

# Impact of Globalization on International Trade of Uzbekistan: Quantitative Analysis

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## **Abstract:**

**Purpose-** Study intends to find the cause and effect relationship of globalization and international trade, extent to the factors of globalization affect the international trade in Uzbekistan. For the purpose study selected government policies, inflation, tax system, markets and infrastructure.

**Design/Methodology/Approach-** Study adopted quantitative analysis approach based on 5 likert questionnaire, conducting online surveys due to Covid-19. For the purpose of theoretical support study selected Transformational theory of globalisation to lens the problem and its solution. Study depends on primary data collection and literature basis.

**Treatment-** For the statistical analysis and treatment study selected IBM SPSS as tool and different techniques to analyze data such as: T-test, P-test, Z-test, Regression Analysis and Correlation Analysis. Parametric analysis is used to nullify the null hypotheses.

**Findings-** After the thorough investigation study finds a positive relationship between globalisation and international trade of Uzbekistan. Study finds correlation of dependent and independent variables. Both the factors are linear in function.

**Originality values-** This work is original in nature and never been published before in any journal, data collected is from first hand managers, executives and directors working in multinational organizations from Uzbekistan.

**Key words:** government policies, inflation, tax system, markets and infrastructure.

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Date of Submission: 07-09-2021

Date of Acceptance: 22-09-2021

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## **I. Introduction:**

International trade has an important share in GDP in different countries. Various companies from different countries are looking for new growth opportunities beyond their home country borders (Dunning, 2014). During the last decade, Uzbekistan adopted several economic reforms, including macroeconomic stabilization measures, trade liberalization, export promotion, and the elimination of marketing boards in manufacturing and service industry. These reforms were expected to be beneficial in terms of national welfare, diversity in consumption, and productivity growth. Globalization is the process of interaction and integration among people, companies, and governments worldwide and proper way of boosting international trade for better economical perspective of the country (Hussain, 2017). This study intends to understand the trends of international trades in Uzbekistan and extent to what they are affected by the determinants of Globalization which are Government policies, Infra-structure, tax system, markets and inflation. To achieve the purpose, study uses Transformational based model given by Tikly 2001 which is best suited to study the globalization effects on international trade of Uzbekistan.

The experience of globalisation so far has shown that the performance of 'open economies' can vary dramatically in developing countries i.e. from East Asia, Africa to Latin America and now in Uzbekistan (Siddiqui, 2019). In fact, the economic development success in East Asian countries shows us that 'economic openness' and 'integration' within the world economy should be accompanied by appropriate state policies, vision, and institutions to create an external competitive advantage in order to benefit from trade liberalisation and economic openness (Stiglitz, 2017). Globalisation requires global governance, as Britain was able to impose in the 19th Century.

But now the situation is very different. Global economic governance until recently was concerned primarily with issues like tariffs, quotas and subsidies that affected global movements of goods and services, technology and capital. The current globalisation has reduced the barriers to trade significantly and now also moved into new areas such as intellectual property rights, environments and labour standards. In the developing countries, the dominance of international capital has been reduced to that of ensuring the best bargain for foreign investors. In the developing countries, local unions can raise the plight of workers, for higher wages, better living conditions and environmental degradation, but their governments are not free to resolve such issues because the national

governments fear that foreign capital will leave at the slightest of provocations. Regarding trade theories, mainstream economists argue that trade between countries benefits both trading countries.

It is said that 'free trade' should operate everywhere, which will result in higher GDP growth and build a competitive business environment which will ultimately lead to greater efficiency and lower prices. However, in contrast to such theoretical claims, the Indian experience during the colonial period, when the Indian economy was open to trade, was seen as a major case of de-industrialisation and de-urbanisation, and resulted in removing millions of weavers and craftsmen from work in the 19th century because of cheap British machine-made imported cloths. Affects of the globalization on international trade some times can be negative but over all the relationship of both the variables is positive. Currently globalization and Internaitonal trade is the hottest field for philosophers to debate and research upon, though too old is the history, it's a field of remarkable change and have started to make realization in just coming years that globalization is the way to intervene in foreign markets making domestic earning more affordable. It has become the need of the competitive businesses in many fields. Not much literature and studies available with relevance of the determinants of Globalisation influencing Internaitonal trade and decision making though which are available are precise and useful. Some the studies are different in scope and some are the same in results thus synthesis on the basis of available literature expresses the importance of international trade in today's business especially where quick and smart decisions are required. Philosophers call it internationalization decisions that may provide success notes on the business operations through approach of globalization.

## **II. Background:**

Uzbekistan has a workforce of 15.5 million out of its 33 million populations (World Bank). Agriculture plays a major role in the economy; it accounts for 28.7% of GDP and employs 33.1% of the total workforce. Main agricultural products include cotton, vegetables, fruits, grain, and livestock. The country also produces silk and wool and is attempting to diversify its agriculture towards fruits and vegetables. Poland, Russia, and the Netherlands have strengthened agricultural relations with Uzbekistan. The industry accounts for 28.4% of GDP and employs 30.3% of the total workforce (World Bank). Manufactured products included textiles, food processing, machine building, metallurgy, mining, hydrocarbon extraction, and chemicals. The country is also rich in coal, zinc, copper, tungsten, uranium, and silver. Russia began re-importing Turkmenistan gas in 2019, which is expected to affect Uzbekistan oil prices and demand. the progress of governmental economic policy reforms has been cautious, but cumulatively Uzbekistan has shown respectable achievements. Its restrictive trade regime and generally interventionist policies continue to have a negative effect on the economy. Substantial structural reform is needed, particularly in these areas: improving the investment climate for foreign investors, strengthening the banking system, and freeing the agricultural sector from state control. Study will conceptualize the affects of the predictors of globalization on international trade of Uzbekistan. The agriculture and manufacturing industries contribute equally to the economy, each accounting for about one-quarter of the GDP. Uzbekistan is a major producer and exporter of cotton, although the importance of this commodity has declined significantly since the country achieved independence. Uzbekistan is also a big producer of gold, with the largest open-pit gold mine in the world. The country has substantial deposits of Silver, strategic minerals, gas, and oil.

## **III. Literature Review:**

The term globalization means merging of several national market and international networks belonging to a social and an economical system. The earliest use of the term globalization was in a publication called Towards New Education in 1930. After the cold war, the term globalization was used to describe the shift towards integrated and interdependent economic systems (Cuterela, 2012). Globalization comprises the base of international political economy that is derived from the changing character of goods and assets. However, globalization can also be redefined as shifting authority to the supranational state from the level of state (Reich, 1998). Globalization becomes more possible through direct foreign investments and portfolio investment in multinational companies (Okoye and Nwaigwe, 2015). Market is about the realm of individual action and self-interest and tends to emphasize concerns of efficiency (Islam, 2012; Islam et al., 2013; Alshammari & Islam, 2014). In addition, society part of the international political economy where society is the realm of the history, culture and values of the social system (Abidin et al., 2016a, 2016b). It is because state, market and society often embrace different values and prefer different of methods for realizing them, sharp tension, and conflict often occurs. Thus, these three spheres given the interconnectedness and change in one often evokes a change in the others, rendering international political economy to a constant state of transition. International migration refers to the cross-border movement of people from a mother country to an outer location, with the purpose of taking up higher income employment, better living conditions, higher education, getting access to civic amenities, and conducting a daily existence for an extended period of time (Alam et al., 2011). However, the international political economy is a network of bargains between and among states that deal in power and markets deal with wealth. These bargains determine the production, exchange, and distribution of wealth and power elsewhere. Bargain in international political economy can take

many forms. Some are the formal agreements signed, ratified, and enforced and the other bargains are merely conventions, understandings, or rules of thumb. However, some of international political economy bargains reflect the rational power, which is the power of one player to get another to do or not do something. All various environmental impacts of trade policies on natural resources are difficult to assess, but evidence indicates the presence of both negative and positive impacts (Islam et al., 2010; Islam & Siwar, 2010; Islam et al., 2017a, 2017b, 2017c). The aim of this paper is to boost the knowledge regarding globalization and its impact on international business. The previous examples demonstrate an inherent difference in Trans-formationalism and tax comparative biology. The researched topic is relatively new, as the amount of such investments has been quite low for several years, and only recently has started to rise (Rhodium Group, 2018). Nevertheless, as previously mentioned, it has attracted the attention different scholars and researchers. Thus, the available literature on the matter is quite extensive and of various nature, but not entirely comprehensive and satisfactory, which is an understandable trait, since the phenomenon is not only still developing, but also seems to be at its early stage. In the past, the attention focused more on adoption of Globalisation in Uzbekistan, and extent to these changes impact on Internaitonal trade of Uzbekistan (Nathan, 2015).

### **Theoretical Framework:**

The perception of globalisation largely depends on the personal stance and greatly determines how the phenomenon is defined. Waks (2003) develops the argument that commentators can be grouped according to their position for and against globalisation. However, the division is far more complicated as even among the proponents of globalisation there is a variety of opinions in terms of evaluation. Still three main stances can be distinguished theorising globalisation (Held et al., 1999). **The transformational** approach represents intermediary, more balanced stance towards globalisation. They do agree with the hyperglobalists about an intensification of 'global interconnectedness' and recognize the all-pervasive nature of globalisation process (Tikly, 2001). However, they doubt the novelty of the phenomenon and view it as 'an historically contingent process replete with contradictions' (Tikly, 2001, p.154). On the one hand it promotes economic, cultural and political integration, and on the other hand it causes stratification distancing 'First World' from 'Third World' (Taylor et al., 1997, p.62). Some nations, states and communities get full advantage by being part of the global world, whereas others become more and more disadvantaged. Transformationalists explain the contradictions of globalisation by the inconsistency of 'global division of labour' in terms of centre-periphery relationship (Tikly, 2001, p.154). More and more individuals from transition or developing nations are represented in the 'core' of the global economy, whereas there is an increase in number of disadvantaged in the periphery of industrial states (Hoogvelt, 1997, cited in Tikly, 2001). How transformational stance affects education can vividly be seen in its effort to address the issues of social stratification within the society as well as at international level (Tikly, 2001). Policy borrowing and lending has become a common practice through global communication and interconnectedness between the nations. Globalisation "unifies national education policies by integrating them with the broader global trends" (Sahlberg, 2006, p.262). Commonality of the problems in the education systems determined the similarity of approaches and strategies. One of the reasons for policy borrowing can be a political one. "Borrowing does not occur because reforms from elsewhere are better, but because the very act of borrowing has a salutary effect on domestic policy conflict" (Steiner-Khamsi, 2006, p.471). The domestic conflict can be caused by change in political forces, changes in the government, or externalshock. The latter can be exemplified by the case of Germany, where PISA study showed that the achievement of German students was bellowaverage and the fact gave rise to public scandal (ibid). There can be one more, and perhaps mostly wide-spread reason for policy borrowing. It was already mentioned that globalisation causes stratification between developed and developing nations. Very often many transition countries depend on external aid and this creates the ground for policy borrowing without contestant of the reform initiative and policy agenda as to the compatibility to the local context. And in most cases, through the involvement of the World Bank and the International Monetary Fund, education policies are influenced by 'research and development in Anglo-Saxon countries' (Sahlberg, 2006, p.263).

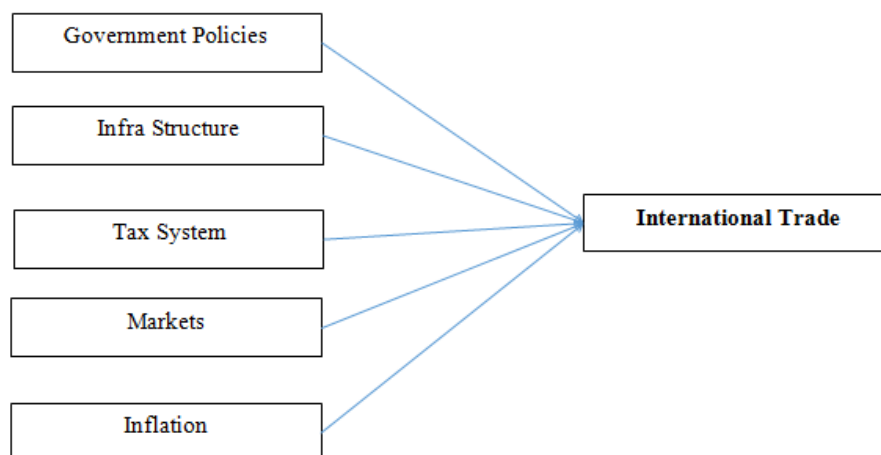


Figure 1: Conceptual Framework based on Trans-Formationism Model

**Research Hypotheses:**

- H1<sub>0</sub>. Government Policies doesn't affect the international trade of Uzbekistan as the predictors of the Globalization?
- H2<sub>0</sub>. Infra-Structure doesn't affect the international trade of Uzbekistan as the predictors of the Globalization?
- H3<sub>0</sub>. Tax System doesn't affect the international trade of Uzbekistan as the predictors of the Globalization?
- H4<sub>0</sub>. Markets doesn't affect the international trade of Uzbekistan as the predictors of the Globalization?
- H5<sub>0</sub>. Inflation doesn't affect the international trade of Uzbekistan as the predictors of the Globalization?

**Research Design:**

The study is a quantitative research uses evocative co-relation method. According (Harcourt, 2016) a descriptive co-relation method is a brand of study in which information is collected and describes as is. Co-relation method is the study in which relationship of two or more than two variables are checked, indicates how one variable may predict another one. In this study quantitative method was used to determine the indicators: Infrastructure, Tax system, markets, government policies and inflation with their effects on Internaitonal trade of Uzbekistan whereas co-relation method is used to determine associated demographic profiles and Trans-formationalism model factors: Infrastructure, Tax system, markets, government policies and inflation with internationalization of Uzbekistan. Factors are further categorized in different set of questions of the questionnaire. Study uses quantitative design; survey based, through self-made 5 likert scale questionnaire to investigate the effects of Independent Variable Infrastructure, Tax system, markets, government policies and inflation and international trade as dependent variable. For the purpose of the survey, online methodology was adopted to collect data from the experts of the companies intend to go internationalize Uzbekistan and know the financial affects of Globalization on IT. 20 major corporations were selected from the Uzbekistan stock exchange, for the composition of sample, applied random selection of sample from population. Inclusion criteria for selecting companies based on high capital and involved in Internaitonal business trades.

Table 1: Ratings of the Questionnaire

S/No.	Scale	Categories
5	4.1 to 5	Highly Affective
4	3.50 to 4.00	Affective
3	2.50 to 3.49	Neutral
2	1.50 to 2.49	Not Affective
1	1.00 to 1.49	Highly Not Affective

Study uses a standard formula for calculating the sample size from the known population from 20 selected multinationals from Tashkent capital of Uzbekistan. Further Stratified sampling methods is applied for collecting data. Stratum is maintained. Selected samples from each stratum will be presented in the questionnaire for data collection. This will be used for the sample computation of managers, executives and directors of the organizations selected for the investigation.

$$\begin{aligned}
 & \text{Standard Formula for Sample Size} \\
 & \frac{Z^2 * P(1-P) / e^2}{1 + (Z^2 * P(1-P) / e^2 N)} \\
 & \frac{2.582 * .5(1-.5)/.052}{1 + (2.582 * .5(1-.5)/.052*650)} \\
 & \frac{6.6564 * .25/.0025}{1 + (6.6564 * .25/1.55)} \\
 & \frac{665.64}{2.0736}
 \end{aligned}$$

Sample size = 321

Out of 650 population size study calculated 321 sample size and rotated questionnaire for the data collection amongst the participants of the study. Initially questionnaire was validated for the contents and materials than was sent to 20 respondent for reliability analysis.

Table 2: Composition of Participants

S/No.	Categories	Numbers	Percentage
1	Executives	100	31.15%
2	Managers	121	37.69%
3	Directors	100	31.15%
<b>Total</b>		321	100%

Executives, managers and directors of the multinationals are approach after the approval from concerned organizations via email and asked for the participation in the study, initially 5 directors, 5 managers and 10 executive were presented for reliability analysis of the questionnaire. Questionnaire was test for Cronbach's alpha value at .50, values surpassed the test.

Table 3: Reliability Analysis

S/No.	Advantages	No.	Cronbach's Alpha	%
1	Government Policies	20	.930	93.0
2	Markets	20	.882	88.2
3	Inflation	20	.891	89.1
4	Tax System	20	.891	89.1
5	Infrastructure	20	.930	93.0
6	Overall	20	.901	90.1

**Analysis and Interpretations**

**Descriptive Analysis**

Descriptive statistical treatment of the data is processed to acquire means statistic summary and t-test values to identify the null hypotheses rejection. Each factor in independently presented with values of significance important to deem model fit summary. Recipients were presented with 6 questions each for 5 categories. Table 4 exhibits the responses of the participant in descriptive statistics from affective to not-agree ratings. All participants agreed that these predictors mentioned are acutely affecting the international trade.

**Table 4** Experts Perception of Globalization and Internatioanl Trade

Factors	MEAN	S.D	Qualitative Equivalent	Interpretation
Infra-Structure	3.7707	.24145	Highly affective	Strong Influence
Tax System	4.2193	.37405	Highly affective	Strong Influence
Markets	3.5540	.22893	Agree	Strong Influence
Government policies	3.7707	.24145	Highly affective	Strong Influence
Inflation	4.2193	.37405	Highly affective	Strong Influence

Source: Survey Date @ 2021

Infra-structure with mean value of 3.7707, Tax System with mean value of 4.213, Markets with mean value of 3.5540, government policies with means values 3.77 and inflation 4.219 implies that qualitatively these factors define aspects of international trade of Uzbekistan. Interpretation of mean ratings of the summary from the participant of the study is covered in descriptive statistics section of the paper. Study used 5 likert scale ratings to record the ratings of the participant, sharing experienced based knowledge. All participants agreed to the statements that predictors determine the limitations and advantages of international trade of Uzbekistan significantly and positively.

**Table 5** comparison of mean ratings and classification

Factors	Executives		Directors		Managers	
	Mean	Classification	Mean	Classification	Mean	Classification
Infra-Structure	3.9	A	3.2	A	3.1	A
Tax System	4.4	S.A	4.1	S.A	3.7	A
Markets	4.2	S.A	3.9	A	3.2	A
Government Policies	4.4	S.A	4.1	S.A	3.7	A
Inflation	4.2	S.A	3.9	A	3.2	A

Table 5 exhibits value of mean ratings of Participants on Level of infra-structure development, openness of markets, Tax subsidized system, particular government policies and inflation in host country as per the global standard are as the predictors influencing the international trade of Uzbekistan. Values of table 5 implies that all the participants are either agreed or strongly agreed with the statements of the questionnaire. In general Level of infra-structure development, openness of markets, Tax subsidized system, particular government policies and inflation in host country are in strong relationship with international trade. It was established that these predictos affect level of investment in foreign direct ventures, multinationals are attracted when the host country is at globalized standard on international trade.

**Hypotheses Testing**

Null hypotheses were tested for *t*-values and *p*-values, in order to nullify the null hypotheses and accept study hypotheses. Independent sample test (2 tailed) applied for rejection of null hypotheses exhibited in table 6. Further Kurtosis test was applied for more confirmation of nullifying the null hypotheses in the study. Table 4-3 exhibits *t*-values and *p*-values of independent sample 2 tailed tests, all the values are greater than *t*-table values for degree of freedom @ 319. Values exhibited in table 6 implies that all null hypotheses of the study are rejected and study hypotheses are accepted. *P*-values exhibited in table 6 are less than .50 which implies model is significant different and fit for prediction.

**Table 6** Hypotheses Testing (Independent Sample Test)

S/No.	Factors	No.	<i>t</i> -test	<i>P</i> -value	<i>t</i> -table value
1	Infra-Structure	6	33.4081	.012	> <i>T</i> table value
2	Tax System	6	24.3932	.000	> <i>T</i> table value
3	Markets	6	24.6723	.013	> <i>T</i> table value
4	Government Policies	6	33.5675	.001	> <i>T</i> table value
5	Inflation	6	27.4343	.021	> <i>T</i> table value

Results of the independent sample test (2 tailed) establishes argument that model is fit and null hypotheses of the study are rejected, qualitative expression for this narration is that predictors international trade hypothesized in the study are correct and null hypotheses are rejected. Further table 7 exhibits the Kurtosis test values for hypotheses testing to ensure the results of *t*-value statistics and *p*-value statistics.

**Table 7 Kurtoses (Normality Test) for Hypotheses Testing**

<i>S/No.</i>	<i>Factors</i>	<i>Z value</i>	<i>Error</i>	<i>Z value</i>	<i>Kurtosis Range</i>
1	Infra-Structure	2.567	.387	6.6330	Greater than +1.96
2	Tax System	1.897	.387	4.9018	Greater than +1.96
3	Markets	11.78	.387	33.038	Greater than +1.96
4	Government Policies	13.89	.387	4.9018	Greater than +1.96
5	Inflation	12.13	.387	33.038	Greater than +1.96

**Regression Analysis**

The linear regression was developed to investigate how one or more independent variables influence a dependent variable (Hutchinson, 2011). More specifically, in a linear regression analysis, the result produces one intercept and one slope, based on the mean, which represents the best fit for variable X to predict variable Y. The regression line can be calculated by using the equation (Noon, 2003): This study uses infra-structure, Tax system Markets, government policies as the predictors of Globalization influencing the international trade of Uzbekistan. Adjusted R square of the model is .998 that means  $.998 * 100 = 99.8\%$ . It implies that one unit of change in predictors of globalization will bring 99 % change in as the predictors influencing the international trade in Uzbekistan. It also implies that model is highly predictable to dependant variable. Predictor is constant with R-square 99 %. Corporation decision making capacity for going towards Internatioanl trade is effectively and efficiently increases to 99.8 %, affected by improved and facilitated infra-structure, subsidized tax system for MNEs, openness in markets, controlled inflation and fluctuations and supported government policies.

R-Change statistics is the same in change statistics as was in the summary model table 8, with  $f(2, 319) = 27779.207$ ,  $p = .000$  model is significant and will bring change for sure as  $P < .05$ , it can be predict that model is significant and will bring changes in performances of international trade subject to adoption of Globalization in Uzbekistan. It implies that % change in improved and facilitated infra-structure, subsidized tax system for MNEs and openness in markets will bring % change the international trade paradigm of Uzbekistan with respect to Globalization.

**Table 8 Analyses Of Variance for International Trade**

	<b>MODEL</b>	<b>Sum of Squares</b>	<b>Df</b>	<b>Mean Square</b>	<b>F</b>	<b>Sig.</b>
1	Regression	60.644	2	30.322	27779.207	.012 <sup>b</sup>
	Residual	.106	137	.001		
	Total	60.750	139			

Analysis of variance (ANOVA) is an analysis tool used in statistics that splits an observed aggregate variability found inside a data set into two parts: systematic factors and random factors. The systematic factors have a statistical influence on the given data set, while the random factors do not. Table 8 implies the analysis of variance in model.  $\sum (Y_1 - Y)^2 = 60.750$  for the mean difference square of predicted value of D.V and I.V and  $f(2, 137) = 27779.207$ ,  $p = .012$ , implies that model 1 of ANOVA is significantly fit to predict values and explain variation in factors. Model of ANOVA in regression analysis suggests that predictors of the globalization and international trade have lesser variance and bonded closely to affect the international trade in Uzbekistan.

Infrastructure of the country represents involvement of government in facilitating the local business holders and attracts the foreign investors in the country. Government policies, inflation openness in markets are key aspects of globalization that build the image of greater business opportunities if suitable for the FDI investors, huge remittances are expected within the country. Where as Tax systems especially for the country like Uzbekistan following mostly Russian Policies and financial system is not in support of international trade.

**Table 9 Regression analysis**

<b>MODEL</b>	<b>Unstandardized Coefficient</b>		<b>Mean Square</b>	<b>F</b>	<b>Sig.</b>
	<b>B</b>	<b>Std. Error</b>			
(Constant)	.456	.044		2.536	.013
Infra-Structure	1.36	.006	.037	233.516	.000
Tax System	1.40	.010	.172	38.731	.000
Markets	2.34	.013	.232	56.345	.012

Government Policies	3.45	.000	.657	38.731	.000
Inflation	2.31	.001	.246	56.345	.001

Table 9 exhibits the values of predictors and significance values which are less than .005 model is fit and significant to predict the effect of independent variable on dependent variable. With coefficients values of predictors of Globalization taken in this study is linear model of regression predicts the degree change in independent variable with coefficients will change relative in international Trade of Uzbekistan.

$$INT-TRD = \alpha + \beta (P1) + \beta (P1) + \beta (P2) + \beta (P4) + \beta (P5) + e$$

$$INT-TRD = .456 + 1.36 (P1) + 1.40 (P2) + 2.341 (P3) + 3.45 (P4) + 2.31 (P5) + .07$$

Equation of above represents the regression phenomenon of globalization and its factors influencing the international trade of Uzbekistan. It explain international trade is in constant change of .456 unit without any change in government policies, infrastructure, tax system, markets and inflation. Equation concludes that all five variable if changes respectively will bring positive affects on international trade of Uzbekistan.

### Correlation Analysis

Correlation or dependence is any statistical relationship, whether causal or not, between two random variables or bi-variate data. In the broadest sense correlation is any statistical association, though it commonly refers to the degree to which a pair of variables are linearly related.

Table 10 Relationship Bond of international trade and globalization

Items	Description	P	I
<b>Globalization</b>	Correlation	1	.586**
	Coefficient		.000
	Sig. (2-tailed)		.000
<b>International Trade</b>	Correlation	.667**	1
	Coefficient		.000
	Sig. (2-tailed)		.000

A correlation coefficient is a numerical measure of some type of correlation, meaning a statistical relationship between two variables. The variables may be two columns of a given data set of observations, often called a sample, or two components of a multivariate random variable with a known distribution. Linear function of predictors is directly related to international trade. Suggested and exhibited in table 10 globalization is a process through which countries share technologies, systems and brains to improve global business statistics. Internatioanl trade is different in nature than domestic business, with more capital and higher risks involved. Owners and exporter tend to judge the advantages before jumping into any international trade. Those advantages as defined by electic model of Dunning 2001 are: Ownership advantages, Location advantages and internationalization advantages. Study focused mostly on location advantages and predictors on the globalization. Correlation analysis exhibited in table 10 implies a strong and positive bond between both, means in order to attract foreign trade Uzbekistan need to globalize the business SOPs, Government policies and support the international investments.

### IV. Findings and Conclusion

Null hypotheses were tested for *t*-values and *p*-values, in order to nullify the null hypotheses and accept study hypotheses. Independent sample test (2 tailed) applied for rejection of null hypotheses. Further Kurtosis test was applied for more confirmation of nullifying the null hypotheses in the study. Results of the independent sample test (2 tailed) establishes argument that model is fit and null hypotheses of the study are rejected, qualitative expression for this narration is that predictors international trade hypothesized in the study are correct and null hypotheses are rejected.

This research paper examined the determinants and influential factors of Globalization affecting the international trade of Uzbekistan. Study provides the proof of causal relationship between factors (Infra-structure, Tax System, markets, government policies and inflation) affecting the international trade in Uzbekistan. Study argued quantitatively that predictors of globalization affect the international trade of Uzbekistan are highly influential and can bring positive changes in countries trade of commodities with other countries. Uzbekistan is manufacturer of country and meets the demands of the locale business holder exports the additional goods to global trade but attracting foreign direct investment requires high and intensive brain storming and government support so that multinationals can contribute in GDP and economic growth.



To achieve the purpose, study used quantitative approach in nature and self made 5 likert scale questionnaire is rotated for collecting the primary data from the corporate level managers, executives and directors of manufacturing industry from Tashkent. Study used standard formula to deduce the sample size and probability random sampling for sample composition with respect to the profiles of the participants. Factors such as Infra-structure, Tax System, markets, government policies and inflation are predictors of the Globalization in the study with positive and strong correlation amongst each other and with international trade. All the factors supported by the theoretical basis and literature basis of previous investigations, in support qualitatively study presented empirical model expressing descriptively and qualitatively that Infra-structure, Tax System, markets, government policies and inflation can bring more fruitful scenario in international trade of Uzbekistan if managed and handled properly.

Study will help in improving the international trade of Uzbekistan and will provide solutions to the corporation working in manufacturing industry. This research in this locale has not been done before with same sampling and techniques. Study formulated new paradigm and interesting fact that enumerates the changing environment and classical approach by theory if internationalization.

A correlation coefficient is a numerical measure of some type of correlation, meaning a statistical relationship between two variables. The variables may be two columns of a given data set of observations, often called a sample, or two components of a multivariate random variable with a known distribution. Linear function of predictors is directly related to international trade. @  $p = .013, .000$  and  $.000$  all the values are less than  $.005$  model is fit and significant to predict the effect of independent variable on dependent variable. With coefficients @ 1.362, .430 and 2.341 values of Infra-structure, Tax System, markets, government policies and inflation as linear model of regression predicts the degree change in independent variable with coefficients will change Internatioanl trade of Uzbekistan.

#### **Work Contribution:**

This study is based in Uzbekistan manufacturing industry and purpose of the study is academic, so work novelty in nature is theoretical contribution in settings of manufacturing industry of Uzbekistan. Nature of the work and approach is quantitative and data gathered is from the experts so study provided the panel data for future researchers.

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Jovliev Sarvar. "Impact of Globalization on International Trade of Uzbekistan: Quantitative Analysis."  
*IOSR Journal of Business and Management (IOSR-JBM)*, 23(9), 2021, pp. 49-58.