

Forces that drives growth in international trade

Business



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According to Van & Lewer (2007), international trade is performing better in the modern times than the past decades and it is projected to get even better in the days ahead. The flourishing of the international trade is dependent on a number of forces that keep emerging in the modern time.

Many of the driving forces that have kept international trade getting into new heights include globalization, the hyper-connectivity that has been brought by the increased use of internet and increased access and lower of the costs of travel and transportation of cargos. Additionally, improvement of upcoming democracies in the realms of politics in most countries is a strong force for the growth of international trade.

Primarily, according to Diaw & Lessoua (2013), the increased utilization of the internet has stirred international trade forward. More people can now access the internet today than any other time in the history of internet invention. The internet has comes with many prospect that has been of advantage to the connectivity and increased transaction of business. With internet, most of the products in overseas can be ordered online and paid online with services such as PayPal and other services hence giving international trade a force that takes into new levels. More so, internet has come up with websites that display products that oversees and in demand by a particular individual or company on other corners of the world. Websites such as Alibaba. com provide a good platform of increasing the international trade. Internet has also made communication between international traders cheaper and cheaper hence easier for them to be in commerce with each other. In overall, Internet has made this world smaller and smaller hence <https://assignbuster.com/forces-that-drives-growth-in-international-trade/>

hyper-connectivity consequently increasing the international trade (Diaw & Lessoua 2013).

The upcoming democracies according to Van & Lewer (2007) have also played a role in the surge in the international trade growth in the world at present. With democracy, most of these countries have had peace of late, which is an imperative component in having international trade growing and getting forward. Most important to note is that most of this countries that have come to embrace democracy are the hub of minerals and other products that are in demand internationally. Africa has been for long been torn by war and made it difficult to trade with other countries internationally hence becoming hurdle in stirring the international commerce forward. With the latest development and having peace in these countries, economists such as Diaw & Lessoua (2013) project that international trade will get better because of peace and good relations with Western countries that are pro-democracy for any international trade to be transacted. The growth come as result of the Western countries dropping the embargoes that are usually imposed at the time of bad diplomatic relation due pervasion of human rights as they fight for power (Diaw & Lessoua , 2013).

In summation, there are a number of factors that act as a force in the growth of international trade. This includes peace in the upcoming democracies in the world, increased use of internet, which has increased globalization and interconnectivity in the world hence better commerce internationally.

Reference

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