and semiconductors (including software and information) & information technologies Computerized society will allow knowledge to be very fluid, via the new educational systems and countries' ability to capitalize on this transformation will be limited primarily by the effectiveness of their social and political institutions.

Health and medical care. The major health problems of the 21st-century in the developed world will primarily be related to lifestyle issues, intransigent to simple treatments with surgical intervention or pharmaceuticals and the greatest impetus for change in our health will come from health education, with educated individuals taking responsibility for the maintenance of their health and the prevention of disease.

Communications and telecommunications (including space equipment, radio and microwave communications, and entertainment). **Instrumentation:** process controls, environmental equipment and consulting, optical instruments and lenses, engineering and scientific equipment [Nuala, 2020, 31-42].

Innovations will further improve both the systems and the methods of new technologies and modernized equipment and the use of new achievements on earth and in space laboratories.

Transportation. Solar-energy-based fuels will finally replace fossil fuels and the technological hurdles will be solved to convert this biomass into a readily transmuted and transported energy-storage medium; Also, the orgy of highway-building of the 20th-century will finally slow, as technology is put in place to allow more cars to flow over existing highways.

Geopolitical trends. As the world experiences rapid economic changes, world economies are becoming less internalized and are adopting a more global perspective to survive and prosper. Much of the global trends will be more relevant to the economically-developed nations, with the developing nations and the underdeveloped nations catching up to the status of the developed world in coming decades. Let us analyze most significant geopolitical trends in the 21st century.

GNP in Trillions of US\$

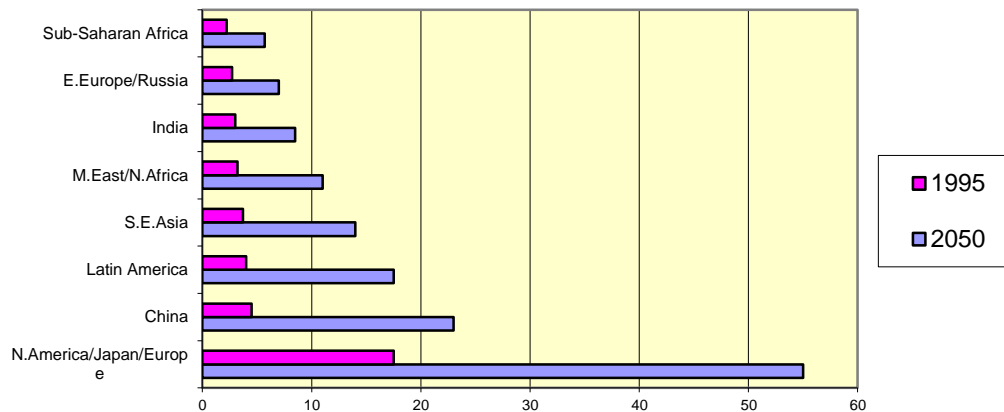


Figure 1. Regional Economic Growth (1)

Conclusions. Thus, the gains in many parts of the world are likely to be lower: As economic uncertainties may persist as well as political uncertainties. This will remain the most troubled region of the world, though its geopolitical importance will diminish as we move away from an oil-based energy economy. In 2050, the Arabs and Israelis may still face some challenges that might need further international assistance. This region will still be hamstrung by poor political leadership, with the exception of a few countries like Israel, Egypt and South Africa, which will cause the global economic trends listed above to largely leave this region behind. While global health organizations will invest a large effort in Africa, with the introduction of vaccines and simple public hygiene, the low level of basic education will leave this region devastated by sicknesses and low life expectancy, in stark contrast to the rest of the world. In Sub-Saharan Africa, persistent conflicts and instability, autocratic and corrupt governments, overdependence on commodities with declining real prices, low levels of education, and widespread

¹ Source: Data from UNCTAD reports 1996-2020.

infectious diseases will combine to prevent most countries from experiencing rapid economic growth. Today's Africa is one of the regions that is unlikely under current projections to meet the Sustainable Development Goals. Nearly half of the total projected increase of the number of people lifted above poverty would accrue in Africa. This region's forecast might be more promising once the developed nations honor their commitments to provide 0.7% of their annual income to be spent on projects to reduce the poverty and eradicate hunger.

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The countries and regions most at risk of falling behind economically are those with endemic internal and regional conflicts and those that fail to diversify their economies. The economies of most states in Asia, Africa and the Middle East and some in Latin America will continue to suffer. A large segment of the Eurasian landmass extending from Central Asia through the Caucasus to parts of southeastern Europe faces dim economic prospects. Within countries, the gap in the standards of living also will increase. Even in rapidly growing countries, large regions will be left behind. For the long-term outlook, there is a need to compare growth in per capita terms. And here, longer-term trends through 2050 remain upbeat for most regions, contrasted with the performance of the nineties. And this supports, in part, the expected achievement of the Sustainable Development Poverty Goals for developing countries as a group, though Africa, in particular, is expected to fall far short of this target.