



# World Economy and International Business for Students, Researchers and Practitioners

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**Book review:** Bulatov A., ed. 2023. *World Economy and International Business: Theories, Trends, and Challenges*. Springer Cham. 830 p. DOI: 10.1007/978-3-031-20328-2

**Keywords:** world economy, international business, global business environment, major trends in world economy, global economic resources, global challenges, developed economies, less-developed economies

Published in the Springer series *Contributions to Economics*, this substantial volume spans 830 pages and is authored primarily by professors from MGIMO University. The aim of the book is to provide an integrated overview of the modern world economy, the global business environment, and international business.

The book stands out in its field by blending a textbook approach with a more research-focused approach. On the one hand, it is suitable for a range of disciplines, including “World (Global) Economy,” “Global Business (Economic) Environment,” “International (Global) Business,” and “Applied Economics.” On the other hand, many chapters offer content that appeals to both academics and practitioners because of their research-oriented style. Consequently, the book contributes significantly to education and research in various fields of economics.

The team of 58 authors of this book comprises esteemed faculty members from prominent Russian universities such as MGIMO University, the Higher School of Economics, and the Financial University, along with researchers from renowned institutes of the Russian Academy of Sciences, including the Primakov Institute of World Economy and International Relations (IMEMO), the Institute of Scientific Information for Social Sciences (INION), the Institute of Economics, the Institute for US and Cana-

UDC 339.9:339.7(035)

Received: August 16, 2023

Accepted: January 20, 2024

dian Studies, the Institute of Oriental Studies, and the Institute of African Studies. This highly qualified team leveraged not only academic and statistical sources but also their personal research and business experiences as the foundation for writing the book.

The book employs a unified conceptual framework and terminology, along with a clear logical structure throughout its text. This coherence suggests that it was authored by a team sharing similar perspectives. They effectively summarized, organized, and presented the latest trends and challenges in the global economy and international business. Notably, extensive visualized statistics from international economic organizations (primarily the World Bank, IMF, UNCTAD, and WTO) as well as regional and national statistical agencies accompany many chapters. Despite its voluminous nature, the text remains academically rigorous yet accessible.

### **Were two integrations successful?**

According to the preface of the book, its conception aimed at achieving two integrations: first, to provide an integrated portrayal of the global economy by combining texts on global economy, global business environment, and international business; second, to integrate a textbook approach and original research.

Starting with the first integration, it is the structure of the book's contents that plays a crucial role in presenting an integrated view of the global economy. To attain this objective, the book organizes its chapters into three parts.

The first part, titled "World Economy and Global Economy" (p. 3–261), opens with a chapter outlining key concepts of the book and examining the size, structure, and typology of the world economy as the foundation for the global economy. The latter, according to the author's definition, "combines those parts of national economies that deliver to the outside world and receive resources and products (goods and services) from it, i.e., participate in the global movement of products and resources... If the global economy is quantified, then its dimensions will be several times less than the world economy" (p. 4). The subsequent chapters delve into fundamental theories and concepts of the global economy, dynamics, and major trends, with a particular emphasis on the evolution of national economic systems and regional, as well as transregional integration. Further analysis is conducted on various global assets, including human, real, financial, and natural resources. The concluding chapters of this section address pressing global challenges, such as environmental concerns, issues of backwardness and modernization, and social challenges. Overall, this part of the book offers a comprehensive examination of key aspects of the global economy, drawing upon insights from international economics and extensive statistical data.

The second part, titled "Global Business Environment" (p. 261–547), comprises chapters that scrutinize the economic systems of both developed economies (such as the USA, EU, and developed Asia) and less-developed ones (including China, India, Southeast Asia, the Near and Middle East, Latin America, Sub-Saharan Africa, and post-Soviet economies). These chapters delve deeper into the points briefly outlined

in Part I, providing a detailed analysis and discussion of major national economies. Following a standardized methodological approach, which entails an analysis of the national economic model at the outset, a survey of external and social sectors at the end, and a standardized set of paragraphs in between, these chapters offer a comprehensive overview of various national economies. In the first chapter of each sub-part, attempts are made to summarize the contemporary economic challenges faced by two groups of national economies: developed and less-developed. For the former group, “insufficiently high rates of economic growth are probably the main challenge... The slowdown in their economic dynamics is caused by some reasons—a decrease in the pace of modernization, a change in the structure of their economy, an ageing population, and the exhaustion of opportunities for further active liberalization” (p. 269). As for the latter group of economies, “the main task of developing countries is to modernize their economies and bridge the development gap. This requires high rates of economic growth” (p. 382).

Finally, the third part, titled “International Business: Macro and Micro Aspects” (p. 547–830), commences with chapters addressing the balance of payments (as a key macroeconomic document relevant to a country’s international business), global economic governance and international economic organizations, international capital flows, multinational enterprises, global value chains, and capital markets. Following this, the book delves into chapters that analyze the multilateral trade system and global trade regulation, world markets for goods and services, global marketing, purchasing and sales transactions in international business, international payments and currency markets, and knowledge transfer. Concluding this part are chapters on international labor migration, foreign aid, foreign debt, and business culture.

In general, this part provides a comprehensive overview of the fundamental aspects of modern international business and its associated challenges. For instance, “the system of international economic organizations...as compared with the last decade... faces more challenges, primarily due to the fact that the world is becoming more divided” (p. 582). Additionally, “the transformation of GVCs can cause greater regionalization of value chains. With further digitalization, value chains will become shorter, less oriented towards the use of cheap labor, and services and information exchange will become more important than intermediate goods” (p. 617).

In our view, the logical arrangement and the grouping of numerous chapters into three parts offer a multifaceted yet cohesive portrayal of the global economy. While the first part elucidates the foundational aspects of the global economy, the second part delves into an examination of these fundamentals at the national level, and the third part concentrates on the economic interactions among these nations. Therefore, we can infer that the first integration mentioned earlier has been effectively achieved.

Regarding the second integration, the fusion of a textbook approach and original research is discernible in most chapters, although not universally across all of them. Chapters within the first part incorporate original research elements, such as the taxonomy of major actors in the global economy, its principal trends, and the founda-

tional aspects of national economic systems. However, their primary aim is to cater to students, evidenced by a non-revisionist approach to the fundamentals of international economics, akin to prominent textbooks in the field, such as Todaro and Smith (2020), and economic history, reminiscent of works like Maddison (2007).

The second part of the book exhibits a stronger research orientation. This is attributed to the subject matter of the chapters, with the majority analyzing national or regional economies and delving into significant detail and trends. Consequently, the second part of the book is well-suited for advanced students, while also holding appeal for academics and practitioners alike.

The third part presents a more diverse landscape. While certain chapters adopt a research-oriented approach (such as those on global economic governance and international economic organizations), others are written in a more educational style (as seen in chapters on foreign aid and foreign debt).

Overall, we can conclude that the book is a successful blend of a textbook and original research.

### Some criticism and proposals

Criticizing some details of such a voluminous book is inevitable. For instance, while I agree with the book's assertion that one of the major trends in the contemporary world economy is the New Normal (p. 57–76), a more comprehensive analysis of its principal components, such as economic fragmentation posing a growing challenge to globalization, would add methodological soundness<sup>1</sup>.

The authors' proposition of a new classification of integration forms also warrants critical examination (p. 93–123). Notably, it fails to encompass integrated networks as a form of integration. In the contemporary global economy, these networks frequently shape new geo-economic structures, with boundaries that diverge from traditional regional integration unions, such as “free trade zones.” The place and role of integrated networks in the evolution of informal integration undoubtedly merit further investigation.

Moreover, it appears crucial to meticulously track the evolution of capital across its various forms: human (p. 123–153), real (p. 153–185), and financial (p. 185–201), each possessing distinct essences, roles, and significances in the formation of reproduction processes. In my view, there is potential to identify a new type of capital—social capital—which could enhance the qualitative analysis of the world economy.

I believe that the book deserves a second edition in the coming years. As recommendations for the next edition, we would offer the following:

<sup>1</sup> Ahn J.B., Habib A., Malacrino D., Presbitero A.F. 2023. Fragmenting Foreign Direct Investment Hits Emerging Economies Hardest. *IMF Blog*. 05.04.2023. URL: <https://www.imf.org/en/Blogs/Articles/2023/04/05/fragmenting-foreign-direct-investment-hits-emerging-economies-hardest> (accessed 28.01.2024).

(1) Despite the fact that this edition, as noted above, integrates educational and research-oriented approaches, placing more emphasis on research in the future edition would enhance its usefulness for academics and practitioners.

(2) Some chapters do not adequately delve into the polemics on controversial issues. This applies, for example, to the chapter “Concepts and Theories of World Economy” (p. 23–37), as well as to the group of chapters on major trends in the world economy (p. 57–123). Introducing more discussions would make them more dynamic.

(3) Some chapters of the book lack a sufficient set of examples and cases. This is especially true for the chapters of the third part on “International Business.”

Nevertheless, the presented suggestions by the reviewer are only recommendations for the possible further development of the text and do not diminish the high level of importance and quality of the book.

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The book “World Economy and International Business: Theories, Trends, and Challenges”, edited by Prof. A.S. Bulatov, offers an insightful perspective on the evolution and governance of the global economy and international business, making a substantial contribution to modern scientific, educational, and methodological literature.

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***Conflict of interests:***

The author declares the absence of conflict of interests.

УДК 339.9:339.7(035)  
Поступила в редакцию: 16.08.2023  
Принята к печати: 20.01.2024

# Мировая экономика и международный бизнес для студентов, исследователей и практиков

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[DOI 10.24833/2071-8160-2024-1-94-135-140](https://doi.org/10.24833/2071-8160-2024-1-94-135-140)

РГГУ

**Рецензия на книгу:** Bulatov A., ed. 2023. *World Economy and International Business: Theories, Trends, and Challenges*. Springer Cham. 830 p. DOI: 10.1007/978-3-031-20328-2

**Ключевые слова:** мировая экономика, международный бизнес, тренды мировой экономики, глобальные экономические ресурсы, глобальные вызовы, развитые экономики, развивающиеся экономики

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Автор заявляет об отсутствии конфликта интересов.

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