

Title: Are there any limits to ‘Globalization’? International Trade, Capital Flows and Borders

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ABSTRACT

This paper investigates the way national borders operate in economics and poses the question as to whether there are any limits to ‘globalization’. The strong globalization thesis would seem to imply an ever expanding universe of economic interdependency and integration between national economies, so that the pertinence of national borders for economic activity disappear. But why should this be the case? The paper takes the globalization of trade and investment flows as the examples of international interdependency and integration and analyses why these may not expand in the future at the rate they have done in the past. Here the paper presents both an analytical and an empirical argument as to why this growth has slowed in recent years and could continue to slow in the future.

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