



### Session logical flow GLOBAL MACRO DYNAMICS

At the dawn of the third decade of the XXI century, globalization is significantly different than its previous stage. The world economy is now undergoing **three major shifts**:

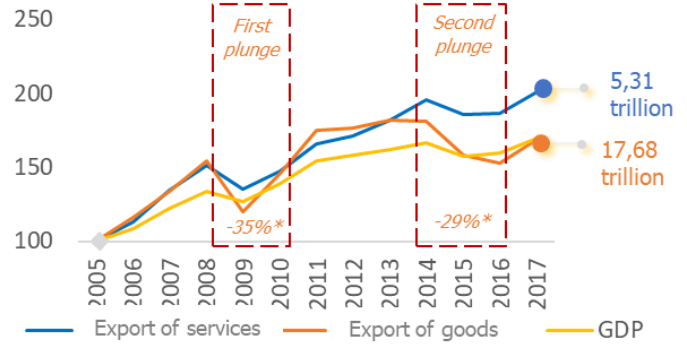
#### DIFFERENT PRODUCTS AND SERVICES



In a single decade, world trade of goods has collapsed twice, but **services have kept growing** in relevance. Services, once negligible, are now becoming increasingly relevant, with data becoming the new reference commodity. This does not happen only in high-income economies, but also in middle and middle-low income ones.

It is no longer a globalization made by container ships crossing the oceans: it is becoming the globalization of digital services and people crossing borders.

Global export of services, export of goods, and GDP, index number (2005=100), 2005 - 2017



\*= percentage points of plunge on 2005 value of global export of goods

#### DIFFERENT TECHNOLOGIES



- Artificial intelligence
- Machine learning
- Blockchain
- Big data
- Smart manufacturing
- ....



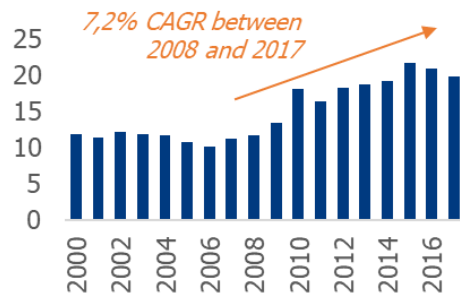
These are only but a few of the powerful technologies forces that are now shaping market and society. They are not only disrupting businesses and industries, but also the relationship between supply and demand, capital and labour, information and decision. Yet, the true potential of these technologies is still to be deployed and – maybe discovered. Those who will have the **skills, human capital, and the regulatory capacity** to adapt will be the one seizing the true benefits.

#### DIFFERENT GEOGRAPHIES



There was once a world with global value chains, with a highly specialized hub-and spoke model of production. Now, rather than global connectivity, the trend is of increasing regional connectivity and **regionalization of production networks**. The trend is particularly relevant for regions where intraregional connectivity has for long lagged behind, such as Southern Africa. Rather than being either single or global, markets are increasingly clustered in regions.

Share of intraregional trade on total international trade in SADC (2000 - 2017)



#### BUT ONE COMMON CHALLENGE SUSTAINABILITY

Amidst these great transformations, social and environmental sustainability a key to ensure prosperity. **Individuals, communities, and the environment need to become again the center of development.**