

GLOBAL MARKETS AND BUSINESS CENTERS

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Abstract

This paper discusses global markets and international business and their impact on companies and the economy at large. The global market includes international trade activities, cross-border investment, and inter-country economic integration. International business involves multinational corporations, global supply chains and international financial transactions. In the context of global markets, companies have wider access to larger markets, increase sales opportunities and diversify risks. They can access resources and labor that are not available in their home countries. However, engaging in international trade also involves challenges such as cultural differences, laws, regulations, and economic and political risks. International trade plays an important role in the economic growth of a country. It facilitates the flow of goods, services and capital between countries, increases productivity, creates jobs and strengthens economic dependence between countries. To trade in global markets, companies must understand international trade regulations, build strategic partnerships, and take advantage of technological advances to facilitate global communications and transactions. In addition, companies also need to manage risks related to currency fluctuations, changes in trade policies, and operational risks in foreign markets. Through careful research, in-depth market analysis and the use of the right strategies, companies can successfully trade with the world, increase their competitive advantage and achieve sustainable growth in an era of ever-evolving global markets.

Keywords : *Globalization, global business markets and centers, international business*

1. Background

Globalization is a process of international integration that occurs due to the exchange of world views, products, ideas and other cultural aspects. According to Hill (2014), globalization refers to changes to a more integrated and interdependent world economy. Globalization has several aspects:

- a. Market globalization refers to the merging of different historical and separate country markets into one large global market share. The breakdown of cross-border trade barriers has made international sales easier.
- b. The globalization of production refers to sourcing goods and services from locations around the world to take advantage of country differences in the cost and quality of production factors. The term globalization has been used increasingly since the mid-1980s and more frequently since the mid-1990s. In 2000, the International Monetary Fund (IMF) identified four basic aspects of globalization, namely trade and transactions, movement of capital, investment, migration, movement of people and the release of knowledge. The process of globalization is influenced and influenced by business and economic work procedures, socio-cultural resources in the natural environment.

The global market is a world-scale market that is open to all business actors. The global market has experienced rapid development recently due to several factors, including: the more people who travel between countries who directly become global consumers, the more transportation between countries that facilitates the distribution of world trade products, the growing global market causes more opportunities to open up. Some of these opportunities include:

- a) Companies can open factories in other countries where wages are lower
- b) Companies can open branch offices and branch factories in several places around the world to simplify and cheapen the distribution of their products.
- c) Companies can get more target consumers by introducing their products in other countries. In line with the opportunities that are obtained, the global market also has less risks. There are many obstacles that will be faced by market business actors.

globally including:

- a) Cultural differences and tastes. Products that sell well in one country may not appeal to people in other countries at all.
- b) Differences in public attractiveness. Products sold through the free market have prices that are too high or even low in other countries, so it is likely that these products will not get many buyers.
- c) National regulations. Products that are of interest to the people of a country, may not be sold to other countries if that country has special regulations that buy them.

2. Literature Review

Australia is one of the world's strongest economies, with nearly two decades of economic growth in a row and unemployment falling to a generation low. As a result of almost three decades of structural and policy reforms, the economy is becoming flexible, resilient and increasingly integrated with global markets.

Australia's economic strength has been demonstrated in recent years by its ability to survive a number of internal and external events, including severe droughts, housing booms and the Asian financial and economic crisis. According to an Australian Bureau of Statistics survey, 60 per cent of Australian households had Internet access in 2005–06 and 70 per cent had access to a computer at home. A major transformation of the telecommunications sector has taken place over the last 10 years, after the Australian Government introduced open competition in the market in 1997. Australia's sophisticated financial services sector is a major regional financial centre, with a sophisticated financial system and transparent markets. According to the most recent Global Stock Market Review by Standard and Poor's, the Australian stock market is the ninth largest in the world in total market capitalization and the second largest in the Asia–Pacific region, after Japan.

3. Research Methods

According to Moleong (2017: 6) qualitative research is research that intends to understand the phenomenon of what is experienced by research subjects such as behavior, perception, motivation, action and others holistically and by means of descriptions in the form of words and language, in a special natural context by utilizing various natural methods. Qualitative research according to Hendryadi, et. al, (2019: 218) is a process of naturalistic inquiry that seeks an in-depth understanding of natural social phenomena.

4. Theory Study

Australian Market

Australia is a country which is also the name of the smallest continent in Indonesia world, its territory includes the entire continent of Australia and several islands in the vicinity. Australia comes from the word Australis which in Latin means south. The Dutch word Australische was used to refer to the newly discovered area to the south. The word Australia in English was first used by Alexander Darymple in 1771 in his book entitled *An Historical Collection Of Voyages and*

Discoveries in the South Pacific Ocean, but still denotes the entire South Pacific region. Australia is a continent that is located close to the continent of Asia, but Australia is more often referred to as part of the Western world because its life is similar to Western Europe and the United States. Its inhabitants are mostly white, while the indigenous Australians, the Aborigines, were the first Australians to actually inhabit the continent.

Trade with the world

The value of Australia's two-way trade in goods and services was \$443.6 billion in 2006–07, or about 1 per cent of total world trade. Japan is Australia's largest trading partner, followed by China, the United States, the United Kingdom and Singapore. Australia's exports of goods and services increased 16 percent to a historic high of \$215.8 billion in 2006–07—or 21 percent of Australia's GDP. Australian businesses are highly competitive across a wide range of sectors. Australia has long been an exporter of agricultural commodities, minerals and energy. Australia has recently diversified into new service export markets and advanced manufacturing.

Australian e-readiness

Menurut Kajian Pasar Saham Global yang paling akhir oleh Standard and Poor's, pasar saham Australia and information and communication technology is the engine of growth and innovation for Australia's strong economy. According to an Economist Intelligence Unit survey, Australia ranked ninth among 69 countries in terms of e-readiness in 2007. Australia ranked first in the Asia–Pacific region and tied for second in the world for both social and cultural environment. 'internet literacy' ('e-literate') and its legal environment. According to an Australian Bureau of Statistics survey, 60 per cent of Australian households had Internet access in 2005–06 and 70 per cent had access to a computer at home. Massive transformation of the telecommunications sector has taken place over the past 10 years, after the Australian Government introduced open competition in the market in 1997. Australia's sophisticated financial services sector is a major regional financial centre, with a sophisticated financial system and transparent markets Australia is the ninth largest in the world by total market capitalization and the second largest in the Asia–Pacific region, after Japan. More than 2000 companies, with a total market capitalization of \$1.6 trillion, were listed on the Australian Stock Exchange in 2007. Australia has one of the highest levels of share ownership in the world, with over 50 per cent of the adult population owning shares in publicly traded companies. Australian trading hours start with the end of business hours in the United States and the opening in Europe.

Investasi asing

Australia welcomes foreign investment. Australia recognizes the important role of foreign investment in accelerating economic growth, developing competitive industries, creating jobs and increasing exports. Foreign investment in Australia (portfolio investment, direct, financial derivatives and others) in June 2007 totaled \$1.6 trillion. Investment The investment portfolio accounts for 63 percent of total foreign investment. In 2006–07, total foreign direct investment totaled \$331 billion. Over the decade to 2007, Australia was the fifth largest net recipient of foreign direct investment in the OECD.

Australia as the regional center

Australia is also an attractive location for international Australian companies as the regional center looking to set up regional offices to take advantage of increased business opportunities in the Asia-Pacific region and to enter Australia's highly developed domestic market. Companies are attracted by Australia's competitive operating costs compared to other regional

centers and high levels of local skills. Other factors favoring Australia include: sophisticated financial services, legal and management support a competitive location high-quality information and communication technology strategic location in the fast-growing Asia-Pacific region proximity to Asia, combined with an American-European business environment favorable time zone economic and political stability an attractive, safe and friendly environment with an Asian-oriented, culturally diverse and multilingual community.

Australian Economy

Kajian OECD baru-baru Australia is one of the most resilient, high-growth economies in the world. Australia has an efficient government sector, a flexible labor market and a highly competitive business sector. With abundant natural resources, Australia has had a high standard of living since the 19th century. Australia has invested heavily in social infrastructure, including education, training, health and transport, a strong economy Since 1990, Australia's real economy has grown by an average of 3.3 percent per year. GDP value Australia in 2006–07 was just over \$1 trillion, making it the 13th largest economy overall in the world and the 10th largest among industrialized economies. As a result of the major diversification of Australia's export base, Australia is now not only a commodity exporter, but also has sophisticated manufacturing and service industries. The value of Australia's exports of goods and services totaled \$215.8 billion in 2006–07, with exports of services totaling \$46.2 billion — 21.4 per cent of total exports. Japan remains our largest export market (\$35.6 billion in 2006), followed by China (\$26.4 billion), United States (\$15.5 billion), South Korea (\$14.9 billion) and New Zealand (\$12.7 billion). this shows Australia as one of the six fastest growing emerging merchant economies. Australia is strong in information and communication technology (ICT) infrastructure and innovation. Australia also has an economic and regulatory environment that is conducive to business and a well-educated and skilled workforce. Australian ICT investment according to the percentage of gross domestic product (GDP) is the third highest among OECD countries. The central bank (Reserve Bank of Australia) has found a direct link between ICT spending and Australia's robust productivity growth. The presence of online trade (e-commerce) is expected to add 2.7 per cent to Australia's GDP growth over the next ten years.

5. Australian Business

Mining and resources sector: Australia is home to abundant natural resources such as coal, iron ore, gold and natural gas. The mining sector is a major contributor to the Australian economy, with a significant presence of companies such as BHP Billiton and Rio Tinto. Agriculture and food sector: Australia has a wide variety of agricultural products, including beef, dairy, grains and horticulture. The country is known for producing high-quality food and has a reputation for food safety and innovation. The food processing industry is also growing, with demand for organic and healthy food increasing.

- a. Technology sector: Australia has a thriving technology sector, with Sydney and Melbourne recognized as technology centres. The country has a strong research and development infrastructure, with universities and research centers collaborating with businesses to drive innovation.
- b. Renewable energy sector: Australia has abundant solar, wind and geothermal resources, making it an attractive destination for renewable energy projects. The government has set a target to generate 50% of the country's electricity from renewable sources by 2030.
- c. Tourism sector: Australia is a popular tourist destination, with unique wildlife, natural beauty and vibrant cities. The tourism sector is a significant contributor to

the Australian economy, and there are opportunities for businesses in hospitality, accommodation and tourism services.

- d. Education sector: Australia is a popular destination for international students, with a high-quality education system and a welcoming environment. The education sector is a significant contributor to the Australian economy, with business opportunities in education services and student accommodation.
- e. Health care sector: Australia has a well-developed healthcare system, and there is a demand for innovative healthcare products and services. The country has a growing elderly population, creating opportunities in areas such as aged care and retirement life.
- f. Infrastructure sector: Australia has a significant infrastructure deficit, with demand for investment in areas such as transport, water and energy infrastructure. The government has committed to significant infrastructure spending, creating opportunities for businesses in construction, engineering and related services.
- g. Financial services sector: Australia has a strong and stable financial system, with business opportunities in banking, insurance and related services. The country is also a hub for fintech innovation, with companies like Afterpay and Xero gaining international recognition.
- h. Creative industry sector: Australia has a fast growing creative industry sector, covering fields such as film and television, music, and design. The country has a strong reputation for creativity and innovation, creating opportunities for businesses in these fields.

6. Australian culture and business practices

Australia is a large and diverse country, with a unique culture and business practices. The business culture in Australia can be described as open, friendly and direct, with a strong emphasis on building relationships and trust. Following are some important aspects of Australian culture and business practices:

- Communication: Communication in Australia is generally informal, direct and to the point. Australians prefer simple language and value honesty and openness. It is important to be clear and concise when communicating with Australians, avoiding jargon and technical language.
- Punctuality : Australians value punctuality and expect people to be on time for meetings and appointments. Being late is considered impolite and disrespectful.
- Business attire: Business dress in Australia is generally conservative, with a preference for suits and ties for men and formal office wear for women. However, dress codes may vary depending on industry and location.
- Relationships : Building relationships and trust is a key aspect of doing business in Australia. Australians prefer to do business with people they know and trust, so it's important to take the time to develop a personal connection with your business partner.
- Networking : Networking is an important part of business culture in Australia. There are many opportunities to network with other professionals through industry events, conferences and business associations.
- Business Etiquette: Australians are generally friendly and informal, but it is important to observe proper business etiquette when doing business in Australia. This includes greeting people with a firm handshake, maintaining eye contact, and using appropriate titles and forms of address.
- Decision-making: In Australia, decision-making is often collaborative and consensus-driven. It is important to involve all stakeholders in the decision-making process and seek consensus before moving forward.
- Negotiations: Negotiations in Australia are generally friendly and cooperative. Australians value honesty and openness, so it's important to be transparent about your goals and objectives.

- Business Gifts: Gift giving is not a common practice in Australia, and there are no specific rules or customs regarding business gifts. However, it is always appreciated to give a small token of thanks or return an invitation to dinner or lunch.s into the international market.

7. conclusion

Australia is a resource-producing country. Australia is one of the most resilient, high-growth economies in the world. Australia has an efficient government sector, a flexible labor market and a highly competitive business sector.

Australia is the fifth largest business in the world and exports goods produced in Australia. Agricultural food exports also reached a new high of A\$48 billion in 2019–2020. Beef alone generated A\$11 billion in exports in 2019–2020. A national reputation for high agricultural standards and clean, green produce means Australian exporters command a premium price. Goods exported by Astralia are: coal, LNG, iron ore, copper, diamonds, zinc and minerals. Goods imported by Australia are: wheat, beef, cheese, fruit and vegetables, milk.

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