

A Service of

ZBW

Leibniz-Informationszentrum Wirtschaft Leibniz Information Centre for Economics

García Herrero, Alicia; Tan, Junyu

Research Report Deglobalisation in the context of United States-China decoupling

Bruegel Policy Contribution, No. 2020/21

Provided in Cooperation with: Bruegel, Brussels

Suggested Citation: García Herrero, Alicia; Tan, Junyu (2020) : Deglobalisation in the context of United States-China decoupling, Bruegel Policy Contribution, No. 2020/21, Bruegel, Brussels

This Version is available at: https://hdl.handle.net/10419/237656

Standard-Nutzungsbedingungen:

Die Dokumente auf EconStor dürfen zu eigenen wissenschaftlichen Zwecken und zum Privatgebrauch gespeichert und kopiert werden.

Sie dürfen die Dokumente nicht für öffentliche oder kommerzielle Zwecke vervielfältigen, öffentlich ausstellen, öffentlich zugänglich machen, vertreiben oder anderweitig nutzen.

Sofern die Verfasser die Dokumente unter Open-Content-Lizenzen (insbesondere CC-Lizenzen) zur Verfügung gestellt haben sollten, gelten abweichend von diesen Nutzungsbedingungen die in der dort genannten Lizenz gewährten Nutzungsrechte.

Terms of use:

Documents in EconStor may be saved and copied for your personal and scholarly purposes.

You are not to copy documents for public or commercial purposes, to exhibit the documents publicly, to make them publicly available on the internet, or to distribute or otherwise use the documents in public.

If the documents have been made available under an Open Content Licence (especially Creative Commons Licences), you may exercise further usage rights as specified in the indicated licence.



WWW.ECONSTOR.EU

Deglobalisation in the context of United States-China decoupling

Alicia García-Herrero and Junyu Tan

Executive summary

- AFTER DECADES OF INCREASING GLOBALISATION on every front, from trade pushed further by the growing role of value chains to technology, movement of people and investment, there now seems to be a turn towards slower globalisation if not deglobalisation, at least in some areas.
- **DEGLOBALISATION IS NOT A NEW CONCEPT** but rather a megatrend which has been seen before, for example right before the First World War. Signs of deglobalisation, measured by decelerating trade and investment, and smaller global value chains, started to appear already in 2008. But this trend seems to have accelerated because of the United States' push to contain China in the context of the strategic competition between the two. Such containment is apparent not only in bilateral trade and investment flows but also in technology. COVID-19 has been a second very important factor contributing to deglobalisation. The most obvious impact has been in movement of people.
- **HOWEVER, THE TREND TOWARDS DEGLOBALISATION IS MUCH LESS EVIDENT FOR FINANCE,** with the exception of foreign direct investment, though increasing attempts by the US and China to decouple particular types of financial flows are emerging, including the delisting of Chinese companies from US stock exchanges and the imposition of sanctions for transactions with certain Chinese companies and individuals. Overall, it is too early to confirm the depth and the sustainability of the current wave of deglobalisation, but an increasing number of signals suggest a trend of deglobalisation is underway.



Recommended citation García-Herrero, A. and J. Tan (2020) 'Deglobalisation in the context of United States-China decoupling', *Policy Contribution* 2020/21, Bruegel

ALICIA GARCÍA-HERRERO (alicia.garcia-herrero@ bruegel.org) is a Senior Fellow at Bruegel and a nonresident Research Fellow at Real Instituto Elcano

JUNYU TAN is an economist at Natixis

1 Is the current phase of globalisation over?

Most economic historians consider the century before the first world war as the first phase of modern globalisation. It was marked by sharp increases in trade, movement of people and capital flows. Global trade grew by an unprecedented rate of almost 4 percent per year for nearly a century, a development attributed to technological progress – which greatly reduced transaction costs, such as transportation and communication – and also to the easing of government restrictions, including import tariffs. In addition, movement of people between continents ballooned, driven by working-class Europeans migrating to the Americas. Against this backdrop, capital flows also boomed, as capital looked for profitable projects overseas.

However, the first world war interrupted the globalisation wave. The global political order was turned upside down with the demise of the gold standard and increased protectionism to protect domestic economies. Globalisation only resurged after the second world war. The renewed wave of globalisation was built on the pillars of newly created international organisations designed to ensure economic cooperation between countries. A high point was the signing in 1947 of the General Agreement on Tariffs and Trade (GATT), which led to a series of agreements that lowered tariffs and eliminated other existing restrictions on trade. Since then, trade and foreign direct investment have grown steadily, as have international mobility, technological exchanges and capital flows. But with the 2007-2008 global financial crisis this super-cycle of growing exchanges reached its peak. Since then, global trade has greatly reduced, as have global investment flows. In other words, deglobalisation may be happening.

What is meant by deglobalisation should be clarified. Among the many definitions that can be found, we opt for a narrow view, related to economic factors, in particular a reduced number of exchanges, whether trade, investment, technology or movement of people. It should be noted that deglobalisation does not equate to economic decoupling, which refers to two specific economies reducing their economic linkages and, thus, their interdependence. Nevertheless, we consider if and how fast decoupling is happening between the US and China, given their increasing strategic competition (García-Herrero, 2018). We also consider how decoupling and deglobalisation interact.

Meanwhile, the economic literature does not offer a clear consensus on the pros and cons of globalisation. The traditional argument in favour of globalisation, since Adam Smith, has been heightened competition and efficiency gains from specialisation. More recently, globalisation has been associated with higher economic growth and poverty reduction. Khan and Riskin (2001) found that poverty reduction in China could be attributed to the opening up of its economy, for example. Other positive effects include economies of scale and scope that can lead potentially to reductions in costs and prices (Intriligator, 2003; Rogoff, 2003). In addition, Tomohara and Taki (2011) proposed that globalisation leads local employers to pay higher wages as foreign companies are given market access.

Since 2008, the economic literature on globalisation has been less favourable. Hillebrand (2010), for example, argued that protectionism may improve income equality in some countries, although he still thought that a retreat from globalisation would lead to profoundly negative implications for the global economy. Even before the global financial crisis, the economic bedrock of globalisation, namely the link between trade and growth, was challenged. Rodriguez and Rodrik (1999) argued that the empirics of the trade and growth relationship are far from settled. Rodrik (2011) pushed the concept of the *"globalisation paradox"* by which globalisation will not be able to coexist with democracy and national self-determination. In other words, excessive government power would cause protectionism, while excessive market freedom would cause economic instability. The globalisation paradox seems to have become more visible lately based on the increasing number of trade disputes and government responses to severe shocks, including COVID-19. A few studies have attempted to measure the degree to which a deglobalisation process might be taking place,

although most focus on trade (García-Herrero, 2018). Antràs (2020) found little systematic evidence to indicate that the world economy has entered an era of deglobalisation, but acknowledges that globalisation is continuing at a much slower pace.

To determine in which phase of globalisation or deglobalisation we are, this Policy Contribution evaluates key aspects of exchanges, namely trade, global value chains (section 2), technology (section 3), movement of people (section 4), and financial flows (section 5). The available data points to a slowdown in the globalisation process insofar as interlinkages are growing less rapidly. This is particularly the case for trade and investment. While it is still too early to assess how permanent the process is, it seems important to measure the speed of the process for the different types of exchange (trade, technology, people and capital). Meanwhile, the sudden turn from engagement to strategic competition between the United States and China raises the question of the extent to which the two economies are decoupling, which feeds into the deglobalisation process we find in the data, starting from 2008.

2 Deglobalisation in trade was seemingly underway before the trade war

A slowing of global trade flows has been evident since the global financial crisis. This is noticeable in trade in goods, in both value and volume, and also in relation to trade in services and the integration of global value chains.

The movement of merchandise declined sharply during the 2008 global financial crisis, but the general expectation was that trade would thereafter continue to grow at rates similar to those prior to the crisis. But this has not been the case. Figure 1 shows that global trade value grew by an average of 2.7 percent from 2009 to 2018, a much lower rate than the 12.6 percent average growth before the global financial crisis (GFC). The decline is also evident in trade volumes, for which the growth rate has even turned negative (Figure 2). The global services trade, meanwhile, collapsed in 2008 and has not returned to the pre-GFC level, notwithstanding some mild recovery (Figure 3).

Figure 1: Global GDP and trade growth (year-on-year, %)



Source: Bruegel based on UNCTAD.

Figure 2: Global trade volumes (year-on-year, %)



Source: Bruegel based on UNCTAD, Bloomberg.





Source: Bruegel based on UNCTAD.

The degree of integration of global value chains (GVC) has also declined since the GFC. If this integration is measured by the value of intermediate goods that are either imported to be re-exported, or are exported to other countries for them to re-export, there has been a net decline since 2008 (Figure 4). The decline has been much more significant for Germany, Europe's exporting powerhouse, than for the US and China (Figure 5). The EU remains the world region most integrated into GVCs, but the decline in its participation is happening faster than for other regions, and is in line with EU's declining share of manufacturing exports at the global level.





Source: Bruegel based on UNCTAD-Eora, Natixis. Note: Estimated data for 2016-2018. GVC participation is defined as the sum of imports of intermediates and exports of intermediates that are then used in the importing countries' exports, as a share of total exports.





Source: Bruegel based on UNCTAD-Eora, Natixis. Note: Estimated data for 2016-2018. See note to Figure 4 for definition of GVC participation.

Amid these changes, the World Trade Organisation (WTO) has been weakened as the facilitator of global trade flows. Its appellate body, which arbitrates in disputes, has been functioning poorly, resulting partly from the greater heterogeneity of the WTO as more emerging countries have joined the club, and partly from the lengthy process involved in settling trade disputes. But more important have been the increasing confrontations on trade between the US and China. President Trump's profound disdain for multilateralism and China's state-led system are not compatible with the liberal nature of the global trading system and might have weakened the WTO's foundations. China has also been hit by US sanctions, which are being targeted against countries beyond Cuba, Iran and Russia. US sanctions against China are a further push towards their decoupling in trade, and also in terms of technology and investment flows. In other words, US-China decoupling is reinforcing the post-GFC deglobalisation trend, at least in terms of trade and global value chains.

The deglobalisation trend has clearly accelerated since 2019, ending in a collapse in trade flows at the peak of the COVID-19 pandemic (Figure 6). One of the reasons for the deceleration in trade before the pandemic was the US-China trade war and, consequently, the reduced trade flows between them, after a series of tit-for-tat protectionist measures (Figure 7). While the pandemic is an exceptional event and the immediate impact of the collapse in production and demand from the lockdowns should be temporary and a recovery is underway, there is no expectation of a rapid rise in trade flows. Economies will grow below potential for the foreseeable future, which will reduce external demand globally. In addition, shifts in supply chains as firms re-shore production to reduce perceived vulnerabilities from foreign inputs, could also affect global trade volumes permanently.

Figure 6: Global trade and exports (year-on-year, %)



Source: Bruegel based on Natixis and OECD. Note: the red line shows the Natixis Global Trade Indicator of growth in global trade in goods. The OECD indicator = three-month moving average.

Figure 7: China's trade in goods with the US (year-on-year,%)



Source: Bruegel based on www.wind.com.cn/.

In summary, the slowdown in globalisation trends is more notable for trade and global value chains, which have been shrinking and fragmenting since the global financial crisis.

3 Technology protectionism is still embryonic but evolving amid US-China decoupling

For years, the technology sector has been expanding globally with benefits in terms of economies of scale and network externalities. But such expansion could be deterred by policy constraints, as seen in the case of the technology decoupling between the US and China. In particular, the decoupling has sown the seeds of technology protectionism. In this section, we look at the various channels through which technology deglobalisation is happening, from export controls and screening of foreign investment, to bans on telecommunication software and hardware.

Firstly, transfer of technology has become increasingly restricted as global technology competition intensifies through exports controls on high-end technology products. Approvals for exports of sensitive technology were first implemented by the US to tighten its control over technology transfer to the rest of the world by reducing export licenses for sensitive technological products (Figure 8). But since the outbreak of the US-China trade war under the Trump Administration, export controls have been targeted increasingly at China, with the number of approvals for China declining sharply (from a growth rate of 27 percent in 2016 to -9 percent in 2018; Figure 9). In turn, China has in 2020 introduced export licenses for key technologies, including drones and artificial intelligence.



Figure 8: Approved US licenses for tangible items, software and technology (000s)

Source: Bruegel based on US Department of Commerce.





Source: Bruegel based on US Department of Commerce.

Beyond trade, the free flow of investment has also been limited, especially in relation to technology, because of increased investment screening. This is particularly the case for the US, after the granting of increased powers by Trump to the Committee on Foreign Investment in the United States (CFIUS), with the intent to block an increasing amount of Chinese mergers and acquisitions in US, especially in the high-end industrial sector. The EU has followed and set up its own investment screening process in April 2020, pointing to technology protectionism globally, and especially aimed at China's move up the technology ladder. These moves show the unease in the west about China's increasing engagement in technological innovation. Western measures will only serve to drive technological decoupling.

More specifically for US-China competition, the US has introduced the so-called *"entity list"*¹, which effectively forbids US companies from conducting business with the Chinese companies on the list. The US Bureau of Industry and Security published such a list of entities deemed risky to US national security as early as 1997, but the number of names on the list has expanded quickly since 2019, with the addition of Huawei and some of its affiliates and more Chinese corporations.

In September 2020, China announced the release its own identity list in retaliation, though the names of targeted companies have not been made public at time of writing². The grounds for listing targeted entities have been made public, including the taking of discriminatory measures against Chinese businesses on non-commercial grounds. Interestingly, the announced consequences of being on China's entity list are not sanctions, as is the case with the US identity list, but are rather being blocked entirely from trade and investment with China. All in all, technology decoupling may eventually reinforce trade decoupling

 $1 See { {\rm https://www.bis.doc.gov/index.php/policy-guidance/lists-of-parties-of-concern/entity-list.php/policy-guidance/lists-of-parties-of-parti$

2 See http://english.mofcom.gov.cn/article/policyrelease/questions/202009/20200903002580.shtml.

as the web of sanctions and prohibitions expands, and this is particularly the case for high value-added products with a large share of technology components. It goes without saying that trade decoupling between the world's two largest economies will foster deglobalisation of trade and, possibly, investment. One particular sector for which the impact of technology decoupling might be most serious is the semiconductor industry, as has become apparent with the US ban on sourcing semiconductors from Huawei, which affects not only American producers but also Taiwanese producers, among others. In September 2020, the US entity list, in addition to Huawei, added the largest producer of semiconductors in China (SMIC).

Another stumbling block in the US-China technology decoupling, which has spilled over to the rest of the world, is 5G technology. Since the US banned Huawei from providing 5G platforms in the US, other countries have followed, including the United Kingdom. The consequences of this move are still to be fully evaluated, but it looks like the world will end up with two different 5G ecosystems and with two different sets of interoperable standards.

In addition to conflicts over hardware, the US containment of Chinese technological expansion is moving into software. In early August 2020, the White House published executive orders targeting Chinese-owned social media platforms TikTok³ and WeChat⁴. The measures threaten penalties against US residents or companies that engage in any transactions with these firms. This is equivalent to the great firewall set up by China much earlier to prevent its internet users accessing online services including Google and Facebook. But as the US follows China's lead, the internet and thus the exchange of global information will become increasingly divided. The two ecosystems in terms of hardware and standards may be replicated in terms of software.

Beyond hardware and software, the next battle will clearly be the cloud and data storage. China's restrictions on data storage outside of China have been enforced since 2017, when China's Internet Security Law was first implemented. To address this, foreign companies, such as Apple, now store Chinese user data in China through partnerships with local companies. Such regulation in China will apply to any business from the US and will push China to speed up the development of its own ecosystem in this technology. In other words, upgrading of the Chinese technology industry has become more urgent than ever, and China is prepared to pay the financial costs associated with supporting these industries.

4 International mobility

The decline in global trade in services (Figure 3) is particularly evident in travel services, which underwent negative growth in 2019 (Figure 10).Nevertheless, movement of people up to 2019 was growing in the form of longer-term migration, though at a slower pace (Figure 11). The sustainability of this might be called into question by increased restrictions on labour mobility driven by immigration controls. For example, denials of visas to enter the US have increased rapidly, a trend that is especially evident for Asian countries including China and India (Figure 12). The US-China decoupling has compounded the effect by moving into the area of international exchange of people. The US is reported to have revoked visas for a large number of Chinese students and researchers, citing potential security risks⁵. As such, decoupling between the US and China in terms of exchange of people is becoming a reality and is a factor in terms of deglobalisation of international mobility.

idUSKBN26039D.

³ See https://www.whitehouse.gov/presidential-actions/executive-order-addressing-threat-posed-tiktok/.

⁴ See https://www.whitehouse.gov/presidential-actions/executive-order-addressing-threat-posed-wechat/.

⁵ See for example Humeyra Pamuk, 'U.S. revokes more than 1,000 visas of Chinese nationals, citing military links', *Reuters*, 9 September 2020, available at <u>https://www.reuters.com/article/us-usa-china-visas-students-</u>

Short-term movements have also been growing. However, what was long perceived as a boom in international mobility, until COVID-19 struck, is actually somewhat inaccurate. Some of the flows of people had started to decelerate before COVID-19 and the number of short-term visitor arrivals slowed down markedly after 2017 (Figure 13). Of course, the number of international flights collapsed in 2020 because of global COVID-19-related restrictions on mobility (Figure 14). Trends beyond the pandemic could mean international mobility does not return to previous levels. Concerns about the impact of travel on health and the environment are likely to redefine the tourism industry. This is even more the case for business travel.



Figure 10: Growth of global trade in travel services (year-on-year, %)

Source: UNCTAD.





Source: United Nations.





Source: US State Department.

Figure 13: International tourist arrivals (billions)



Source: Bruegel based on UNWTO





Source: Bruegel based on Airports Council International.

5 Financial deglobalisation is less pronounced but still noticeable

Increasingly, there are some early signs of financial deglobalisation. This has become more noticeable as the confrontation between the US and China has moved beyond trade with a growing number of conflicts in the financial sector. In this section, we examine globalisation trends through the lenses of foreign direct investment, portfolio investment and cross-border lending.

The decline in cross-border capital flows is particularly evident in foreign direct investment (FDI), the most stable and possibly the most productive type of capital flow. Both inward (Figure 15) and outward FDI (Figure 16) flows as a share of global nominal GDP have been declining since the global financial crisis. This is especially true for outward FDI, which halved from 2.7 percent in 2008 to only 1.2 percent in 2018. This follows the trends of the decline in global trade and the fragmentation of global value chains, and could possibly be a consequence of those. While there was a noticeable recovery in outward FDI in 2019, preliminary data for 2020 points to a collapse in mergers and acquisitions, which is likely to be negative for FDI flows. It is hard to know whether FDI is no longer growing because of lack of demand, or because of constraints that make it harder for investors to operate. In any case, the differences in investment returns among recipient countries are such that the much reduced levels of FDI currently could be seen as a critical sign of fragmentation of global capital markets.

Figure 15: World inward FDI flow (% of global GDP)



Source: UNCTAD.





Source: UNCTAD.

The decline in FDI flows is even more noticeable in the China–US relationship. US FDI flows into China peaked in 2002 after China's entry into the WTO (Figure 17). Chinese FDI into the US grew until 2016 (Figure 18) even though global FDI flows have been stagnating since 2007. The collapse since 2017 could result from US constraints imposed by the Committee on Foreign Investment in the United States, which goes beyond specific technology cases, or from increased costs of doing business because of the worsening US-China relationship.





Source: Bruegel based on UNCTAD and <u>www.wind.com.cn/.</u>





Source: Bruegel based on UNCTAD and www.wind.com.cn/.

A less-pronounced trend than for FDI is also observable for portfolio flows. Portfolio flows into emerging markets have also slowed down globally since the European sovereign crisis in 2010 (Figure 19). The rebound of portfolio inflows after the initial COVID-19 shock has been milder than after the GFC (Figure 20). All in all, it is hard to talk of financial deglobalisation for portfolio flows yet, although it is interesting to look into the specific case of China and the US.





Source: Bruegel based on IIF, UNCTAD.





Source: IIF. Note: to August 2020.

Deceleration in bilateral portfolio flows has been more notable between the US and China, at least in terms of holding of safe assets, than in relation to emerging markets. The US and China have been slowly but steadily downsizing their holdings of each other's financial assets (Figures 21 and 23). Beyond the numbers, there is evidence of government attempts to decouple further. For example, the US State Department has asked universities to divest their holdings of specific Chinese assets, mainly related to Xinjiang or China's military-related companies⁶. That said, these moves have so far stayed bilateral and have not been followed by other countries. In fact, total foreign holdings of both Chinese bonds and US treasuries have increasing (Figures 22 and 24), which is understandable given the economic importance of these two economies.





Source: Treasury International Capital. Note: to April 2020.





Source: Bruegel based on China Central Depository & Clearing, Shanghai Clearing House, CEIC. Note: data as of October 2020.

Figure 23: Chinese holdings of US Treasuries (\$ trillions)



Source: Treasury International Capital.

6 See https://www.state.gov/letter-from-under-secretary-keith-krach-to-the-governing-boards-of-americanuniversities/,

Figure 24: Total foreign holdings of US Treasuries (\$ trillions)



Source: Treasury International Capital.

Cross-border bank lending meanwhile has not returned to the 2008 peak level, either in dollar terms or as a share of nominal GDP, notwithstanding a gradual recovery after the GFC (Figure 25). There is a shift towards more lending into emerging markets, which comes at the cost of less lending flowing into developed markets (Figure 26). It is thus hard to argue that there is a deglobalisation trend in cross-border bank lending. Rather, its nature is changing with an increase in emerging market flows.





Source: Bruegel based on BIS, UNCTAD.





Source: BIS.

In line with the reduction in cross-border lending, cross-border financing has become more difficult. For example, Chinese technology firms listed in the US have opted for secondary listings to avoid the risk of delisting from the US stock market. This has been done by Alibaba Group, JD.com and NetEase Inc, which have opted for secondary listings in Hong Kong. The Chinese government has meanwhile adopted policies to encourage the domestic funding of technology companies, including the launch in 2019 of the Science and Technology Innovation Board (SSE STAR Market). Based in Shanghai, the STAR Market has the objective of supporting promising technology start-ups in their equity financing, helping avoid US equity markets. China has also been increasingly selective in its choice of foreign banks in the arrangement of its sovereign issuance overseas. For example, HSBC was absent from an offering of China's US-dollar denominated bonds in October this year, possibly due to geopolitics . Since the renminbi has not yet become an international currency, China can use its sheer size in financial deals in screening market participants.

The deglobalisation trend is less pronounced than in other areas for financial flows, with the exception of FDI which is more closely linked to trade and the real economy. Nevertheless, the financial decoupling between the US and China is increasingly evident and is not only limited to FDI, though less FDI is significant. If the world returns to capital controls, there will be greater dislocation of global savings and, ultimately, lower potential growth.

6 Conclusions

After decades of increasing globalisation in every aspect, from trade – pushed further by the growing role of value chains – to technology, movement of people, and investment, it seems the trend has turned towards deglobalisation, or at least slower globalisation. Deglobalisation is not a new concept but rather a megatrend which has been seen before, right before the First World War. The slowing of the globalisation process, after decades of growing globalisation since the reform of the international financial architecture after the Second World War, appears to have started in 2008, at least for trade, global value chains and foreign direct investment. The deceleration in trade and FDI globally has been fuelled recently by the strategic competition between the US and China, which is pushing them to decouple from one another, not only in terms of trade and FDI but, most notably, in technology. COVID-19 has been a second very important factor pushing deglobalisation. Beyond trade and FDI, movement of people has been an obvious victim of COVID-19.

The deglobalisation of trade is happening in terms of value and volume of gross trade and in terms of the importance of global value chains. In other words, there are signs of a reduction in the exchange of intermediate goods between countries as a way to exploit comparative advantage and specialisation gains. These trends should not surprise us given the increasingly protectionist policies of a number of governments, notably the US, and the related weakening of multilateralism, as clearly exemplified by the decline of the WTO.

Beyond trade, technology decoupling between the US and China is seen in reduced approvals for export licenses, limits on use of hardware (through sanctions and the imposition of lists of companies with which US and other companies cannot trade) and outright bans on software. FDI flows are also shrinking, especially between US and China. FDI screening is one obvious factor hampering FDI flows. International flows of people started to decelerate in 2018, with much sharper declines in the wake of COVID-19. Finally, the trend towards deglobalisation is much less evident for finance, with the exception of FDI, though increasing attempts to decouple particular types of financial flows are emerging, including pressure to delist Chinese companies from US stock exchanges and the imposition of sanctions for transactions with certain Chinese companies and individuals. However, it is too early to confirm the depth and the sustainability of this new trend towards slower globalisation, if not deglobalisation, which may be happening in more domains that we are fully aware.

References

- Antràs, P. (2020) 'De-Globalisation? Global Value Chains in the Post-COVID-19 Age,' mimeo, available at https://scholar.harvard.edu/antras/publications/de-globalisation-global-value-chains-post-covid-19-age
- García-Herrero, A. (2018) 'US Tariffs Aim to Contain China's Technological Rise', Bruegel Blog, 10 April
- Hillebrand, E.E. (2010) 'Deglobalization scenarios: who wins? Who loses?' *Global Economy Journal*, 10(2): 1-21
- Intriligator, M. (2003) 'Globalization of the World Economy: Potential Benefits and Costs and a Net Assessment', *Policy Brief* No 33, The Milken Institute
- Khan, A.R. and C. Riskin (2001) *Inequality and Poverty in China in the Age of Globalization*, Oxford University Press
- Rodriguez, F. and D. Rodrik (1999) 'Trade Policy and Economic Growth: A Skeptic's Guide to Cross-National Evidence', *NBER Working Paper* WP/99/7081, National Bureau of Economic Research
- Rodrik, D. (2011) *The globalization paradox: democracy and the future of the world economy*, WW Norton & Company
- Rogoff, K. (2003) 'Globalization and global disinflation', *Federal Reserve Bank of Kansas City Economic Review*, 88(4): 45-80
- Tomohara, A. and S. Takii (2011) 'Does globalization benefit developing countries? Effects of FDI on local wages', *Journal of Policy Modeling* 33(3): 511-521