Recent globalization movements haven’t influenced the United Kingdom much economically. Global economic trends with primarily open economic systems might intuitively be a reason to challenge this statement, however the UKs recent trends seem to suffice for the statements credit.

“Globalization has intensified the problems facing UK manufacturing businesses” (tutor2u) where there has been a decrease in its comparative advantage. The UK receives most of its economic activity through the repetitive unskilled labor in manufacturing jobs. “This process can lead to temporary structural unemployment” (Economics Help) and some claim “that globalization is a force driving up the scale of relative poverty” (tutor2u). Developing nations’ economies now have the advantage to lower labor cost through outsourcing elsewhere and have decreased the UKs employment rate by 7.8%.

United Kingdom “firms can benefit from specializing in goods where they have a comparative advantage (which) will ... lead to lower prices for consumers” (Economics Help). The financial and insurance service industries are among the multiple emerging service jobs on the rise in response to this trend. However, the barrier to entry for these emerging industries is relatively high because there are already established global firms in this sector. “Globalization means that domestic monopolies will now face more international competition. This will help reduce (profit) for firms” (Economics Help).

In regards to the population trends, globalization increases accessibility for migrants to enter the workplace in the UK, which can help the UK fill job vacancies created by the emerging industries. However, this has placed greater stress on the infrastructure of UKs housing and public services.

The UK is more affected by the global economic cycle than most 1st world countries. For example, a deep recession in the European Union will also affect the UK, because the UK relies on the EU to export many goods. “The global credit crunch had a very damaging impact on UK economy”(Economics Help). The economic swings in the EU as a whole directly affect the UK no matter what and the benefits from being a part of an overarching economic organization are now starting be outweighed.

Globalization contributes to economic growth worldwide and increased global innovation through increased access to skilled labor, and most developing countries have seen a slight boost in their economy. The UK, however, isn’t following this trend due to outsourcing to replacing their competitive advantage in their manufacturing industry.