


IMPROVING THE EFFICIENCY OF MANAGEMENT OF LARGE INTERNATIONAL COMPANIES FOR THE DEVELOPMENT OF FINANCIAL AND ECONOMIC COOPERATION BETWEEN COUNTRIES, GIVEN MIGRATION

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ARTICLE INFO	ABSTRACT
<p>Article history:</p> <p>Received 20 February 2023</p> <p>Accepted 08 May 2023</p>	<p>Purpose: The aim of this study is to analyze the relationship between the development of large international companies and migration. An equally important task is to improve the direction of financial and economic cooperation between exporting countries and countries receiving migrants.</p>
<p>Keywords:</p> <p>Financial Cooperation; Economic Cooperation; Migration; International Companies; Management.</p>	<p>Theoretical framework: The process of globalization caused by the accelerated development of production and technology is chaotic. At the same time, migration processes can create economic conditions aimed at improving socioeconomic, cultural, and political development in countries.</p>
	<p>Methodology: The study uses general scientific and special research methods, namely the method of dialectical cognition, the method of induction and deduction, the method of scientific abstraction, the method of system analysis, the index system and evaluation method, the causal method, and the comparative method.</p> <p>Findings: The article proves that the financial and economic interests of countries should be taken into account when cooperating with migration and other international policies. This direction of development is ensured by increasing the efficiency of the management of large international companies and improving the mechanisms of financing international migration processes. At present, the efficiency of management of large international companies is enhanced by creating a trilateral mutually beneficial situation when the immigration process has a positive impact on the country of origin, the country of destination, and the migrant.</p> <p>Practical & Social implications: The positive impact of immigration is that immigrants use their rights in the host country to find work, develop skills and earn money, some of which they can transfer to their country of origin. The advantage of the destination country is that it can attract workers from unpopular countries who find jobs there.</p> <p>Originality: The article proves that the positive effect is ensured by an increase in remittances and is seen as a new source of additional financing for economic development. Through remittances, migrants make a direct contribution to reducing</p>

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poverty in their country of origin. In addition, the positive impact is also reflected in social communication, which is manifested in the flow of information, ideas, values.

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MELHORAR A EFICÁCIA DA GESTÃO DAS GRANDES EMPRESAS INTERNACIONAIS PARA O DESENVOLVIMENTO DA COOPERAÇÃO FINANCEIRA E ECONÓMICA ENTRE PAÍSES, TENDO EM CONTA A MIGRAÇÃO

RESUMO

Objectivo: O objectivo deste estudo é analisar a relação entre o desenvolvimento de grandes empresas internacionais e a migração. Uma tarefa igualmente importante é a de melhorar a orientação da cooperação financeira e económica entre os países exportadores e os países receptores de migrantes.

Enquadramento teórico: O processo de globalização causado pelo desenvolvimento acelerado da produção e da tecnologia é caótico. Ao mesmo tempo, os processos migratórios podem criar condições económicas destinadas a melhorar o desenvolvimento socioeconómico, cultural e político dos países.

Metodologia: O estudo utiliza métodos de investigação científicos gerais e especiais, nomeadamente o método de cognição dialéctica, o método de indução e dedução, o método de abstracção científica, o método de análise de sistemas, o sistema de índices e o método de avaliação, o método causal e o método comparativo.

Conclusões: O artigo prova que os interesses financeiros e económicos dos países devem ser tidos em conta na cooperação em matéria de migração e outras políticas internacionais. Esta direcção de desenvolvimento é assegurada pelo aumento da eficiência da gestão das grandes empresas internacionais e pela melhoria dos mecanismos de financiamento dos processos de migração internacional. Actualmente, a eficiência da gestão das grandes empresas internacionais é melhorada através da criação de uma situação trilateral mutuamente benéfica quando o processo de imigração tem um impacto positivo no país de origem, no país de destino e no migrante.

Implicações práticas e sociais: O impacto positivo da imigração reside no facto de os imigrantes utilizarem os seus direitos no país de acolhimento para encontrar trabalho, desenvolver competências e ganhar dinheiro, parte do qual pode ser transferido para o seu país de origem. A vantagem para o país de destino é o facto de poder atrair trabalhadores de países impopulares que aí encontram emprego.

Originalidade: O artigo prova que o efeito positivo é assegurado por um aumento das remessas e é visto como uma nova fonte de financiamento adicional para o desenvolvimento económico. Através das remessas, os migrantes contribuem directamente para a redução da pobreza no seu país de origem. Além disso, o impacto positivo também se reflecte na comunicação social, que se manifesta no fluxo de informações, ideias e valores.

Palavras-chave: Cooperação Financeira, Cooperação Económica, Migração, Empresas Internacionais, Gestão.

MEJORA DE LA EFICACIA DE LA GESTIÓN DE LAS GRANDES EMPRESAS INTERNACIONALES PARA EL DESARROLLO DE LA COOPERACIÓN FINANCIERA Y ECONÓMICA ENTRE PAÍSES, TENIENDO EN CUENTA LA MIGRACIÓN

RESUMEN

Objetivo: El objetivo de este estudio es analizar la relación entre el desarrollo de las grandes empresas internacionales y la migración. Una tarea igualmente importante es mejorar la orientación de la cooperación financiera y económica entre los países exportadores y los países receptores de migrantes.

Marco teórico: El proceso de globalización provocado por el desarrollo acelerado de la producción y la tecnología es caótico. Al mismo tiempo, los procesos migratorios pueden crear condiciones económicas destinadas a mejorar el desarrollo socioeconómico, cultural y político de los países.

Metodología: El estudio utiliza métodos de investigación científica generales y especiales, a saber, el método de cognición dialéctica, el método de inducción y deducción, el método de abstracción científica, el método de análisis de sistemas, el sistema de índices y el método de evaluación, el método causal y el método comparativo.

Conclusiones: El artículo demuestra que los intereses financieros y económicos de los países deben tenerse en cuenta en la cooperación en materia de migración y otras políticas internacionales. Esta dirección de desarrollo se garantiza aumentando la eficiencia de gestión de las grandes empresas internacionales y mejorando los mecanismos de financiación de los procesos migratorios internacionales. Actualmente, la eficacia de la gestión de las grandes empresas internacionales se mejora creando una situación trilateral mutuamente beneficiosa cuando el proceso de inmigración tiene un impacto positivo en el país de origen, el país de destino y el emigrante.

Repercusiones prácticas y sociales: El impacto positivo de la inmigración es que los emigrantes utilizan sus derechos en el país de acogida para encontrar trabajo, desarrollar competencias y ganar dinero, parte del cual puede

transferirse a su país de origen. La ventaja para el país de destino es que puede atraer a trabajadores de países impopulares que encuentran trabajo allí.

Originalidad: El artículo demuestra que el efecto positivo está garantizado por el aumento de las remesas y se considera una nueva fuente de financiación adicional para el desarrollo económico. A través de las remesas, los emigrantes contribuyen directamente a la reducción de la pobreza en su país de origen. Además, el impacto positivo también se refleja en los medios de comunicación, que se manifiesta en el flujo de información, ideas y valores.

Palabras clave: Cooperación Financiera, Cooperación Económica, Migración, Negocios Internacionales, Gestión.

INTRODUCTION

The development of the modern economy is influenced by international migration processes that contribute to its recovery. Fischer, Martin, and Straubhaar (2021) point out that there is a relationship between population migration and economic growth. However, the authors conclude that such growth is possible only in the short term. Oliinyk, Bilan, Mishchuk, Akimov, and Vasa (2021) mathematically confirmed the existence of a relationship between migration and economic growth and competitiveness. However, the existence of dependence was confirmed between the migration of highly skilled labor and the increase in the competitiveness of the host country. Thus, the existence of a relationship between different categories of the migrating population and the preconditions and goals of migration requires a separate study. It should also be borne in mind that international labor migration is characterized by a growing impact on the economies of developed and developing countries. This is confirmed by Zolberg (2019), Surya, Ahmad, and Sahban (2020), Johnson, Lichter (2019), and King-Dejardin (2019). Meanwhile, it is necessary to distinguish between the impact on migrant exporting and migrant-sending countries. It is crucial to note that the measures and methods of achieving immigration goals will differ. It should also be borne in mind that migration is a bilateral, sometimes multilateral process, and therefore an important element of migration policy should be to consider the impact on the economic development and competitiveness of each country. Thus, the papers do not pay attention to the nature of ensuring economic growth and competitiveness. In our opinion, the most complete definition of migration, taking into account the goals of improving economic welfare, was presented by the English scientist Ernst George Ravenstein (Habashi, Golovataya, 2022). He noted that most migration takes place over short distances, and the larger the geographic center, the greater its impact on the inflow of migrants. The growth of large cities is driven by migration, not natural growth. The level of immigration increases with the development of industry and trade, including the development of transportation infrastructure. At the same time, economic reasons for migration are the

determining factor. The article suggests that attention should be paid to improving the efficiency of large international companies, given the migration processes in the country.

These priorities will improve the system of financial and economic cooperation based on the regulation of the migration process. This can be achieved by eliminating gaps in the national financial systems of the countries receiving migrants. For instance, if external credit is used to replenish the international reserves of the country's National Bank, refinance the banking system, and repay past debts, then to ensure the country's development, these funds should be used to invest in the economy. In this case, it is possible to mobilize financial resources accumulated by the population through bank withdrawals and remittances from labor migrants. However, to attract all these financial resources to the economy, it is necessary to restore public confidence in financial institutions. In the article Daier, J. D., Albadran, A., & Rodin, W. M. (2022) the authors compared the following forecasting models (Ng-Thomas & AL-Abidili) and determined the degree of reliability of the results of each model for forecasting the solvency of contracting companies.

State funding or partial funding of the restructuring of national industry based on innovative development in cooperation with international investors is one of the measures to increase the country's competitiveness through increased investment in human capital. Socially regulated priority development from the perspective of innovation means changing social structures at the national level, increasing the welfare of the population, and improving the quality and working conditions of people. Furthermore, innovative developments lead to the introduction of modern resource-saving technologies into production. This enables large international companies to reduce the material component of their costs. In this way, they increase labor costs and ensure decent wages for their employees. Such actions, in turn, increase competitiveness and contribute to the successful conduct of business under the principles of corporate social responsibility and sustainable development.

The social effect of attracting direct investment in the economy, especially from international investors, will be to create new jobs, ease social tensions, and restore industry and infrastructure in impoverished areas. The creation of investment resources in the social sphere is achieved by attracting new sources of financing (funds from government and public organizations, companies, and income from securities) in addition to traditional sources. To enhance the efficiency of using these sources of financing, framework conditions are needed to make financial investments in the social sector sufficiently attractive. To this end, it is necessary

to distinguish financial market instruments and provide them with appropriate government support.

A radical reform of the tax system is a response to the challenge of building a market economy with an internationally recognized social mission. Its formation requires a significant increase in public spending on health care, social security, education, science, and culture. In some cases, this can be achieved not through tax cuts, which can lead to significant losses for the budget. This can be achieved through a combination of measures, such as restoring business confidence in the country, encouraging entrepreneurship and employment, bringing important sectors of the economy out of the shadows, and encouraging companies to pay fair wages to their employees. It is essential to introduce a progressive taxation system to provide tax incentives for creating new jobs and launching projects to create new industries.

Thus, by increasing the inflow of labor into the country, it is possible to increase the efficiency of large international companies and, as a result, improve financial and economic cooperation between countries. At the same time, the international economic partnership should be based on the principles of harmonization of interests and mutually beneficial cooperation. The combination of an integration association and a development program of one of the world's largest economies, in addition to the economic base and institutional framework, should have a strategic vision of the directions and mechanisms of intergovernmental cooperation.

The purpose of this article is to analyze the relationship between the development of large international companies and migration. An equally important task is to improve the direction of financial and economic cooperation between exporting countries and countries receiving migrants.

Based on this goal, the paper solves the following tasks:

1. analysis of migration processes at the international level;
2. establishing the relationship between migration and economic efficiency;
3. improving the mechanism of management of large international companies;
4. formulating areas of financial and economic cooperation between countries involved in migration processes.

The object of study of this article is the mechanisms of functioning of large international companies concerning the impact of international migration.

The subject of the study is a set of financial and economic relations that arise between migrant-exporting countries and migrant-receiving countries in terms of creating favorable conditions for improving the efficiency of small and medium-sized enterprises.

RESEARCH METHODS

The study uses general scientific and special research methods, namely the method of dialectical cognition, the method of induction and deduction, the method of scientific abstraction, the method of system analysis, the index system and evaluation method, the causal method, and the comparative method.

The dialectical method of cognition and the methods of induction and deduction were used to select the countries that were chosen as objects of research to analyze the impact of large international companies on economic development. It was found that large international companies have the greatest impact and correlation with the indicators of socioeconomic development in developing countries. The countries selected for the study are China, Kyrgyzstan, and Ukraine. China is a country that provides investment inflows for the development of large national companies. Kyrgyzstan has a strong hydropower infrastructure and high development potential. Ukraine has a high intellectual potential and acts as a country with a negative migration balance and potentially provides development of large international companies at the expense of labor potential. To achieve the research objective, various methods are used, in particular, the index system and evaluation method, the causal method, and the comparative method.

In this study, we used data collected from the above companies. The research constructs used in the study have been validated in previous studies (Development of Financial and Economic Cooperation between the Kyrgyz Republic and the People's Republic of China and Improving the Efficiency of Management of Large International Companies in Regional Markets in the Context of Economic Uncertainty).

The methods of scientific abstraction and system analysis were used to substantiate the relationship between population migration and the development of large international companies. Thus, migration has positive development trends in countries that receive migrants due to the increase in cheap labor. The research approach of the study is both qualitative and systematic. It focuses on studying how barriers and drivers of migration processes manifest themselves for individual large international companies.

Based on the causal and comparative analysis, the article develops a model for improving the efficiency of management of large international companies to expand financial and economic cooperation.

RESULTS AND DISCUSSION

Migration provides links between geographically distributed natural resources and means of production, as well as labor, helping to meet people's needs for work, housing, livelihoods, social and professional mobility, and changes in social status. At the same time, migration has a positive impact on the economies of countries that host migrants, which is primarily reflected in the increase in the labor force at affordable prices. In 2021, 41724 migrants arrived worldwide. These are people who do not live in their country of birth, in particular, in developed economies, the share of immigrants in the total population has increased from 7% to 12%, while in emerging and developing countries it has remained at around 2%. As a rule, immigrants choose a country in their region as their place of residence. However, significant international migration occurs over long distances, especially from advanced and emerging economies. We analyzed the dynamics of migration in China, Ukraine, and Kyrgyzstan (Table 1).

Table 1: Dynamics of population migration, persons

Country	2019		2020		2021	
	Number of arrivals	Number of departures	Number of arrivals	Number of departures	Number of arrivals	Number of departures
China	2,244	846	736	824	1,418	776
Kyrgyzstan	112	47	74	45	108	31
Ukraine	2,546	10,907	1,772	4,144	1,879	6,299

Source: Prepared by the author (2022)

The dynamics of migration processes in the countries under consideration have a steady trend. The decline in 2020 is explained by the influence of external factors, including the COVID-19 pandemic. In general, as can be seen from Table 1, in China and Kyrgyzstan, the number of new arrivals is much higher than the number of departures, while in Ukraine, on the contrary. This is due to the outflow of labor resources to countries with more advanced technologies (China) and to countries where large international companies are located (Kyrgyzstan). Large international companies have made a major contribution to global scientific and technological progress, which is important not only for the countries to which they belong but also for the entire international economy.

All of this requires a sound policy to improve the efficiency of large international companies and to find the most appropriate ways to use their resources to address national development challenges. The apparent liberalization of foreign trade policy in developing countries has led to an increase in the number of investments by large international companies in these countries. This situation also affects the prospects for attracting direct investment in

other countries, which face fierce competition from developing countries in attracting foreign capital. These circumstances force countries to integrate more into the global economy and improve their investment climate.

The inflow of foreign capital to large international companies is explained by the fact that a significant part of technological developments and the most effective implementation of innovations are carried out by large international companies. In this case, the Pareto principle can be applied, according to which about 500 of the world's largest companies provide up to 80% of global investment in innovation and development. Indeed, existing large-scale production and sales are necessary to accumulate funds for further research and development, as well as to ensure the stability of companies when bringing innovations to the market. The experience of Norway, Sweden, Japan, China, and many EU countries over the years confirms that when a favorable economic and legal environment is created for international companies producing high-tech products, the development of the country's innovative economic system is stimulated (Amanbayeva, Tolymgozhinova, Azylkanova, Denes, 2022). On the one hand, large international companies have subsidiaries in different countries that are carriers and creators of world-class technologies and contribute to the dissemination of world-class technologies through technical exchange and cooperation with national companies. On the other hand, they have an internal system for commercializing research results. Moreover, in the face of growing market demand, they shape the development needs of national research institutes, laboratories, and universities. The experience of most developed countries shows that international companies can effectively bridge the gap in the economy between scientific, educational, industrial, and financial structures, reduce the bureaucracy of the innovation process and ensure fast and efficient practical implementation of developments (Lopes, Oliveira, Silveira, Farinha, Oliveira, 2021). In some cases, they bring new ideas and inventions themselves.

A study of the work of international companies engaged in research and development helps identify the main tools used. The main tools used include a research department and a project task force that brings together specialists from different departments of the company. A venture capital department or specialized venture capital subsidiaries can be used to develop innovative projects. Authors Sutrisno, S., Fachrunnisa, O., & Widodo, W. (2022) analyzed methods of increasing the capital of the enterprise in conditions of instability of the external environment. It was found that during the COVID-19 crisis, companies sought innovative ways to survive, such as business-to-business networks, productive activities, and adjusting their marketing strategies. International companies can also outsource development to foreign

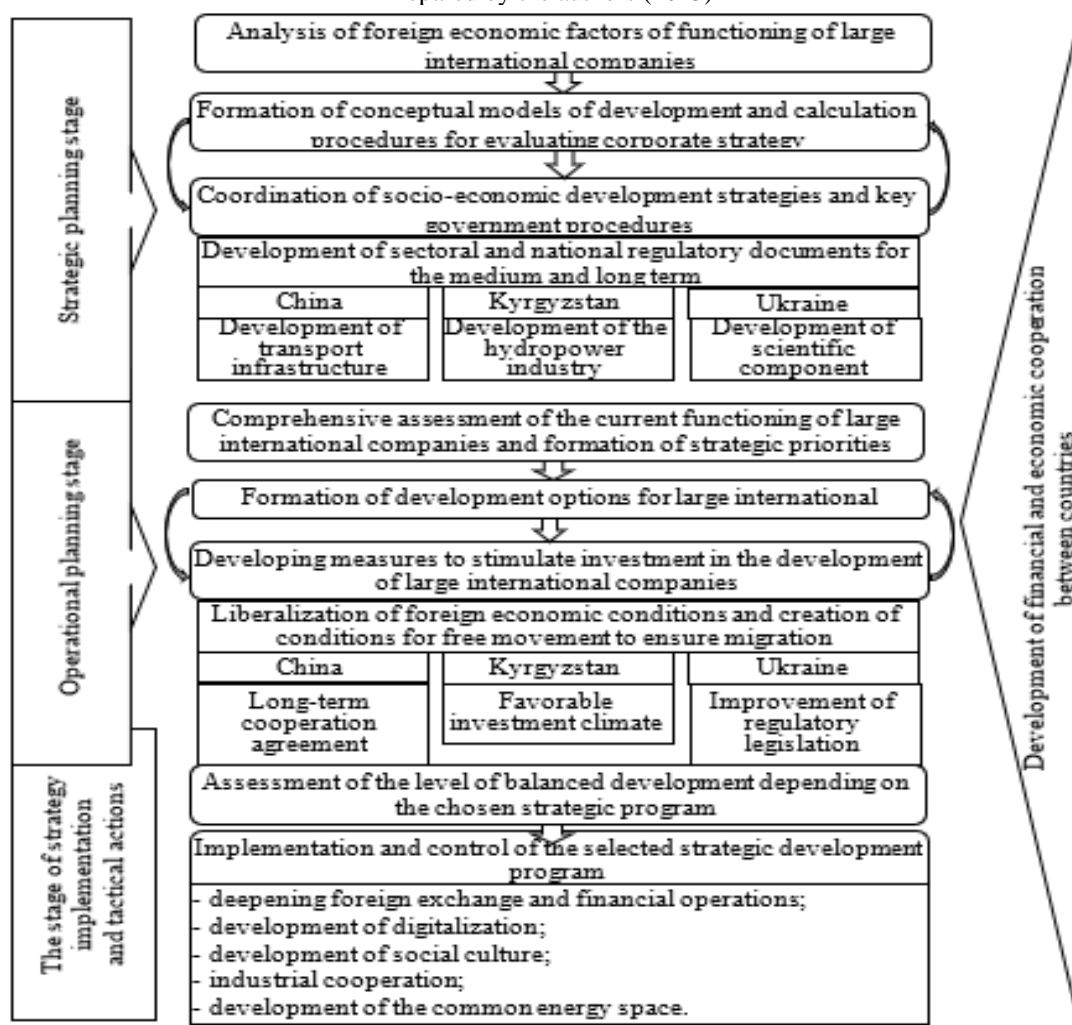
subsidiaries. Joint research with universities, research institutes, and laboratories is also utilized. Participation in international cooperation with the country and participation in national research projects is another tool that international companies can use. It is unreasonable to choose large enterprises, small and medium-sized enterprises, national research institutes, or universities as the only targets of innovation policy (Ukubassova, Primzharova, Daribayeva, Galiyeva, Nurgaliyeva, 2020). The best choice is a comprehensive system that ensures a balanced distribution of power among the various stakeholders in the national innovation market. Likewise, the effective development of a country's innovation economy requires a complex mix of investment sources, including public funding, and domestic and foreign business capital. It is important to take into account the existing sectoral competitive advantages of the country and the prerequisites for their development. This means that internationally competitive results can be achieved with minimal time and money.

Directions for improving the efficiency of management of large international companies to ensure financial and economic cooperation were analyzed based on three countries, namely China, Kyrgyzstan, and Ukraine. China was chosen for analysis because it is one of the main suppliers of resources in the high-tech sector, namely computers, electronics, optics, electrical and other equipment, chemicals, and automotive products. On the other hand, China also largely meets the needs of member states in textiles, wood and cork products, rubber, and rubber products, which will be used as inputs for future production. In addition, China is one of the main suppliers of limited scarce resources for exporting countries whose territory is close to China. Furthermore, it is one of the three main sources of imports of almost all such resources in Kazakhstan and Kyrgyzstan (Seitzhanov, Kirdasinova, Uskelenova, Nurgaliyeva, Ismailova, 2018). Kyrgyzstan is of interest for analysis in terms of the potential for investment in the development of large hydropower companies. The attractiveness of Kyrgyzstan for investment lies in the possibility of supplying products from the gold mining industry. China is the largest investor in Kyrgyzstan. The inflow of foreign direct investment from China is estimated at more than USD 960 million. The largest investment flows into the Kyrgyz economy are concentrated in the manufacturing sector: oil refining and gold mining. At the same time, the main sectors of China's development are transportation, electricity, mineral resources, and agriculture. Kyrgyzstan, in turn, is attractive in mining, manufacturing, hydropower, science, and finance. Ukraine has been selected for analysis in terms of labor capital development and supply of highly qualified personnel to large international companies and promising areas of construction and development on the territory of large international companies (Tsymbalenko, Tarasenko,

Bielialov, 2019). At the same time, Ukraine is attractive for investment in engineering, mining, agriculture, science, finance, and tourism (Prokopenko, Domashenko, Shkola, 2014, Parfinenko, Sokolenko, Bielialov, Karpenko, Tolubyak, 2019).

Thus, the directions of improving the efficiency of management of large international companies to develop financial and economic cooperation can be represented in the form of a diagram (Figure 1). The characteristic elements are the stages of forming a modular structure and a calculation program following the development strategy of a large international company, as well as the stage of a comprehensive assessment of activities concerning migration processes.

Figure 1: Scheme of forming a strategy for improving the efficiency of large international companies. Source: Prepared by the authors (2023)



Based on the analysis of strategic directions for improving the efficiency of large international companies, the current patterns of their structural and institutional changes are identified. Moreover, a model is formulated that balances the use of strategic advantages with intangible factors and growing technological complexity.

Thus, Ukraine has a large number of immigrants and a diaspora abroad. With its enormous human and financial resources, Ukraine can quickly and at a low budgetary cost launch a new immigration policy aimed at returning immigrants and their money (savings, investments). The return of migrants will allow the country to maintain a high level of intellectual development, and manufacturing enterprises to save money and increase investment. Similarly, China, Mexico, and India receive large sums of money from immigrants not only in the form of remittances but also in the form of direct investment in the economy. In Ukraine itself, it is important to start with organizational steps that will increase the momentum and accelerate the attraction of immigrants to the country.

Unfortunately, there are also no plans to facilitate the return of Ukrainians abroad and their descendants to Ukraine. Although the international labor market is highly competitive for skilled workers, Ukraine does not have a system in place to attract highly skilled talent from abroad that could contribute to innovation and the development of the national economy. Opportunities for the most prepared and integrated foreigners to enter the Ukrainian labor market, such as foreign students studying in Ukraine, are limited.

It should be noted that the process of establishing a community is heterogeneous and complex. Structurally, it is a combination of an integrated association and a single direction for the country's development. The authors Rahman, Nepal, and Alam (2021) used the panel cointegration method to prove the existence of a structural relationship. They used dynamic ordinary least squares, fully modified ordinary least squares, and pooled group mean estimation methods to solve the cointegration problem. The results demonstrated the existence of a relationship between the variables used. A similar study on the ecosystem was conducted by Prokopenko, Eremenko, and Omelyanenko (2014). Essentially, these are differences in the goals and expected results of communication. Coibion, Gorodnichenko, and Weber (2022) investigated how different forms of communication affect inflation expectations in a randomized controlled trial involving nearly 20,000 people in the United States. At the implementation stage, there may be resistance from internal forces (monopolistic associations or political influence groups) as well as external forces. Newell (2019) studied the impact of a state monopoly on public behavior. The impact of crisis phenomena on enterprise development was studied in the works of Halkiv, Karyy, Kulyniak, Kis, and Adamovsky (2022) and Halkiv, Kulyniak, Shevchuk, Kucher, Horbenko (2021).

At the same time, the existence of difficulties in establishing a community between different countries is not limited to negative trends. The article also highlights the presence of

positive developments. For instance, China's presence in Kyrgyzstan is certainly beneficial to the Kyrgyz economy, albeit mixed, as it mainly benefits heavy industry, which is in the hands of a monopolistic association. Small and medium-sized enterprises are rare in China, as the Central Asian market, especially the Kyrgyz market, is quite limited and the investment environment is considered unfavorable. As a result of trade, private companies, including Chinese companies and joint ventures, have begun to emerge. The employees of these companies are mainly composed of Chinese workers who are isolated in the workplace, and the few local workers who find employment with Chinese companies often work in poor conditions. Consequently, the issues of Chinese presence in the development of the Kyrgyz region remain unresolved, and the promotion of new technologies to establish relations with host countries is unsatisfactory.

CONCLUSIONS

The main trend in the development of the world economy in the second half of the 20th century is the international flow of capital, the use of the international division of labor, the deepening of national specialization, the acceleration of globalization, and the acceleration of globalization procedures. Under these circumstances, large international companies have become the central actor in the overall transformation of the global economic growth regime. They are gradually conquering new markets by establishing subsidiaries in different countries.

In practice, we can identify the competitive advantages of large international companies. Such advantages include information awareness of the economic and political characteristics of different countries, possession of significant capital resources, technologies, management skills, the ability to transfer them quickly, and economies of scale. In particular, large companies can concentrate on organizational influence and socialization economies, and use socialized production and the favorable economic conditions it creates to maximize the use of reserves, improve economic performance and reduce unit costs.

Today, large international companies are the backbone of the national economic complex of developed market economies. They have played an important role in the transformation of the world economy to international production. Moreover, they are one of the most common forms of large international companies that ensure the development of scientific and technological progress in all aspects: technological level, product, quality, production efficiency, management improvement, and corporate governance.

Large international companies also play a vital role in the globalization of the world economy. It is worth noting that foreign direct investment is the main means of influencing large international companies on the country's economy. In addition, large international companies own almost 90% of the world's foreign direct investment. This increases the economic potential of countries where subsidiaries or branches of large international companies are located. Moreover, it also increases the balance of payments and contributes to economic modernization and innovation transfer. However, large international companies are growing faster in developing countries, such as South Korea, Brazil, Mexico, Hong Kong, and China, as these countries implement strategies to capitalize on their competitive advantages.

The development of globalization removes obstacles to the cross-border movement of goods, capital, and services and promotes the harmonization of regulations, thus facilitating access to foreign markets. Therefore, large international companies are the main form of international capital flows. They are a network of interconnected companies that originate from one country and have branches in other countries. Today, large international companies are the main engine of commodity production and the international division of labor, the engine of the world economy and international economic relations. Large international companies can flexibly adapt investment mechanisms, organizational methods, and means to national and global economic changes, which makes them a global economic structure with the global economy as the perimeter of capital. The influence of large international companies on the development of economic systems and the global economy as a whole is increasing every year. However, the activities of large international companies are assessed differently in their home and host countries.

In today's environment, large international companies have become a link between the global economy and national economies. When choosing a country, large international companies evaluate the investment conditions according to the main criteria. These criteria include local market capacity, availability of resources, location, political stability of the country, legal conditions for foreign investment, tax system, and type of trade policy. What is more, they involve the level of infrastructure development, protection of intellectual property rights, government regulation of the economy, availability of labor and its qualification level, stability of the national currency, and the possibility of the repatriation of profits.

The impact of foreign investment on a country's economy is also ambiguous. This is evident in host countries that experience a large positive economic impact of large international companies. The host country as whole benefits from the inflow of investment: workers and

suppliers serving the new firms, as well as local governments receiving taxes, gain more than they lose from competing local investors. Increasing the attraction of foreign capital through large international companies helps to reduce unemployment in host countries. By organizing production in the country where the products are imported, there is no need to import them. Companies that produce globally competitive products and are primarily export-oriented contribute to strengthening a country's foreign trade position. The inflow of foreign capital investment contributes to the development of intraregional trade. The branches of foreign companies cover a significant part of their demand for components and equipment through imports from the investor country.

Meanwhile, large international companies undermine local monopolies and often increase competitiveness in national markets. Through foreign direct investment, large international companies move large amounts of production resources across national borders. This shift from surplus to deficit countries contributes to the efficient allocation of factors of production in the world and thus to the growth of global output. The international community has benefited greatly from the efficient allocation of resources, and the transfer of skilled labor, capital, and technology between countries. Large international companies break the isolation of national economies and allow them to participate in a unique process with the global economic community. However, the activities of large international companies lead to integration and internationalization only to the extent that is determined by the maximum profits of the firm.

Thus, the role of large international companies in global development is ensured by the expansion of large international companies' activities, which contributes to the growth of the global economy, the spread of scientific achievements and technologies, and the reduction of economic development. However, such companies are not non-profit and often demonstrate predatory behavior. They exploit the resources of less developed countries and maintain their monoculture and resource dependence compared to developed countries. In addition, they pursue imperialistic and aggressive policies. The hegemonic globalism of large international companies has been somewhat mitigated by various international business organizations, although they can often serve as a guide to their interests. Large international companies are a relatively complex phenomenon in the world economy, which is constantly evolving and requires constant international attention, research, and control.

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