

Aspects of globalization of employment in the European Union

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Abstract

Research background: The influence exerted by globalization manifests predominantly in field of employment. The challenges generated by this process are amplified by technological developments. Facilities of movement and establishment in various regions, and the new opportunities for conducting professional activities, have led to increased mobility of employment. Globalization has led to a growing interest of businesses to operate outside their own country.

Purpose of the article: In the current context, the purpose of the article is to analyze whether in the field of employment there is a tendency to increase the share of persons employed in enterprises controlled from outside the EU in total EU employment.

Methods: The article presents the comparative situation of the number of persons employed for enterprises controlled from outside the EU. The article also presents an analysis of the number of persons employed for enterprises controlled from inside the European Union.

Findings & Value added: Following the analysis, there is an increase in employment in enterprises controlled from inside the EU in total EU employment. Also, depending on the economic activity, there is a higher distribution for the following economic activities: Manufacturing, Wholesale and retail trade, Administrative and support service activities, Information and communication, Transportation and storage.

Keywords: European Union; Employment; Globalization

JEL Classification: J21; F6; J6

1. INTRODUCTION

The economic growth of a less developed state is influenced by the existence of capital flows (Sarbu et al., 2021). Thus, through the proposed measures, it is considered that development and economic growth strategies can contribute to attracting these capital flows (Arora, 2009).

In the context of globalization, in order to optimize efficiency, the level of qualification of employees can influence the degree to which product quality is ensured (Thamm et al., 2020).

The transmission of new technologies is greatly facilitated by multinational enterprises, which, through the cross-border investments they make, contribute to the creation of new jobs (Patala et al., 2021). Given the new technologies, the increase in the level of competitiveness required in the labor market has led to an increased awareness of the process of acquiring professional and personal skills (Burlacu et al., 2019).

Thus, the recognition of qualifications is becoming increasingly important for both employees and employers (Pauletto, 2021). With the development of technologies, the needs and desires of consumers have increased (Pricop et al., 2016). Based on the continuous increase of consumption, production also increased (Panizzut et al., 2021). For any community, economic development is influenced by socio-economic aspects (Androniceanu et al., 2017). In the context of globalization, the evidence of these challenges is growing (Radulescu et al., 2021). Increasing the number of employees abroad was possible by opening up the labor market (Burlacu et al., 2021). Thus, competitiveness increased, and new jobs could be created (Šoltés et al., 2021).

It is considered that economic development will depend on the degree to which globalization will materialize (Leal et al., 2021). For this reason, the importance of foreign direct investment is increasing (Alpopi et al., 2018). The relocation of industries that pollute the environment in developing countries can affect the state of the environment in these countries (Radulescu et al., 2020).

However, the transfer of green technologies can mitigate environmental degradation (Bran et al., 2018). It is also found that even the development of energy scenarios must consider the process of globalization (Baard, 2021). It is found that states that are on a higher stage of development have managed to attract larger funds from foreign investors (Arora, 2009). Often, through regulatory requirements, competition from foreign companies with companies in a country turns into investments to support domestic affairs (Bodislav et al., 2020).

The intention to invest in a country is influenced by the antitrust rules of that country (Clougherty & Zhang, 2021). Against the background of urban developments, new jobs will be able to be set up in rural areas (Bodislav et al., 2019). This aspect is based on the growing demands for food, building materials, energy (Schmidt et al., 2021). Education is one of those social indicators that allows the measurement of quality of life (Stofkova, 2021). Thus, we can say that in order to improve our quality of life, it is necessary to apply certain measures that lead to an increase in the level of education (Balu et al., 2021).

Within a society, over time, various changes of an economic, social, cultural nature can take place (Burlacu et al., 2020). All this, together with demographic and technological changes, lead to the need for new skills and knowledge, to the idea of applying new forms of learning (Elshafie, 2021). It is believed that sustainable development goals can be achieved by improving connectivity between countries (Profiroiu et al., 2020).. In the context of globalization, its multiple dimensions must not negatively influence the environment, so that the benefits can be accumulated in support of society (Becker et al., 2021).

2. METHODS

The influence exerted by globalization manifests predominantly in field of employment. The challenges generated by this process are amplified by technological developments. Facilities of movement and establishment in various regions, and the new opportunities for conducting professional activities, have led to increased mobility of employment. Globalization has led to a growing interest of businesses to operate outside their own country.

In the current context, the purpose of the article is to analyze whether in the field of employment there is a tendency to increase the share of persons employed in enterprises controlled from outside the EU in total EU employment. The article presents the comparative situation of the number of persons employed for enterprises controlled from outside the EU. The article also presents an analysis of the number of persons employed for enterprises controlled from inside the European Union.

Following the analysis, there is an increase in employment in enterprises controlled from inside the EU in total EU employment. Also, depending on the economic activity, there is a higher distribution for the following economic activities: Manufacturing, Wholesale and retail trade, Administrative and support service activities, Information and communication, Transportation and storage.

3. RESULTS AND DISCUSSIONS

In recent years, cross-border opportunities have increased. This has been strengthened by ecommerce and digital technologies. European companies' access to new large markets has increased. Also, a major source for the economic growth of a region is foreign investment (EC, 2017). Table 1 presents the comparative situation of the number of persons employed for controlling entities is from inside the EU.

Table 1. The comparative situation of the number of persons employed for controlling entities is from inside the EU

Countries	2014	2016	2018
European Union	:	:	12.985.322
Belgium	296.735	258.724	295.758
Bulgaria	219.562	217.477	232.113
Czechia	684.189	733.293	751.308
Denmark	213.599	233.465	251.779
Germany	1.809.736	1.796.834	2.070.866
Estonia	73.171	73.951	75.315
Ireland	125.691	142.781	186.152
Greece	88.482	107.099	:
Spain	956.400	1.059.068	1.177.882
France	1.058.598	1.104.941	:
Croatia	110.886	100.490	142.707
Italy	653.383	707.618	823.242
Cyprus	8.545	8.871	11.230
Latvia	87.626	99.986	105.945
Lithuania	99.001	106.459	112.957



Countries	2014	2016	2018
Luxembourg	68.758	74.426	81.236
Hungary	453.734	466.750	506.102
Malta	11.911	14.025	17.841
Netherlands	485.184	549.401	591.723
Austria	380.901	407.646	442.493
Poland	1.107.530	1.239.217	1.456.166
Portugal	273.856	:	:
Romania	817.149	833.507	875.150
Slovenia	79.366	91.762	109.158
Slovakia	294.568	318.331	337.094
Finland	163.650	164.689	167.876
Sweden	393.256	409.172	442.413

For 2018, it is observed that the number of employed persons is approximately 13 million. For the existing data on the EUROSTAT website, compared to 2014, in 2018 there are decreases for Belgium (from 296735 to 295758 persons employed). The other countries record increases in the values of persons employed for controlling entities is from inside the EU. The highest increases are observed in: Poland (+348636 persons employed), Germany (+261130 persons employed), Spain (+221482 persons employed), Italy (+169859 persons employed), Netherlands (+106539 persons employed). Also, for 2018, the highest values are registered in Germany (2070866 persons), Poland (1456166 persons), Spain (1177882 persons), Romania (875150 persons), Italy (823242 persons), Czechia (751308 persons), Netherlands (591723 persons), Hungary (506102 persons). At the level of the European Union, table 2 presents the situation regarding the foreign control of enterprises by economic activity, for 2018.

Table 2. Distribution by economic activity for the number of persons employed for controlling entities is from inside the EU

Economic activity	Number of persons employed
Mining and quarrying	47641
Manufacturing	4674427
Electricity, gas, steam and air conditioning supply	147800
Water supply; sewerage, waste management and remediation activities	104759
Construction	353697
Wholesale and retail trade; repair of motor vehicles and motorcycles	3320000
Transportation and storage	731327
Accommodation and food service activities	444612
Information and communication	835844
Financial and insurance activities	476826
Real estate activities	80000
Professional, scientific and technical activities	676545
Administrative and support service activities	1535224
Repair of computers and personal and household goods	3548

From the data presented, for 2018, depending on the economic activity, there is a higher distribution for the following activities: Manufacturing (4674427 persons), Wholesale and retail trade (3320000 persons),

Administrative and support service activities (1535224 persons), Information and communication (835844 persons), Transportation and storage (731327 persons), Professional, scientific and technical activities (676545 persons). Given the information in the previous table, Table 3 presents the comparative situation of the number of persons employed for controlling entities is from inside the EU, for those economic activities that, at European level, have over 500000 persons employed.

Table 3. The comparative situation of the number of persons employed for controlling entities is from inside the EU, for those economic activities which, at European level, have over 500000 persons employed

Countries	1	2	3	4	5	6
European Union	4.674.427	3.320.000	731.327	835.844	676.545	1.535.224
Belgium	90.704	70.921	13.279	8.277	5.591	66.472
Bulgaria	89.127	46.481	13.437	29.928	11.382	14.331
Czechia	390.960	156.326	37.514	26.234	29.318	51.069
Denmark	58.210	71.797	35.678	15.064	18.212	22.529
Germany	826.401	391.347	105.142	118.320	142.150	256.465
Estonia	29.944	17.974	3.172	5.437	1.722	10.766
Ireland	29.621	66.327	10.538	16.397	14.403	27.143
Greece	:	50.184	:	11.789	8.939	:
Spain	323.262	329.731	56.602	90.027	75.256	188.724
France	386.167	346.962	:	72.843	64.190	230.022
Croatia	45.506	39.654	7.707	11.697	5.892	12.254
Italy	263.839	250.803	32.689	46.969	47.304	112.931
Cyprus	:	4.296	1.865	569	327	1.969
Latvia	23.385	34.570	8.827	12.443	4.564	10.521
Lithuania	32.550	32.258	9.929	9.431	7.079	9.081
Luxembourg	:	16.448	:	:	:	:
Hungary	245.157	106.886	28.682	30.015	25.896	31.080
Malta	:	:	:	:	:	:
Netherlands	98.211	203.421	73.264	46.747	26.439	63.190
Austria	114.517	173.063	:	20.812	18.262	61.963
Poland	665.526	393.237	73.104	88.542	49.234	82.362
Portugal	92.789	101.433	17.084	26.980	10.309	86.959
Romania	421.460	169.249	39.990	72.731	35.177	60.200
Slovenia	50.690	33.336	5.548	4.138	2.437	7.619
Slovakia	182.915	64.869	19.406	20.041	10.002	15.057
Finland	46.049	40.896	11.186	13.288	13.337	18.937
Sweden	128.676	110.944	44.524	27.664	38.240	49.575

- 1 – Manufacturing
- 2 – Wholesale and retail trade; repair of motor vehicles and motorcycles
- 3 – Transportation and storage
- 4 – Information and communication
- 5 – Professional, scientific and technical activities
- 6 – Administrative and support service activities

For manufacturing, the countries where the highest values for employed persons are: Germany (826401 persons), Poland (665526 persons), Romania (421460 persons), Czechia (390960 persons), France (386167 persons), Spain (323262 persons). For wholesale and retail trade; repair of motor vehicles and motorcycles, the highest values are recorded in: Poland (393237 persons), Germany (391347 persons), France (346962 persons),

Spain (329731 persons), Italy (2508003 persons), Netherlands (203421 persons). For transportation and storage, values of over 50000 persons employed are observed in: Germany (105142 persons), Netherlands (73264 persons), Poland (73104 persons), Spain (56602 persons).

Also, over 50000 employed persons register for information and communication in: Germany (118320 persons), Spain (90027 persons), Poland (88542 persons), France (72843 persons), Romania (72731 persons). For administrative and support service activities, the highest values are in: Germany (256465 persons), France (230022 persons), Spain (188724 persons), Italy (112931 persons).

It is observed that three countries have high values for all economic activities: Germany, France and Spain. Table 4 presents the comparative situation of the number of persons employed for enterprises controlled by all countries of the world for total business economy, except financial and insurance activities.

Table 4. The comparative situation of the number of persons employed for enterprises controlled by all countries of the world for total business economy

Countries	2008	2010	2012	2014	2016	2018
European Union	:	:	:	:	:	127.410.755
Belgium	2.558.022	2.649.160	2.718.355	2.744.636	2.802.427	2.961.184
Bulgaria	2.059.660	1.927.935	1.872.997	1.888.722	1.961.520	2.014.979
Czechia	3.653.435	3.446.754	3.521.517	3.515.084	3.661.872	3.778.328
Denmark	2.074.464	1.505.933	1.602.105	1.638.700	1.714.856	1.808.887
Germany	23.206.226	24.932.378	26.401.395	27.781.123	29.086.416	31.120.840
Estonia	279.955	220.287	235.242	241.378	246.701	251.327
Ireland	1.262.385	1.080.859	1.097.445	1.240.689	1.381.788	1.504.484
Greece	:	:	2.198.983	2.212.462	2.366.201	2.593.935
Spain	13.460.274	11.989.152	10.923.324	10.655.035	11.713.718	12.574.611
France	15.688.102	15.430.052	16.091.930	16.144.350	16.361.782	17.359.318
Croatia	:	1.075.442	1.002.905	999.426	997.335	1.033.317
Italy	15.950.493	15.090.021	14.715.132	14.158.595	14.547.328	15.111.869
Cyprus	242.642	242.049	224.915	209.345	229.292	269.661
Latvia	677.822	540.151	573.580	619.685	634.957	658.337
Lithuania	992.107	775.203	835.630	909.868	954.639	987.695
Luxembourg	:	232.228	242.533	249.348	265.037	286.339
Hungary	2.638.505	2.437.262	2.430.881	2.472.699	2.672.445	2.831.631
Malta	97.095	117.946	119.224	125.765	142.606	157.957
Netherlands	5.578.876	5.317.258	5.359.441	5.327.401	5.598.996	6.002.103
Austria	2.588.941	2.557.287	2.671.477	2.720.484	2.778.445	2.927.624
Poland	5.453.568	5.347.289	5.294.758	5.356.464	5.633.885	6.474.657
Portugal	3.475.617	3.257.064	2.942.895	2.894.720	3.115.885	3.425.893
Romania	4.413.763	3.713.223	3.837.868	3.834.201	3.978.093	4.061.214
Slovenia	647.795	604.720	574.479	578.976	604.234	654.747
Slovakia	1.099.260	1.471.438	1.417.228	1.439.731	1.526.626	1.652.546
Finland	1.472.981	1.411.302	1.457.598	1.470.426	1.458.963	1.516.165
Sweden	2.961.030	2.897.601	3.025.006	3.043.722	3.203.909	3.391.107

It is noted that, compared to 2008, in 2010, significant decreases in values were observed for: Spain (-1471122 persons), Italy (-860472 persons), Romania (-700540 persons). At the same time, increases were registered in: Germany (+1726152 persons), Slovakia (+372178 persons), Belgium (+91138 persons).

The evolution for the period 2008-2018 shows a significant increase of persons employed for: Germany (+7914614 persons), France (+1671216 persons), Poland (+1021089 persons), Slovakia (+553286 persons),

Sweden (+430077 persons), Netherlands (+423227 persons), Belgium (+403162 persons), Greece (+394952 persons). In 2018, over 5 million people employed for enterprises controlled by all countries of the world were in: Germany (31120840 persons), France (17359318 persons), Italy (15111869 persons), Spain (12574611 persons), Poland (6474657 persons), Netherlands (6002103 persons). At the level of the European Union, table 5 presents the situation regarding the foreign control of enterprises by economic activity, controlled by all countries of the world for total business economy, except financial and insurance activities, for 2018.

Table 5. The situation regarding the foreign control of enterprises by economic activity, controlled by all countries of the world for total business economy, except financial and insurance activities

Economic activity	Number of persons employed
Mining and quarrying	408242
Manufacturing	29472293
Electricity, gas, steam and air conditioning supply	1300000
Water supply; sewerage, waste management and remediation activities	1500000
Construction	11754151
Wholesale and retail trade; repair of motor vehicles and motorcycles	28593025
Transportation and storage	10027733
Accommodation and food service activities	10680380
Information and communication	6071397
Financial and insurance activities	2469037
Real estate activities	2510000
Professional, scientific and technical activities	10887765
Administrative and support service activities	13852835
Repair of computers and personal and household goods	340000

It is observed that the economic activities in which over 10 million people are employed are: Manufacturing (29472293 persons), Wholesale and retail trade; repair of motor vehicles and motorcycles (28593025 persons), Administrative and support service activities (13852835 persons), Construction (11754151 persons), Professional, scientific and technical activities (10887765 persons), Accommodation and food service activities (10680380 persons) and Transportation and storage (10027733 persons).

4. CONCLUSIONS

In the context of globalization, due to the intensity and interconnection of risk sources, but also the high number of risk sources, an increasingly complex task for enterprises is their internationalization (Bugarová et al., 2021). From the analysis performed, it is observed that, compared to 2014, in 2018, in all countries there are increases in the values of employees for control entities from within the EU, except Belgium. In 2018, over 500000 employed persons were in: Germany, Poland, Spain, Romania, Italy, Czechia, Netherlands, Hungary.

For 2018, depending on the economic activity, there is a higher distribution for the following activities: Manufacturing, Wholesale and retail trade, Administrative and support service activities, Information and communication, Transportation and storage, Professional, scientific and technical activities.

Also, in 2018, over 5 million people employed for enterprises controlled by all countries of the world were in: Germany, France, Italy, Spain, Poland, Netherlands. Advancing emerging economies in the value chain will lead to increased competition. Reducing the gap between the least technologically advanced and the most advanced regions can be achieved by acquiring by employees those appropriate skills, respectively by investing in education (EC, 2017).

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