Importance Of Reform Of The International Investment System For Success Of International Business

International Business

1. Discussion

· The collapse of a large number of economies in such a tragic fashion shows that there were fundamental weaknesses and fragility that policy makers did not understand or ignored before the crisis. There is no doubt about the creative impact of market forces, but the private sector's pursuit of short-term gains can sometimes lead to a lack of productive investment and a concentration of returns by the privileged few. Risks are particularly evident when financial markets separate themselves from the real economy. Wealth is linked to rapid debt accumulation and rising asset prices rather than sustained productivity and income increases, and innovation is directed towards financial engineering rather than technological progress. Such a growth strategy is unlikely to be stable or equitable. Neoliberalists are particularly active in the quest for the privatization of wealth. They see the absence of clear rights to private property - as in many developing countries - one of the greatest institutional barriers to economic development and to improving human well-being. The encirclement and waiver of property rights to a security fence is the best way to protect it from the so-called 'public tragedy' (the irresponsible tendency of individuals to invest in public property, such as land and water). The sectors previously administered and regulated by the State must be given to the private sector and freed from State interference. Competition - between individuals and between companies and between regional entities (cities, regions, States and regional groupings) - is an absolute virtue. Of course, the basic rules of competition in the market must be respected. In cases where the formulation of such rights is not clear or the definition of property rights is difficult to define, the State must use its authority to impose or introduce market regulations (eg trade in pollution rights). They also argue that privatization and liberalization of government intervention, coupled with competition, remove this red bureaucratic tape, increase efficiency and productivity, improve quality and reduce costs directly to consumers by offering goods and services at cheaper prices and indirectly by reducing the tax burden. The Developing countries are suffering from the problem of free trade. Many countries have risked such trade and trade at crazy prices, while trade unions have found it to be a cover for developed countries at the expense of developing countries. As known, most developing countries suffer from economic crises due to their dependence on agriculture, while in many countries free trade has eliminated agriculture and transformed it into industrial structures not owned by developing countries, from the other side, many countries still rely on agricultural inputs for their export earnings. All this is the result of the class separation between countries and the post-Cold War societies and the consequent economic crises that must be solved by negotiations between what developing countries can offer to developed countries by making existing organizations work with the goals for which they were found.

2. Discussion

· The term business in both international business management and local business

management refers to every organized human effort and wave to achieve a particular goal through the transfer of goods or services from one case to another or between one individual and another. Thus, the production of a commodity and marketing it for a specific purpose is profit. From its name, International business refers to business around the world cross the borders regardless of the type of these activities, whether the transfer of goods or services or capital and technology or regulation and management. The difference between universal business and business. The local environment is represented by the external environment of each. If the national boundaries exceed the boundaries of the environment, then the environment changes in all its political, legal, economic and other variables. These environmental differences and the imposed regulatory and behavioral responses lead to the existence of qualities or the nature of universal business. Therefore, the idea is not different in general. The business, whether local or international, follows the same evaluation in the trading system, but the responsibilities are greater in the universal business. Therefore, if we consider that the increase in responsibility in local businesses must be taken into account and that they are capable of working at the global level, there is no need to start from scratch in local businesses by first promoting the country and then starting across a world. The promotion of an international product may initially be better than local promotion, where it may be more interested in being targeted at more customers

3. Answer

· Since Poland is more biased to the EU and its relations are better with Europe, starting to invest in it for the first moment seems better, but Russia is a great country on the one hand, and because it has wide relations across the world with the Third World countries or Europe and being the largest gas exporter in the world, It is better than Poland, where it will be easier because of relations with countries Poland may not have relations with Russia and because it covers a large part of the world, it can be harnessed this space for investment purposes also militarily, most countries across the world cooperate with Russia from us On the border crossing, the border crossing is considered cheaper and easier than Polish, despite the sanctions that Europe is trying to impose but remains a superpower that can protect its capital and promote it worldwide. On the other hand, we find that the Russian currency is weaker than the Polish currency, which means that an investment of $ 100 million in Russia can create greater employment opportunities and import materials of better quality in addition to better incentives for workers to encourage them to work, which means the most successful investment and access to the global level faster to ensure the expansion of investment, not to lose it.

4- Answer

· The best country to invest in it among the offer available is China, where it recently strained relations between America and Russia, and the fact that Russia, China, where he lost America in a hostile country of capitalism and investment in a country whose economy is weak compared with the US, China and Germany is a logical loser option including best options is Most recent investments against China and Germany have imposed many restrictions on America and on foreign investment would make investment cost a lot while China seeks to occupy the top position in the world economy to become the most economically powerful and thus invest in a country like China to serve the China community Will be a success regardless of the nature of the investor as long as it serves the national economy, therefore, it will be successful, which gives it a large community can be traded and competitive prices can be controlled if the

investment success and China is heading for global economic control. All of that means that establishing a business of automobiles in China with all technology it has and the large society with the affect to China economic will make it better than business in Germany or Russia where there are many constraints on the American business in these countries even Germany in EU but it doesn’t prefer to make businesses with USA. Also Russia in the last few years bought more US debt from countries with a debt to America, making US investment difficult because it would be on sale someday

Conclusion

The World Investment Report 2014 highlighted important financing needs for sustainable development, ie direct indirect investment in reducing the investment gap, access to the world, and the important role to be played. Especially in developing countries. In this regard, a priority in this regard should be the promotion of global investment policy, including international investment agreements and international tax regimes. These systems are closely linked. They share the same ultimate objective: to promote and facilitate cross-border investments. They also have a similar structure, each 'dish of spaghetti' contains more than 3000 binary deal. Who face similar challenges? And what they do. Both are undergoing efforts to reform it. Each system has its own reform priorities. But it is useful to think of a joint program. This could aim to increase the global reach of all, improve governance and increase coherence to better manage the interaction between tax policies and international investment policies, thereby strengthening each other. Reform of the management of the international investment system is essential to the creation and maintenance of an enabling investment environment that increases investment opportunities for development.

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