

Global Economic Integration: Benefits for the United States

Economic Benefits

- Increased competitiveness of U.S. firms – ability to compete against foreign competition
- Access to skills, knowledge, insight and innovation from around the world
- Faster innovation
- Improved productivity and accelerated economic growth
- Create jobs to serve foreign markets and support global operations
- Lower prices for consumers
- Lower input prices for U.S. producers of goods and services, making them more competitive globally
- Focus economic resources on areas of comparative advantage – high value-added jobs and high-wage jobs in U.S. firms
- Higher profits, which lead to greater investment and (potentially) more jobs in the U.S.
- Enhanced knowledge of global markets where U.S. companies must compete (96% of world's population lives outside U.S., 72% of GDP is outside U.S., and fastest growing markets are abroad)
- Repatriated profits from foreign operations – more cash for investment and pay U.S. taxes

Societal Benefits

- Promote development and raise standard of living in developing countries
- Promote peace and global stability through integration of developing countries into global economy
- Improved global labor standards
- Create relationships with local companies around the world
- Improve Americans' understanding of the world through increased U.S. workforce interaction with colleagues in other countries

IBM as a Model GIE

- Raise standard of living in developing countries by creating good jobs at good wages
- Provide good working conditions for employees abroad, setting a positive example by bringing in U.S. labor practices
- Good corporate citizenship programs on education and other areas
- Integrity in business operations