Chapter 14

Study on the New Tendency of the International Industry Shifts and Chinese Enterprise Implementation Tactics

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ABSTRACT

At the beginning of 21st century, the Multinational Corporation take globalization strategy as the foundation and the starting point, accelerate the industry restructure greatly, the industrial shift presented the depth and breadth tendency day by day, how does China hold this opportunity, attracted the foreign capital vigorously, promotion industrial structure, will be the next economic development strategic mission. This article analysis multinational corporation international industry shift new tendency and analysis China uses the international industrial shift’s present situation and the superiority, proposed the development countermeasure.

1. INTRODUCTION

The international industrial shift is refers to the process of some industries through the international trade and the international investment and so on many kinds of ways shifts to another national and the local from a country and the area (Wang, 2003); it is comparison superiority dynamic development change result which because between the country’s factor and so on resources, talent, market, position, industrial necessary environment, system environment differences form, it is not only representing the material capital movement and economic variable change, but also

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is between developed country and developing country economic relationships substantive movement (Yang, 2005), and causes this international economy relations establishment in one kind of new international division of labor foundation, forms one kind of new international pattern of the trade and the investment benefit assignment: Knowledge intensity industry country, capital intensity industry country and between labor concentrated industry country relations. In the product manufacturing technological development’s different period, is different to element of production’s demand, the compared superiority along with product manufacturing essential factor crowded change, will urge the industry which occupy the international leading position to shift unceasingly between in the country which have modern scientific knowledge, have the abundant capital and skilled worker, have the rich labor resources.

1. MULTINATIONAL CORPORATION INTERNATIONAL INDUSTRY SHIFT NEW TENDENCY

1.1 The Whole World Industry Adjustment and Promotion Step Speeds Up, The International Industrial Shift Level Enhances Unceasingly

Along with economic globalization tendency expand rapidly and international competition intense day by day, the developed country in order to maintain the competitive advantage, speed up the step which the industry restructure promotes, prioritize innovative technology-intensive industry which has the higher added value, for example the high technology and new technology industry which take information technology as forerunner and the modern service industry which take finance, insurance, professional service and so on as core, but take the ordinary labor, capital and technology-intensive industry which added value low to shift to other countries and local, thus forms the new shift tide unceasingly (Guo, 2000). The developing country speeds up the industrial upgrading and the economic development through the industry shift, develops the traditional manufacturing industry vigorously, and leads related necessary industrial and service industry development by this, the industrialization advancement speeds up obviously. While the global industry adjustment and promotion step speeds up, the international industrial shift’s level unceasingly also enhancing unceasingly, presents the tendency which promotes unceasingly from the labor concentrated industry to the capital intensity industry, the traditional industry to the emergent industry, the manufacturing industry to service industry, the low added value industry to the high added value industry. Moreover, along with knowledge economy further development, the international industrial shift’s level will further also enhance

1.2 The Multinational Corporation Investment Growth Explosively, the International Industrial Shift Scale Expands Unceasingly

First, the world foreign trade total amount may reflect the international industrial shift scale approximately. Since the 1980s, the global foreign direct investment scale has expanded unceasingly, from 1980 to 1985, the international industrial shift average scale is about 140 billion US dollars, until 2005, the global foreign direct investment accumulation surpasses above 3,500 billion US dollars. The globalization also leads the international investment growth explosively; the whole world foreign direct investment inflow storage quantity has occupied GDP proportion 9.3% in 1993 to enhance 22.3% in 2005. The world direct investment storage quantity increases suddenly from 560 billion US dollars in 1980 to 8,200 billion US dollars in 2005, grew 14 times, the yearly average rate of increment has reached as high
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