

Global Economy and the Problems of Unemployment

¹Afrim Loku, ²Nadire Loku

¹University of Applied Sciences in Ferizaj, St., Universiteti” 70000, Ferizaj, Kosovo, afrim.loku@ushaf.net

²College of Medical Sciences, “Rezonanca” Prishtine, Kosovo, nadire.loku@rezonanca-rks.com

Abstract

The goal of this paper is to view the relation between economic and non-economic globalization which follows the new computer technology (particularly automation) and, on the other hand, the dark future for workers in all segments of the economy.

Improved technology provides final product for shorter period of time and costs less per produced unit, thus leading to lower price of cost, lower level for manual engagement of a worker and therefore lower number of employees. We directly present goals that will help the competition start innovations, raise production and lower prices in order to attract customers.

Division of the labor permits (specialization) raises productivity and lower prices.

The larger the unit of production is, the higher the division of the labor and the higher the specialization is, which results in higher use, lower price of costs and gives opportunity for manipulation in gaining differences of marketing production prices and adequate profit for the companies.

The subject for review here is the implementation and application of the newest researches by the multinational companies - each of them separately according to its business activity. This concrete case presents the development of artificial intelligence, joining the computer and biotechnology, introducing new genes, manipulation with molecules, division of the genes, Genetic Engineering that will imply and direct development of the huge multinational companies giving rise to high level of automation and thus they will need small number of workers. More detailed analysis is made through the chart of huge corporation in the domain of service sector, such as banking, insurance, transport, freight forwarding, which have succeeded to lower the number of employees and at the same time to save their profits as a result of reduced number of salaries for the employees and reduced possibilities for new employment opportunities. Due to this, they convert and invest that amount of money in robotics in order to be more sophisticated and to have higher export and lower import.

Keywords: companies, globalization, multinational companies, employees and economy.

Introduction

Unemployment is a global problem in underdeveloped, developing and developed countries. Technological innovations are becoming more sophisticated and it is argued that companies are laying off large numbers of employees from both female and male population. According to the reports of the

International Labor Organization, it is shown that more and more women who work represent the majority population that is living on the edge of poverty. The low economic activities of those who carry them out are poorly paid, which means low wages are leading to low productivity. Cheap labor is used by companies

that are export-oriented and strive to maximize profits.

Capitalist industrialization is forcing, i.e., works for the benefit of men as opposed to women in the First, Second and Third World countries.

Unemployment and rising living costs create insecurity, unrest, and people are struggling to survive. The sharpest contrast between real wages and economic growth is being observed in America. In this region, the middle class is in constant fear of everyday life, it is not known what can happen tomorrow, migration and reallocation is in constant growth, five to fourteen times higher compared to the rest of the world.

There are many people all over the world who do not work and are financially supported by their close families, but there are also people who work two to three jobs at a time. A record number of women are paid minimally and irregularly, leaving them no time for domestic activities as all their energy is spent on work activities. Unemployment, migration, the need for one's own home, divorce, malnutrition are factors that lead to fatigue, depression, paranoia, demotivation, loss of hope, violence, etc. Globalization, unemployment, as well as the expensive standard of living cause a stressful situation for the mind and body of the individual. Stress is an effort that requires a lot of physical and mental energy.

1. TECHNOLOGICAL REVOLUTION AND THE UNEMPLOYMENT

The technological revolution is rapidly replacing people with machines in almost all industries of the global economy. Millions of workers have already been pushed out of the economic process, and entire work categories have largely or completely disappeared. Global unemployment has reached its peak during the Great Depression in the 1930s. Around the world, more than 800 million people are unemployed or under-engaged, and that number is likely to increase by the end of the 20th century. Leaders of corporations and economists of the leading currents testify that the growing unemployment represents an

immediate "adjustment" of strong market forces that are rapidly directing the global economy in a new direction. They show us an exciting, new world of automated production, successful global trade and unprecedented material wealth. However, millions of working people remain skeptical. In the United States, the newspaper *Fortune* of 20 September, 1992, found that corporations cut more than two million jobs a year. If there are any jobs in the US economy at all, they are underpaid and, mostly, temporary.

This same pattern is repeated throughout the industrialized world. Even the developing countries are facing growing "technological unemployment", while multinational companies are developing state-of-the-art high-tech production facilities, laying off millions of low-paid workers who can no longer compete with automated production, especially since it is more cost-effective and provides controlled quality and fast delivery.

Surveys show that less than 5% of companies around the world have begun to move to the new culture of machinery. This means that in the decades to come there is inevitably a large, hitherto unseen unemployment. Returning to the importance of the ongoing transition, the esteemed winner of the Nobel Prize in Economics, Wassily Leontief (1983), warned us that with the introduction of more advanced computers, "the role of man as the most important factor in the production will certainly decrease, in the same way as with the introduction of the tractor when the importance of the horse as a labor force in agricultural production first decreased, and then was completely lost." In all three key sectors of employment - agriculture, production and services - the human workforce is rapidly being replaced by machinery, with a tendency that by the middle of the 21st century all production will be automated.

Tabular presentation of unemployment rates for individual countries

Unemployment %

Countries	2020	2021
United Kingdom	4	6.7
Ireland	8	6.4
Italy	8.3	12.3
Sweden	3.7	5.2
France	9.8	12.4
European Union	9.2	11.2
USA	5.5	4.4

Source: OECD

D.Beg, S. Fischer, Mc Grow-Hill Published 2021, Economy, (9th edition)

2. UNEMPLOYMENT IN THE SERVICE SECTOR IN THE GLOBAL ECONOMY

While the industrial worker is slowly disappearing from the economic process, many economists and officials continue to hope that the service and office sector will accept millions of unemployed workers. These hopes are likely to be dashed, as automation and reorganization replace human work as well as a wide range of services. The new "thinking machines" are capable of performing, much faster, the mental tasks that people are now performing.

According to the Journal, "The largest part of the huge service sector in the United States seems to be on the verge of a turnaround similar to the one that hit agriculture and production, where unemployment grew over the years and production steadily increased. Technological innovation is now so common that companies can lay off more employees than those they hire for the purpose of applying new technologies or maintaining increased production "(Rigdn, 2014).

EXAMPLES OF REDUCING EMPLOYMENT IN SERVICE SECTORS AND TECHNOLOGICAL PERFECTION IN THE GLOBAL ECONOMY

2.1. BANKING SECTOR

One of the largest corporations that deals with corporation restructuring, Anderson Consulting

Company, estimates that in just one service industry - commercial banking and savings banks - the reorganization will mean losing 30 to 40 percent of jobs by 2002, which is equal to around 700,000 jobs.

Many banks use machines that respond to customer calls, greatly reducing the amount of time employees have to spend answering questions. ATMs can be found at every checkpoint in US cities and suburbs, significantly reducing the number of bank cashiers. Between 1983 and 1993. Banks laid off 179,000 cashiers or 37% of the workforce. By 2000, 90 and more percent of bank customers will be using ATMs.

In the book *The Future Influence of Worker Automation* (1983), economists Wassily Leontief and Faye Duchin describe the greater efficiency of ATMs.

"The bank cashier can make up to 200 transactions a day, work 30 hours a week, receive a salary ranging from \$8,000 to \$20,000 a year and numerous other additional benefits, have coffee breaks, annual and sick leave.

In contrast, the ATM can make 2,000 transactions a day, operate 168 hours a week, its maintenance costs are about \$22,000 a year, and it does not take any coffee breaks or vacations. "

2.2. INSURANCE

The insurance industry is also rapidly moving into the world of high technology. The giant insurance company "Mutual Benefit Life" was among the first to reorganize the way it operates. It got rid of the slow, clumsy, multi-layered system of processing reports, leaving only one person to handle the cases. Equipped with a new computerized workstation and equipped with an "expert system" to help him answer questions, the man can now process applications in less than four hours. The average deadline for resolving the application has been reduced from 22 days to only two to five days. This allows the company to lay off hundreds of employees in the branches, at the

same time processing twice as many applications as before.

2.3. ADMINISTRATIVE SECTOR

Replacing the traditional paper office with an office where data is processed electronically will increase productivity and eliminate millions of jobs by the end of the decade. Secretaries will be the victims of this electronic revolution. The number of secretaries has been steadily declining since personal computers, e-mail, and fax machines replaced handwriting, binders, and routine correspondence. Leontief and Dushin estimate that the transition from the use of paper to electronic processing in offices will save them 45% of secretarial time and between 25 and 75 percent of all activities related to the office. The number of receptionists is also declining, as new automated computer systems can respond to calls, record messages, and even find the party they are calling.

Intelligent machines are mastering the administrative hierarchy, performing not only routine, clerical work, but also work that has traditionally been performed by the management. Hundreds of companies have installed computer systems to hire workers to review job applications. On-site surveys have shown that these systems are at least as skilled as human staff in making assessments and in processing applications and are even faster than human.

2.4. PUBLIC SECTOR

The incredible increase in productivity has led to the elimination of jobs in these areas of the telephone industry. Recent technological breakthroughs, including fiber optic cable, digital headquarters, satellite communications and office automation, have made the performance of the telephone industry per employee increase by 5.9% per year. Only between 1981 and 1988, the number of employees decreased by 179,800. "American Telephone and Telegraph" (ATT) announced that it is replacing more than 6,000 long-distance operators with computer-assisted technology that identifies voice. ATT expects that over the next few years it will replace more

than half of the long-distance operators with such technology, which can identify key words and respond to requests.

The new "silicone operators" are the latest in a series of technological discoveries that in recent years have enabled this company 50% more calls with 40% less workers. It is expected that the number of employees in the central repair service will decrease by more than 20% by 2000.

The development of the US Postal Service is equally exciting. The Minister of Posts and Telecommunications, Anthony Frank announced that by 1995 more than 47,000 workers will be replaced by automated machines capable of visual identification. The new silicone software can read the address of letters and cards and automatically deploy them much faster than postal workers, who will often spend up to four hours a day manually deploying post to the destination.

2.5. TRADE

Thanks to the intelligent machines, all other areas of the service economy are undergoing a radical transformation. Big changes have taken place in both the wholesale and retail sectors. Wholesalers, as well as mid-level managers, are becoming more and more unnecessary during the current electronic communication. Retailers, such as "Walmart", are now completely bypassed by wholesalers, giving it the advantage of working directly with manufacturers. By using computer equipment for controls and inspections in stores, retailers can track the loading order electronically directly in the manufacturer's warehouses. At the other end, the automated warehouses, staffed by computer-controlled robots and remote-controlled delivery vehicles, execute orders within minutes, with no manpower. The wholesale sector has laid off more than a quarter of a million workers since 1989, and the growing number of wholesalers, as we know, will disappear at the beginning of the 21st century.

Retail companies are rapidly reorganizing their operations as soon as they can, introducing intelligent machines that increase productivity

and reduce operating costs. In many stores, the use of barcodes and radar searches at the point of sale has increased the efficiency of cashiers. According to a survey conducted by the Bureau of Labor Statistics, the new electronic search equipment "allows up to 30% faster billing and a total reduction of 10 to 15 percent of the time required per unit of cashier and those who pack the items." Some retailers are hoping that the cashier's job will no longer exist. It will be replaced by a new electronic technology that allows the buyer to insert his credit card into a slot in the shelf where the desired product is located. Cashiers are currently the third largest occupation after secretaries and accountants, with 1.5 million people employed in the United States alone. For a long time, the retail sector has been a sponge for the unemployed, absorbing countless manual workers who have been laid off due to the automation in the industrial branches. Now, when the retail sector is also automated, the question arises as to where all those workers will leave.

2.6. CATERING

Many economists see the hospitality sector as the rescue for workers left behind by technological innovation in these sectors. However, there is a low level of employment here as well, indicating that difficult times are coming for the unprofessional and semi-skilled workers in the service activities. Computer systems in many restaurants allow waiters to track orders electronically, so they don't have to go to the kitchen on their own. With the help of the same electronic transmission, the computer can prepare a bill for the guest or warn the head of the shop or the supplier to replenish the stocks of goods that are in short supply. The latest way of cooking, which enables food to be cooked in bulk, in centralized kitchens, in a number of restaurants reduces labor costs by 20%.

Some "drive-in" fast-food restaurants are starting to replace the workers who receive their orders with touch screens, on which all the orders from the menu are written. The drive-in restaurants have become so highly automated and efficient that six to eight employees can

serve as many guests in prime time as 20 employees in a classic restaurant.

2.7. TRANSPORT, FREIGHT FORWARDING, ELECTRONIC DELIVERY, DATA NETWORKS

Electronic loading of products in the coming years is likely to mean the loss of tens of thousands of jobs in warehousing, freight forwarding and transportation. "IBM" and "Blockbuster Video" in May 1993 announced a joint venture that will offer custom-made audio CDs, video games and video cassettes in over 350 Blockbuster retail stores. The store will bypass warehouses, freight forwarders, trucks and loading and unloading ramps and will deliver the products to customers electronically. Each store will have a kiosk where customers will be able to get what they want by touching the computer screen. The information will be transferred to the central computer, which will make an electronic copy of the requested item and return it within a few minutes. The machines in the shop will copy the electronic information in a recording, on CDs or cassettes. Color laser printers will reproduce the image of the casing with the same clarity and resolution as existing goods. Blockbuster is expected to be followed by other retailers.

Electronic delivery is only a small part of the revolutionary changes taking place in the retail trade. On the retail market, the purchase by electronic way is breaking through, threatening the jobs of tens of thousands of sellers, managers, warehouse workers, maintenance workers, security guards and other staff employed in retail sector. Many business analysts are convinced that buying from home by electronic means will take over a large part of the state's million-dollar retail market. An article in the Forbes newspaper called the new revolution in retail trade a "serious threat to the state's traditional retail business and to the 19 million people who are employed within the state".

2.8. EDUCATION, ART, MUSIC

Intelligent machines are already taking on a whole range of professional disciplines,

penetrating even education and the arts, which are traditionally considered to be resistant to the pressures of mechanization. Doctors, lawyers, accountants, business consultants, scientists, architects and others regularly use specially designed information technology that helps them in their profession. Librarians, who number 152,000 in the country, are concerned about the electronic data systems that are able to search, find and send books and writings electronically in a short period of time. Data networks can provide excerpts from thousands of newspapers and books in minutes. Even the art of writing books is becoming a victim to intelligent machines. According to a report by the New York Times written by Stephen Laur on 2 July 1993, a writer named Scott Finch used software equipped with artificial intelligence to spell out three-quarters of prose, a text entitled "One more time", which Finch has published on the Internet.

Although, in the short term, writers do not have to be very afraid, musicians have all the reasons to be disturbed by the new generation of synthesizers who are rapidly changing the concept of music creation. Piano sales has fallen by a third or even half in recent years, while sales of digital keyboards and synthesizers have increased by 30%. The synthesizer reduces the musical sound to digital recording. Digitized sounds can be preserved and, when necessary, combined with other digitized sounds to replace an entire symphony orchestra. In a process called sampling, a computer could record a single note or combination of notes by great musicians to tie it into a whole new work that an artist has never performed. Vince di Bari, a former vice president of the American Musicians Association in Los Angeles, estimates that, thanks to synthesizers, the work of recording musicians has dropped by 35% or more. Many musicians have compared their jobs to those of Detroit's automotive workers laid off because of automation.

Even more worrying is the new morphing technology, which allows film and television producers to extract, digitize and preserve each visual expression, movement or voice of the actor and then reprogram it and combine as

they wish, successfully creating new roles and acting performances. Nick DeMartino, who runs the computer lab at the American Film Institute, says the new computer technology makes it possible to quit studios, scenes, and even actors, by replacing them with synactors (synthetic actors) that are "created by the library which consists of gestures and expressions of persons stored in the computer database". Humphrey Bogart, Louis Armstrong, Carrie Grant and Xin Kelly have already been digitized and used in new television commercials. According to the newspaper Forbes ASAP, real actors and entertainers are increasingly competing with their own digitized early characters or actors who have died on their own (Cringely, 1992).

The accelerated elimination of working opportunities as a result of technical discoveries and corporate globalization has led people to worry about their future everywhere. Multinational companies formed in individual countries that have succeeded in automation, introduction of the most advanced methods, production techniques to achieve the above mentioned in the agricultural, industrial, service and other sectors have managed to be the largest exporters of goods, services and to be good partners of countries that do not have the capacity to export and have weak economies.

3. FREE TRADE AND EMPLOYMENT

3.1. PRINCIPLES OF FREE TRADE

The ideology of neoliberalism "resurrected" by joining the 21st century and conquering the global economy based on the following principles:

- Competition encourages innovation, raises productivity and lowers prices.
- The division of labor allows for narrow specialization, which raises productivity and lowers prices.
- The greater the unit of production, the greater the division of labor and the greater the specialization, which brings greater benefits.

The economies of scale are characteristic of all political persuasions. The Treasury Department

is proposing the creation of five to ten US giant banks: "If we want to be competitive in the globalized world of financial services, we will have to change our views at the same level as those of the American institutions." The vice-president of the bank "Siticorp" is against "preserving the gentle idea that 14,000 banks are wonderful for our state". The liberal newspaper *Harpers* agrees: "It is true that farms have become bigger, as is the case with almost every other business. This is done in order to take advantage of modern production techniques." Democratic presidential adviser Lester Terrow criticized the antitrust laws as "an old conception of the Democrats that has simply run out of time". He claims that even "IBM", with \$ 50 billion in sales, is not big enough for the global market. "Big companies sometimes crowd out small ones," Terrow admits, "but it's far better for small American companies to be pushed out by big American companies rather than to be crushed by foreign companies." The insanity of large-scale systems logically leads to the following postulate of free trade: the need for global markets. This is an obstacle to the wider market, which reduces the ability to specialize and thus increases costs and makes companies less competitive in the company. The last pillar of free trade is the law of comparative advantage, which comes in two forms: absolute and relative.

The absolute comparative value is easier to understand: Differences in climate and natural resources suggest that Guatemala should grow bananas and Minnesota pike fish. Accordingly, specializing in what is best cultivated, each area enjoys a comparative advantage in that individual culture.

The relative comparative advantage is a somewhat intuitive, but very helpful term. As David Ricardo, a 19th-century British economist, explained, "two people can make shoes and hats, and one is more successful than the other in both trades; but in making hats, he can surpass its competitor by one fifth or 20%, and in shoe making it can surpass the another one by one third or 33%. Wouldn't it be in the interest of both of them for the more successful

one to make only shoes, and for the less successful one to make only hats?"

Therefore, even if one community can make a product more efficiently than another, it should specialize only in those articles that it produces most efficiently and exchange them for others. Every community, and every state, should specialize in what works best for it.

What are the consequences of these principles of free trade? Communities and states cease to rely on their own forces and become dependent. We give up our ability to produce more items and focus on just a few. We import what we need, and we export what we produce. The big one is better. The competition is ahead of the collaboration. Mankind is driven by material gain. Addiction is better than independence. These are the pillars of free trade. Briefly, we exchange. We are giving up independence in the performance of our tasks, in exchange for the promise that there will be more jobs, more products and that the standard of living will be higher.

4. INTERNATIONAL DIVISION OF LABOR

The social division of labor refers to the degree of specialization of jobs and occupations, the degree of technical specialization of tasks within occupations. The middle of the liberal trade provided by American hegemony after 1950 allowed some PRZs to use their neo-mercantile policies to change their position in the international division of labor. Asian newly industrialized countries (Hong Kong, Singapore, South Korea, Taiwan and later Malaysia and Thailand) generally used export-oriented measures, while Latin American newly industrialized countries (Brazil, Mexico, Chile) prefer measures to subsidize imports. Specific policy initiatives include tax incentives for investors, duty-free exports of components and capital goods, deductions from wages, and so on. Frebel and co-workers presented an alternative claim in favor of the "new international division of labor" in which: "The production of goods is divided into several fragments that could be assigned to any part of the world that can make the most profitable combination of capital and labor". This new

international division of labor is technical in nature and can therefore be a driver for true globalization of production. However, a key factor of the modern period is the dematerialization of commodity production, especially in the most economically advanced parts of the world, which managed to export the most labor-intensive aspects of commodity production. Post-industrialization and industrialization of culture imply the production of mobile and easier-to-trade products. Services are most often exported through the mobilization of individuals, such as visits to headquarters, international conferences, overseas exports and so on.

Export promotion is now widely accepted as the basis for a successful economic development program. Whether it is a small economy like Singapore or an open country like the United States, exports are considered crucial to their economic health. Globalism demands our attention and our resources. They tell us that our main task is to feed and expand the global systems that are being created and to manage them. Trade negotiations are at the forefront of everyone's work plan, from Elcin's to Clinton's. Political leaders strive to create stable systems for global financial markets and exchange rates. The best and smartest people of this generation are using their ingenuity to establish global financial and regulatory rules that will enable a continuous and largest possible flow of resources between countries.

Emphasizing globalism decides who we will be loyal to and weakens our neighborhood ties. "The new order betrays trust in workers, products, the corporate structure, work tasks, factories, communities, and even the nation," the New York Times reported. Martin S. Davis, head of Golf and Western, said: "Every such devotion is seen as a stretch. You can't be emotionally attached to a single tool." All of us are now funds.

Increased wages, environmental protection, health insurance and debt litigation - all of which increase the cost of production and make the corporation less competitive - threatens our business. In order to maintain the economy, we must leave the good life. We are in a global

battle for survival. We got hooked on free trade. Inequality is both a cause and effect of globalization. Inequality within a country is driven by globalization. The inequality is a consequence of globalism, because the export industry employs a small number of workers who earn disproportionately high wages compared to their compatriots, and because developed countries attract more capital from Third World countries than they invest in them. Free trade was supposed to improve our standard of living. However, we see that even in the United States, the most developed country in the world, the standard of living since 1980 has been constantly falling. This is even more dramatic, according to several polls, by workers in the United States in 1988. They worked for half a day longer for less real wages than they did in 1970. Based on per capita income, the rich/poor ratio was 2:1 in 1880, by 1945 it was 20:1 and by 1975 it was 40:1. That year, GDP per capita in the United States was \$6,500, but there were 17 countries with a total population of 200 million that lived on less than \$100 per capita.

5. EXTERNAL EFFECTS OF FREE TRADE

Price, in fact, is no measure of real productivity. In fact, price is not a credible measure of anything. In the planetary economy, the price of raw materials, labor, capital, transportation and disposal of waste are highly subsidized. For example, wages, salaries, even if workers are equally trained can be very different - up to a ratio of 30:1. Such inequality destroys even the most productive worker.

The price of goods in developed countries also depends a lot on subsidies. For example, the United States needs to build a state's transportation system. Society, directly or indirectly, built their railways, canals, ports, highways and airports.

Heavy trucks do not pay tolls enough to repair the damage they are causing to the roads. Farmers in California buy water at a price that represents only 5% of the market one: the remaining 95% is financed by the huge subsidies given to corporate farmers.

In the United States, society as a whole covers the costs of pollution caused by agricultural production. Being entangled in the production process in all these ways, we found that it is cheaper to grow products close to the point of sale.

Prices do not give accurate signals within states; they are not the same as the costs. The price is what the individual pays; costs are what the whole community pays for. The large number of economic programs in the industrial world creates a huge inequality between the price of the product or service for the individual and the cost of the same product or service for society as a whole.

When a utility company from the United States wanted to conduct electricity through someone's property, and that individual refused such "honor", the private utility company received state authorization to occupy the land it needed. This happened in western Minnesota in the late 1970s.

Since the larger power plants produced electricity cheaper than the smaller ones, it was in the "public interest" to install new power lines. If the acquisition of the landowner were respected, the price of electricity would be higher today, but it would reflect the costs of electricity production much more accurately.

Because the benefits of unrestricted air transport outweigh the public health and spiritual condition of the public, communities are no longer able to control flights and noise. Because the kids are going to be woken up by planes at night.

According to a survey, some four million people in the United States suffer from bodily harm from airport noise. When communities could control the noise produced by airplanes, as they could now control the volume of radio and motorcycles, airfare prices would increase significantly. They would then agree on the real costs they incur in society.

It is often difficult to calculate social costs, but this does not mean that they are insignificant. Remember the renovation of the cities? In the

1950s and 1960s, the suburbs were paved to provide space for a city center.

Skyscrapers and shopping malls have sprung up, the property tax base has widened, and all of them were satisfied with the job well done. Later, sociologists, economists and planners discovered that the abandoned areas that were destroyed were not poor areas prone to violence but, powerful, often tightly knit ethnic communities in which generations grew up and worked, where children went to school and played.

If the destruction of houses, the pain of shattered lives and the cost of relocation and the re-creation of community life would turn them into dollars, we may realize that the city as a whole has lost its money in the process of renewal. If we try to calculate all the costs, we may never accept urban renewal.

Our refusal to understand and calculate the public costs of a particular type of development has caused suffering in both urban and rural areas. Walter Gold Schmidt in 1994, while working in agreement with the Department of Agriculture, compared the economic and social characteristics of two rural communities in California, similar to each other in every respect except one. Dinuba was surrounded by family farms, and Arvin by corporations.

Gold Schmidt found that Dinuba was stable, had a higher standard of living, more small enterprises, increased number of goods sold in retail, better schools and other social facilities, as well as that the citizens participated in the affairs of the community at a higher level.

The U.S. Department of Agriculture called for a clause in the Gold Schmidt Agreement and banned him from talking about his discovery. The research has not been made public for almost 30 years.

In the meantime, the Ministry of Agriculture has continued to promote research that is rapidly transforming all Dinubs in our state into Arvins. The crisis of the farms we are going through now is a consequence of this process.

How, as a society, can we get acquainted with the contradictions between prices and costs?

There are ways in which we can protect our way of life until the penetration of the global economy, to achieve the important social and economic goals of paying it almost the same price for our goods and services. In some cases, we may have to pay more, but we need to remember that higher prices may be due to falling overall costs. Let's take a look at the proposed Family Farm Protection Act, written by farmers and presented to Congress by the Senator from Ajova, Tom Harkin a few years ago.

That law proposed that farmers across the state should limit the production of agricultural goods, and the state at the same time should set minimum prices for those goods that would be sufficient to cover the costs of labor and invested funds, which on family farms would provide them with a corresponding income. The patrons of this law estimate that such a program would increase the retail costs of agricultural costs by 3 to 5%, but that would be more than compensated by the drastic reduction of state tax concessions who are subject to farm subsidies.

This doesn't even take into account the benefits of a stable rural America: fewer people who leave the farms where their families have lived for generations; less influx of unemployed, rural immigrants in already impoverished cities; lower medical costs; fewer food and social security vouchers. Economists want to talk about externals such as: costs for relocation of jobs, increased domestic violence, disintegration of the community, damage to the environment, cultural decline - all of which are considered "external economic effects".

CONCLUSION

The purpose of this paper is to perceive the relationship between economic and non-economic globalization that follows the new computer technology (especially automation) and the dark future that awaits workers in all segments of the economy.

The improved technology that gives the final product in a shorter period of time, lower costs

per unit of production, lower cost of production, lower employee engagement with manual labor and automatically a reduction of the number of employees. We show directly set goals that competition drives innovation, raises productivity and lowers prices, thus attracting consumers.

The division of labor allows (specialization), which raises productivity and lowers prices.

The larger the unit of production, the greater the division of labor and the greater the specialization, which brings greater benefits, lower cost of production and allows for greater manipulation around the realization of differences in sales of product prices and equivalent profit for companies.

The subject of development are multinational companies that import and apply the latest research, each individually according to its activity and subject of work. An analysis was made in detail through the presentation of large corporations in the field of the service sector such as banking, insurance, transport, freight forwarding, which managed to reduce the number of employments and at the same time save their profits by reducing the possibility for new employments, and on the other hand, they redirected and invested money in robotics for the purpose of bringing sophistication in their company, which provides more exports and less imports.

References

- [1] David Morris: Free trade; Huge Destroyer (excerpt) - "Global Economy" - Zagreb, 2019
- [2] D.Beg, S. Fischer, Mc Grow-Hill Published 2021, Economy, (9th edition)
- [3] International Monetary Fund, World Economic Outlook, May 2015, Washington
- [4] Jeremi Rifkin: New technology and the end of jobs (Excerpt) - "Global Economy" Zagreb, 2018
- [5] Malcolm Waters: Globalization, Institute for Democracy, Solidarity and Civil Society, Skopje, 2020

- [6] Manuel Castell: Economic Cries and American Society, Princeton, 1980
- [7] Mihaljo Crnobrwa: Technological revolution of commodity value in the book: Third Technological Revolution, Economic Center, Belgrade, March 2005.
- [8] Rajko Tomovic: The social aspect of modern technology no. 29/82, Belgrade, 2020
- [9] Statistical International Yearbooks 2020 (RM), International report of the Republic of Macedonia, 2020
- [10] Teresa Brennan: Globalization and its terrors; Routledge, New York, 2013