

CONSIDERATIONS ON THE ROLE OF INTERNATIONAL TRADES IN LOGISTICS- DEGLOBALIZATION

CONSIDERAȚII PRIVIND ROLUL COMERȚULUI INTERNAȚIONAL ÎN LOGISTICĂ - DEGLOBALIZARE

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Abstract: *In the era of globalization, logistics plays a crucial role in ensuring the efficient and safe flow of goods and services globally. Globalization has led to the growth of international trade and the intensification of economic relations between countries, which has necessitated the need for advanced logistics solutions to manage these flows. In this paper I will make contributions regarding the involvement of the courier application in the product delivery process; the application used is InnoShip. This assessment aims to identify the most important KPIs and manage them in terms of e-commerce development.*

Keywords: globalization, resources, digitalization, logistics, applications, artificial intelligence

Rezumat: *În era globalizării, logistica joacă un rol crucial în asigurarea fluxului eficient și sigur de bunuri și servicii la nivel global. Globalizarea a dus la creșterea comerțului internațional și la intensificarea relațiilor economice dintre țări, ceea ce a impus necesitatea unor soluții logistice avansate pentru gestionarea acestor fluxuri. În această lucrare voi aduce contribuții privind implicarea aplicației de curierat în procesul de livrare a produsului; aplicația folosită este InnoShip. Această evaluare își propune să identifice cei mai importanți KPI și să le gestioneze în ceea ce privește dezvoltarea comerțului electronic.*

Cuvinte cheie: globalizare, resurse, digitalizare, logistică, aplicații, inteligență artificială

1. Introduction

History shows us the way to tame inflation, namely through more international trade. The increase in inflation is due to the interaction of supply

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chain disruptions with large fiscal deficits. The pandemic period, followed by the war between Ukraine and Russia, has disrupted supply chains. The increase in spending has led to higher demand alongside rising food and fuel prices.

We live in a very different time, divided into competing blocs pursuing costly "friendshoring" [1] strategies that lead to trade being directed to friendly nations and regimes. Major states are re-strategizing to continue reaping the benefits of globalization and striving to protect what they see as vital resources.



Figure 1. The representation of the “friendshoring”

2. Friendshoring

Offshoring was followed by offshoring², and more recently, to deal with the massive disruption of the global supply chain is "friendshoring". The extraordinary events of recent years – including Donald Trump's trade wars, the Covid-19 crisis and Russia's invasion of Ukraine – have brought unease to the globalized economy. Many Western companies that had embraced offshoring³ were encouraged by tariffs and supply chain disruption from the pandemic to bring production back to their home country.⁴

The European Union and the US aim to protect supply chains for materials such as rare earths and other minerals by reducing their dependence

² reshoring

³ reducing costs by moving production to countries with cheaper labor

⁴ in a trend known as offshoring or relocation

on authoritarian regimes, but also on Russia for commodities such as gas, food and fertiliser.

However, there is a price that needs to be paid soon, through Friendshoring. This concept is part of a process of "deglobalization", which could see new supply shocks and mostly higher prices in the short term, but also lower growth in the long term. This would not be a very suitable strategy that could end in failure.⁵

3. Deglobalization

Deglobalization refers to the process by which the economic and political interconnections between countries and regions begin to decrease, and certain activities and trade relationships are brought back to the national or regional level. [2] This phenomenon can involve trade restrictions, protectionist policies, repatriation of production and reduced reliance on global supply chains. Even if the figures are increasing, for import-export, a fairly certain direction towards deglobalization is felt. Here are some relevant points about deglobalization:

1. Trade protectionism: A trend associated with deglobalization is the rise of trade protectionism, through the imposition of tariffs and trade restrictions, and the promotion of bilateral or regional trade at the expense of global trade. Thus, countries try to protect their domestic industry and promote their own economic interests.

2. Reducing dependence on global supply chains: Deglobalization can cause a shift towards less dependence on global supply chains. [3] Companies can relocate production to their home country so that they have greater control over manufacturing processes and secure access to critical raw materials and components.

3. Policies to promote local industry: Deglobalization can stimulate government policies that promote and protect local industry. These policies may include subsidies, tax breaks and other measures designed to support domestic production and reduce dependence on imports.

4. Changes in geopolitical relations: Deglobalization can have a significant impact on geopolitical relations. In a climate of deglobalization,

⁵ "While moving supply chains out of East Asia could increase long-term security, an ill-conceived implementation of this friend-hording strategy could lead to higher prices and a stronger China over time," wrote William Reinsch, Emily Benson and Aidan Arasasingham Center for Strategic and International Studies in a report on securing semiconductor supply chains.

relations between countries may become more strained, and international alliances and partnerships may be curtailed or reassessed. Thus, new axes of power can be formed and significant changes can be produced in the existing world order. [4]

5. Impact on the global economy: Deglobalization can have significant consequences on the global economy. Reduced international trade and trade restrictions can affect economic growth, innovation and economic efficiency globally.[5] Deglobalization can also lead to higher prices and reduced access to a wider range of products and services.

4. The involvement of digitization in the deglobalization process

Even though the process is in the early stage, the important part is that it will not have a major impact on online commerce. In a context of deglobalization, online commerce can play an important role and can be influenced in several ways:

- Growth of regional trade: In a period of deglobalization, regional online trade may gain in importance. Companies can form partnerships and trade networks within regions, thus facilitating online trade between them. Online platforms can be used to facilitate transactions and reach consumers within the region.

- Fragmentation of online markets: Deglobalization can lead to fragmentation of online markets, as different regulations and restrictions applied in each country can lead to a diversity of platforms and rules. Companies looking to expand into international markets will need to adapt and meet each country's specific requirements, which may involve adjustments to their online platforms and strategies.

It is important to note that the impact of deglobalization on online commerce may vary depending on the specific policies and measures adopted by each country and region.

5. Benefit of Innoship application in online trade

Innoship is an innovative and powerful application for managing logistics in online commerce. As can be seen in the Figure. 2, The application has integrations with countless companies, both at home and abroad. Through its advanced functionalities, Innoship brings multiple

benefits to companies operating in this field. Here is a detailed description of some of these benefits:

- **Efficiency and automation:** Innoship optimizes and automates logistics processes, allowing companies to save time and streamline their operations. Through the application, shipping labels, shipping documents and other elements necessary for the delivery process can be automatically generated and managed. This reduces human error and eliminates the need to perform these tasks manually, thereby increasing the overall efficiency of the shipping process.

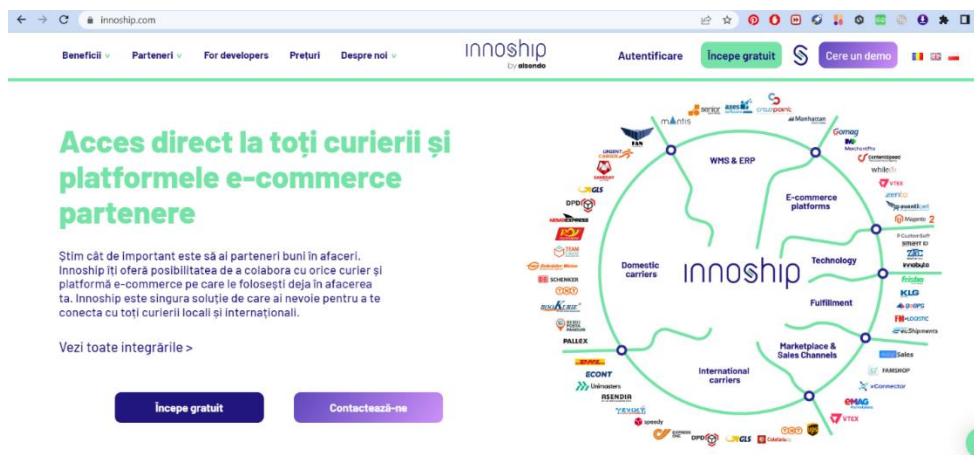


Figure 2. Innoship Application

- **Optimal choice of transport providers:** Innoship integrates a variety of transport providers, allowing companies to compare and choose the most suitable provider for each shipment. The application provides up-to-date information on costs, delivery time and other relevant details, facilitating decision-making based on the specific needs of the company and its customers.

- **Real-time tracking of shipments:** Through Innoship, companies can track the status of shipments in real-time and provide updated information to their customers. This functionality increases transparency and trust among customers, giving them the ability to actively track deliveries and be aware of any changes or delays in real time.

- **Returns management:** Innoship facilitates the return management process, which is an important component of online commerce. The

application allows companies to configure and manage return policies, generate return labels and monitor the entire process. This improves the customer experience and reduces the logistical burden on companies by simplifying and automating return procedures.

- Detailed analyzes and reports: Innoship provides valuable information through detailed analyzes and reports. Companies can obtain data on transit time, transportation costs, performance of logistics service providers and other relevant information. This information helps identify supply chain strengths and weaknesses, allowing companies to make informed decisions to improve the efficiency and quality of their services.

6. Conclusions

The management of the global economy is managed by the legislative, economic and executive decisions of major state decision-makers. If humanity wants it to go in a market-oriented direction, dominated by transnational corporations and freer from an "economic implosion" can occur through edglobalization actions. But in the short and sweeping history of the bodies - the World Bank, the IMF, the WTO -- that have promoted economic globalization, Walden Bello examines the major new ideas proposed for reforming the management of the world economy, and advocates a much more fundamental shift toward a decentralized system, pluralist global economic governance that allows countries to pursue development strategies sensitive to their own values and a particular mix of constraints and opportunities.

Any political decision that will be taken by the great powers will have a large-scale economic impact.

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