



## Analysis of the Impact of Globalization on International Trade

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### ABSTRACT

Through international trade activities, it will be formed connection each other dependency Among countries which there is in world this, where something country may need commodities that cannot be produced independently in their country but are owned by other countries. This research was conducted with the aim of knowing and explaining "Analysis impact Globalization To Trading International." Study this is study normative or literature study that is with examine various leterators with techniques Analysis qualitative analysis data, namely "by describing the data qualitatively in the form of sentences as well as statement for make it easy read and understand data. The results of the analysis can be known factors which influential to trading international and impact Globalization against Trade International, including the presence of Multinational Corporations (MNC). role urgent in international trade and investment world as well as could known impact good character positiv nor negative international trade.

## **INTRODUCTION**

In World War II, world trade increase with very rapidly and add new dimensions of global economic activity with presence companies multinational as institution base activity economy international (subhash:33) Business international refers on various activity involved in carrying out business transactions across state boundaries, this business suggestsholistic approach to company operations large and small involved in foreign business country. One of the economic developments that Very significant is increasing for maintain power competitive in preode whichdynamic mature this. Internationalization business even on a global scale. company- \_ company leading in whole world divert attention on business international. Globalization is process activity in various sectors, where countries throughout The world is becoming an increasingly market force integration that is not limited by territorial boundaries something country. enter era globalization impact in all aspects of life, both social and culture, technology, political move damp which Very in feel is globalization in the fieldthe economy, where these impacts could impactpositive nor negative.

In field economy, trading International show development which very rapidly matter that could We take a closer look from various business activities, for example trading Certain products or items have no restrictions between country, progress technology as media make it easy trading International. globalization impact to trading International both positive and negative where world considered as unity which all areas can be reached easily and quickly trading and inventory side make up all people free for try anywhere and whenever they are want let alone be supported with trade era free.

With knowing impact globalization to international trade, both in developing countries or countries developed countries and even superpower countries can minimize impact negative and maximizing impact positive to trading International which of course just will impact on economic development country where development globalization actually no easy accepted by country-country develop because countries develop globalization need something process sick characteristics about what which needed by country which is being develop.by because that looked at urgent in international trade that we know the impact of globalization and what factors are impact on international trade in countries develop specifically countryIndonesia. condition Indonesia moment this has raises various conflicts such as height unemployment rate, poverty which notice productivity and quality which low so that many businessman small and medium which Becomes pedestal people destroyed because development economy world which leading to moving globalization activities free from one country to another. From background behind on writer mean write study this with title Analysis Impact Globalization To Trading International.

## **LITERATURE REVIEW**

The theory used in research This includes: the theory of mercantilism, the theory of excellence absolute theory superiority comparative. Theory mercantilism argue that the only oneway for a country to become rich and powerfulis with do as much possible export and a little imfor. surplus export which generated will then be formed in the stream or metal glorious and silver.

So that the more many something country have metal glorious and silver the more rich and the more be strong something the state, therefore the state must do it and motivating Public for do export and reduce habit consumptive in this case limiting import in particular to goods luxurious.

Theory superiority absolute (absolute advantage theory) theory this developed by a expert from Sweden adam smith known also with designation theory pure trading International, according to theory this that something country must export something commodity which produced by a country with low can than the state can do other. Preferably the country should import it a commodity that can produced at cost which is high compared to other countries and the reality is that very few countries do have an absolute advantage.

Theory of comparative advantage (comparative advantages) This theory was developed by a scientist which originate from England named david ricardo in the 19th century, according to this theory one country gains the most or loss Very a little in operate trading International. So that could obtain a country's comparative advantage must concentration on product which Very profitable and only import product- product which needed. (subhash:34)

## **METHODOLOGY**

Type study normative study which study studies document ie use a number of data secondary like regulation legislation, court decisions, legal theory and opinion para expert. Data secondary from studies literature, which covers, data secondary nor tertiary which sourced from letters, dictionaries, the internet and others. Collection data done with method studies library . Analysis data in research this use qualitative analysis that is "by way of describing data in a manner quality in sentence form as well as statement for make it easy read and understand data.

## **RESULTS AND DISCUSSIONS**

Globalization takes place at all levels life Public covers aspect ediology, political economy, culture, social even aspect defense and security. Technology information and communication is factor main supporter in globalization, mature this development technology so fast so that information with easy could obtained and spread exeluh corner world.by because that globalization no may be despised by its presence, including in countries negra develop Indonesia on specifically.presence of globalization Of course it has an impact for the life of a country, both positive impact nor negative.Impact globalization in the fieldlife man covers life political, economy, ideology, socio-culture, and defense security which will impact to mark-mark a nationalism country. Whereas globalization in the field economy currently spurring world economic growth MNCs role urgent in market global and deep investment market global .

Factor which influence trading International (trade between countries) exists Lots factor which push every country conduct international trade, among others as following

1. For Fulfill need goods and service in country.
2. Desire obtain profit and increase revenue country.
3. There is difference ability mastery science and technology in processing

economic resources.

4. There are advantages of products in a country so it needs a new market to sell the product.
5. There are differences in circumstances like source of power, natural resources, climate, culture, and total population which cause existing differences in production and existing limitations in production.
6. There is similarity in demand for goods.
7. Desires for open trade, same political connection, and support from other countries.
8. The era of globalization so that no country even in the world could live alone.

From factors which influence international trade, something causes a country to have a relationship with other countries because in the era of globalization no country can fulfill its life alone. So that pushes something to carry out trade between countries. As for factors which push trade between countries, including:

1. Diversity of production conditions. The diversity of factors of production refers to the potential factors of production owned by a country, for example Indonesia has the potential to produce goods such as agriculture, in other words through trade a country could obtain goods which could not be generated by the country alone.
2. Save cost production/ specialization in international trade. It is possible for a country to produce goods in large quantities, so that it results in increasing returns to scale (average cost of production which decreases when total goods produced increase). It means if a country specializes or produces certain goods and exports them, the cost of production will decrease.
3. Differences in tastes despite the conditions of production in all countries are the same. But every country would probably do a trade if it tastes a country's product. For example, Norway exports meat and Sweden exports fish. The second country will obtain superiority from this trade and the number of people who prosper will increase.
4. Positive impact from international trade for example: technology and knowledge which develop and progress, low unemployment, and each other's complete needs between countries and add or improve something in a country. Whereas the negative impact is that it definitely causes a dependency on something from a country, efforts are small, difficult to develop, and risk of payment across countries.

#### *The Impact of Globalization in the Economic Sector*

1. Impact of globalization in the field of technology: advanced machines which could give a hand to humans.
2. Impact of globalization in the field of education: impact on the creation of a learning system based on technology, so that now students / students can easily get learning materials, for example in a classroom where a student can study alone with a downloaded application.

3. Globalization in the economic field as an impact the most prominent in the economic field increasingly big and extent market International. International market freedom in this era Free market opens up great job opportunities wide, increase income something country as well as impact good other.

Globalization could give Impact positive in the field economy like, many Upgradethings like export Import, growth economy,, income Public and well-being from something country. Besides that globalization also could make opportunity investment develop in a manner international, a wider variety of goods and services, and also capable create efficiency competition in the market global between country. No only give impact positive, sometimes globalization also give impact negative in the economic field such as, unstable something economy because flavor sensitive the political situation in a country, globalization also could caused something environmental damage that will result well-being something society, then exists inequality in the income of a society country, flavor security also could reduce, local goods to compete with products from outside the country that can create ineffectiveness in the economy, and also many occur unemployment because high competition among workers in a country with that worker dating to country the.

#### *Impact Globalization Against Trading International*

The positive impact of globalization on trade international namely:

1. Increasing well-being Public from a country.
2. Profit which enough high .
3. Development economy which could improved.
4. Increasing growth economy something country because could add a foreign exchange country .
5. Convenience in fulfillment goods/service cross country.
6. Increasing opportunity work .
7. Convenience transact

Impact negative globalization to trading international:

1. Risk loss in transact .
2. Local or internal products country difficult for develop because lost the competition with product from outside .
3. Inhibitors of the domestic industrial sector because free trading overseas.

#### **CONCLUSIONS AND RECOMMENDATIONS**

Lots factor which make something country do trade between country, among them to meet the demand for goods and services in country, diversity condition production, save on crocodile production, and also the difference appetite. Globalization in world will keep going grow renewal in various field, wrong only one is field economy. Impact globalization to field economy could form impact positive and also impact negative. Globalization positive impact on the economy, for example, many Upgrade things like export- import, growth economy,, income Public and well-being from something country. Besides that globalization also could make opportunity investment develop in a manner

international, commodity goods and service which more varied, and also capable create efficiency competition in the market global between country.

Whereas globalization impact negative in field economy for example, no stable somethingeconomy because flavor sensitive to the political situation that exists in a country, globalization also could caused something damage environment which will impact on well-being something society, then exists inequality in the income of a society country, flavor security also could reduce, goods local which must compete with products from outside the country that can create ineffectiveness in the economy, and also many occur unemployment becausehigh competition among workers in a countrywith that worker dating to country the.

### **FURTHER STUDY**

In field economy, trading International show development which very rapidly matter that could We take a closer look from various business activities, for example trading Certain products or items have no restrictions between country, progress technology as media make it easy trading International. globalization impact to trading International both positive and negative where world considered as unity which all areas can be reached easily and quickly trading and inventory side make up all people free for try anywhere and whenever they are want let alone be supported with trade era free.

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