

Macro Roundup Article

Headline: [The Global Economy Enters an Era of Upheaval](#)

Article Link: <https://www.bloomberg.com/graphics/2023-geopolitical-investments-economic-shift/?sref=U3dOGIDF#>

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Tweet: Citing a @IMFNews analysis, @sdonnan notes the global share of greenfield FDI has declined for countries that failed to condemn the Russian invasion of Ukraine as world trade balkanizes on geopolitical lines.

Summary: Using UN votes to condemn Russia's invasion of Ukraine as a filter, Bloomberg Economics found that the global share of greenfield foreign direct investment going to countries that didn't condemn the invasion averaged only 15% in the last two years, down from 30% in the decade to 2019. China's share, including Hong Kong, fell to less than 2% in 2022 from nearly 11% on average over 2010-19. The data point to US and other Western companies investing more in like-minded countries. Between the second quarter of 2020 and the first quarter of this year, US companies' greenfield investments in China plunged 57.9% and those by European firms dropped 36.7% versus the five years leading up to the pandemic, an updated IMF analysis shared with Bloomberg found. Investments from the rest of Asia into China were down by more than two-thirds. Related: [Setser On Rumors Of Decoupling and How America Is Failing To Break Up With China](#) and [Global Firms Are Eyeing Asian Alternatives to Chinese Manufacturing](#)

Primary Topic: Trade (not deficits)

Topics: China, GDP, News article, Security, Trade (not deficits)

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