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DIGITAL GLOBALIZATION AND ITS IMPACT ON EDUCATION AND THE LABOUR MARKET

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ABSTRACT

Digital globalization, which came about with the birth of the Internet and digital technologies, has revolutionized the way information, ideas, capital and people move around the world. This is how the fourth industrial revolution has begun, bringing about challenges and opportunities that shape our global society and modern life. Namely, this new era of connectedness, characterized by speed, innovation and constant changes, is transforming many aspects of our lives as individuals and of our society as a whole. Given that education is the cornerstone of every society and the crucial tool for the future, it is necessary to explore how digital globalization impacts and redefines the existing education systems. This paper focuses on understanding that particular impact, but also the impact it has on the development of new trends on the labour market and the importance of adapting to them.

KEYWORDS

digitalization, globalization, education, labour market

INTRODUCTION

Globalization as a phenomenon has become ever more present in our day-to-day discussions, both within the academic community and a broader public. While some focus on the wide spectrum of the possibilities it offers, others express their concern about the negative consequences it may bring. This is exactly why it is extremely important to understand globalization, its different forms and the impact it has on different aspects of society.

Joseph Stiglitz, a Nobel laureate, has defined globalization as a process in which “countries and people around the world have become tightly connected, which has been enabled by an almost instant communication and information exchange”, which places emphasis on the role and significance of technology, especially the Internet, in the process of globalization. This is how the phrase digital globalization was born, and we shall analyse its impact on the life of the modern man from the aspect of changes happening in education and the labour market.

Thanks to globalization in developed countries, there is a noticeable tendency to move production capacities to countries with lower labour costs. As a result, many traditional industries, especially in the

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manufacturing sector, have faced job cuts. Workers in these sectors have found themselves in a situation where they have to retrain or look for work in other industries, which is not always easy. On the other hand, globalization has brought new opportunities in sectors such as information technology, finance and services. In many countries, the growth of these sectors has led to the creation of new jobs that require a higher level of education and specialization.

Globalization has obviously changed the way the labour market functions and caused new opportunities and changes in the education system as well. It has brought challenges to traditional industries, and on the other hand, it has opened doors for new opportunities and developed new sectors that are on the rise today. A key component for each country is the adaptability of the education system to the labour market. This adaptability is necessary to prepare workers for the new reality.

DIGITAL GLOBALIZATION

Digital globalization is a phenomenon that combines the ubiquitous digital revolution with traditional concepts of globalization. This process refers to the way technologies and digital platforms are transforming and shaping economic, political and social interactions on a global scale. The central idea of this concept lies in the fact that digital technologies, such as the Internet, enable the rapid exchange of information, ideas and resources around the world, often in real time.

To understand this phenomenon, it is useful to consider digital globalization as an extension of, but also a departure from, traditional globalization. While traditional globalization was driven by trade in goods and physical capital, digital globalization relies heavily on the flow of data and digital information. For example, while thirty years ago global trade was the result of ships laden with goods sailing the world's seas, today the digital flow of data is equivalent to these oceanic paths, enabling global trade, cooperation and communication almost instantaneously (Giddens, 2005).

The term “digital globalization” also implies changes in the way products and services are created, distributed and consumed. As digital platforms allow users to connect with the world from the comfort of their home or mobile device, traditional boundaries have become less important. This has led to the creation of global markets that are accessible to anyone with access to the Internet, regardless of geographic location.

In the context of this new age, the value of information and data is growing exponentially. While in the past physical goods were key to economic growth and prosperity, today digital resources have become the new “currency” in the global economy. While this development offers many benefits, such as improving access to information and opening up new economic opportunities, it also brings challenges in terms of privacy, data security and digital inequality (World Bank Open Data, 2020).

Data and information have become key resources, often described as “modern oil”. The amount of collected information directly affects the effectiveness of solutions that use artificial intelligence, especially those that rely on machine learning. Global flows of information, innovation, skills and industry standards play a key role in determining investment strategies, while creating opportunities to turn data into profit. In the last decade, global data flows have made a notable contribution to global economic growth, even more than traditional commodities (De Mello, Ter-Minassian, 2020).

On the other hand, digital globalization is not only challenging for companies, but also for societies around the world. Social media, while creating global communities and allowing people to connect in ways not previously possible, also serve as platforms that can connect extremist networks and spread



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false information. Managing these complex challenges will require increasing international coordination, dialogue and cooperation. This new phase of globalization is dynamic, diverse and full of unpredictability. However, if properly managed, within this connectivity lie opportunities for growth and innovation (Leonardi, 2020).

Digital globalization has become an inevitable reality of the modern world, providing opportunities and challenges that must be addressed to ensure sustainable and inclusive global development.

DIGITALIZATION AND THE FOURTH INDUSTRIAL REVOLUTION

In an era where technology is becoming a key pillar of everyday life, digitalization plays the most significant role in the transformation of the global economy. Digitalization, affected by innovations such as big data, predictive analytics and artificial intelligence, provides an opportunity for companies to transform their business and become more agile, productive and competitive. This has become the foundation for what many call the fourth industrial revolution (Zhao, 2018).

The new era stands out for its ability to combine the physical, digital and biological worlds. The fourth industrial revolution is bringing changes in almost all sectors and industries, with a special focus on the Internet of Things (IoT). Through IoT, everyday devices are now able to communicate with each other, generating data and enabling automation. This integration of technology leads to the creation of "Industry 4.0", which includes the transition from centralized to decentralized production, where systems are interconnected, autonomous and capable of making decisions based on collected data (Zhao, 2018).

With this progress comes the need to rethink the way we function as a society. For the fourth industrial revolution to be effective, educational systems need to be transformed. The new century requires interdisciplinary education where individuals possess knowledge in multiple domains, enabling them to adapt to the changing demands of the labor market. Additionally, as technology evolves, so do employment opportunities. While some jobs are becoming obsolete, other industries are growing and adapting to these changes (Zhao, 2018).

Artificial intelligence, which is a pillar of digitalization, encompasses a wide range of technologies from computer vision to advanced machine learning. These technologies provide opportunities that transcend traditional boundaries. Most companies are predicted to integrate some form of AI by 2030, and this will have huge implications for the global economy. While AI can bring significant economic benefits, there is also a risk of misuse, such as invasion of privacy.

In addition to artificial intelligence, blockchain technology is emerging as another revolutionary force in the sphere of digital globalization. This technology promises to transform the financial sector, facilitating secure and transparent transactions. Both of these technologies, artificial intelligence and blockchain, bring a wealth of opportunities, but also challenges that require careful management and regulations to ensure that their potentials are used in a sustainable and responsible way (Leonardi, 2020).

In order to realize the benefits of digital globalization, we need people who can successfully deal with all the challenges that digital globalization brings with. Therefore, certain changes are necessary. According to Prihodchenko, Panskov, Afanasyeva (2021), in order to be the winners in the fourth industrial revolution, it is necessary to proactively approach the shaping of educational systems, employment policy and technological standards for future generations of workers.



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THE IMPACT OF DIGITAL GLOBALIZATION ON THE WORKFORCE AND THE LABOUR MARKET

Globalization has brought significant changes in the field of employment. Economies around the world have become intertwined, leading to the reconfiguration of the industry value chains. This phenomenon has allowed some industrial sectors to flourish, while others have suffered under the pressure of international competition (Rajšić, 2006).

In a rapidly digitalizing world, the labour market and workforce are experiencing revolutionary changes. Modern technological tools, such as artificial intelligence, automation and blockchain technology, are redefining the role of workers and the nature of the work they do.

Automation, while bringing increased productivity and efficiency, raises difficult questions about the future of traditional occupations. As robots and algorithms are taking over routine and repetitive tasks, many workers are facing the potential uncertainty of their jobs. Endovitsky, Tinyakova, Morozova, Karyagina, Fedotova (2021) state that, according to the forecasts of the World Economic Forum and based on data analysis of 371 companies and their 13.5 million employees in the countries of Southeast Asia, the Persian Gulf, the USA, Great Britain, Germany, Italy, China, Turkey, France, Japan and other countries, robots will leave around 5 million people worldwide out of work in the next two to three years and that the reductions will mostly affect office and administrative workers. Such developments require a redefinition of competencies and skills that will be key in the labour market of the future.

However, digital globalization is not only a challenge; it is also an opportunity. Global connectedness and telecommuting allow workers to access markets that were previously unreachable. This “frontier” workforce, not tied to a physical location, is proving increasingly attractive to employers looking for flexibility and diverse talent. The gig economy, or economy based on temporary jobs, is becoming more widespread, allowing workers more flexibility, but at the same time raising questions about workers’ rights and safety (Prihodchenko, Panskov, Afanasyeva, 2021).

Such changing work environments bring certain risks as well. Global competition can put pressure on salary reduction and work conditions. Research has shown that every fourth person employed within the platform economy works in inadequate conditions, including the lack of access to training, small wages and job uncertainty (Radović Marković, Vučeković, Marković, 2021). Also, the digital divide – the difference in access and skills needed to use digital technologies – can further deepen socio-economic differences, where those without digital skills become marginalized.

In tackling these challenges, education will play a key role. Preparing young people for the so-called jobs of the future will mean a focus on skills such as digital literacy, adaptability and interpersonal competencies. In a world where jobs are changing faster than ever, the ability to continuously learn and adapt will become essential.

THE IMPACT OF DIGITAL GLOBALIZATION ON EDUCATION

As can already be guessed based on what has been said in the paper, in the era of information and communication technologies, digital globalization strongly shapes the education sector. Lingard (2021) states that “the rapid evolution of digital resources and the global communication network have enabled



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revolutionary changes in education, providing new dimensions to learning and shaping the pedagogy of the future”.

One of the most visible aspects of this influence is the emergence of online education. Through virtual classrooms, boundaries are erased and an opportunity for inclusive education is provided. Students from different parts of the world can access top education, overcoming geographical and economic barriers. However, this new approach brings with it a number of challenges. The digital divide becomes apparent when we face the fact that many students do not have access to appropriate technological tools or a stable internet connection.

An additional concern in the digital environment is data protection. With the increasing dependence on digital platforms, there is a risk of misuse of personal information of students and teachers. This requires strengthening digital security and ethics in the educational environment.

Regarding the quality of education in the digital age, there is a need for constant monitoring and evaluation of educational materials provided via the Internet. Digital education must not be a compromise in quality compared to traditional education. To achieve this, educational institutions should invest in the training of teachers so that they can use new technologies in an effective and pedagogical way.

With the advent of the COVID-19 pandemic, digital globalization in education has been brought into focus. The sudden transition to online teaching highlighted the potential, but also the limitations, of digital technologies. This has pointed to the need for flexibility in education systems, as well as for strengthening infrastructure in order to respond to unforeseen global challenges (Lingard, 2021).

It can be stated that digital globalization brings both opportunities and challenges to the education sector. The new tasks that are set before educational institutions concern the society's demand that young people be adequately prepared for a world of frequent changes and that they be able to find their place in such a world (Gavrić, Čukanović Karavidić, Mušinović, 2003).

One thing is certain: digital globalization is here to stay and will continue to shape education for years to come. It is up to us to find a model by which we will maximize the benefits and minimize the risks of this type of education. In order to achieve this, a proactive role is needed by all participants in education – from decision makers to teachers and students.

THE FUTURE OF DIGITAL GLOBALIZATION: PERSPECTIVES AND FORECASTS

One of the key predictions we associate with digital globalization is the further integration and interoperability of digital platforms, devices and services. The Internet of Things (IoT) is likely to take off, connecting everything from home appliances to industrial systems into a global network. This connectivity enables new ways of interacting, trading and innovating, but it also raises questions about security, privacy and ethics.

Artificial intelligence (AI) and machine learning will become even more central to the global ecosystem. AI is expected to automate many jobs, create new industries and transform existing ones. While AI offers the potential to increase productivity and innovation, it also raises serious questions about the consequences for employment, social equity and the management of technological power.



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In terms of future prospects, globalization is likely to continue to develop and shape the world in different ways. New technologies, such as artificial intelligence and automation, can further accelerate globalization processes, but at the same time bring new challenges. However, there is also an opportunity to redefine and recalibrate globalization, where more emphasis will be placed on sustainability, inclusiveness and multilateral cooperation (Bilbilovska, Plavšić, Andonov, 2003).

The Metaverse, or virtual universe, may become the next phase of digital globalization. As a fully immersive digital experience, metaverse will allow users to live, work and play in a digital space, which can completely redefine the boundaries between the physical and digital worlds.

Given these technological changes, digital inequality will be a key issue for the future. To ensure that everyone benefits from digital globalization, concerted efforts are needed to reduce the digital divide between developed and underdeveloped regions, as well as within societies themselves.

Regulation will also play a key role in shaping the future of digital globalization. As the question of monopolies of large technology companies, data protection, ethical dilemmas and security challenges is raised, global cooperation is needed to create rules and standards that encourage innovation, but also protect individuals and societies (Skare, Soriano, 2021).

The future of digital globalization promises radical changes in our world, but with them come uncertainties. The key to success lies in adaptability, foresight and collaboration at all levels – from individuals to global institutions – to ensure that the technological revolution benefits everyone, not just some.

CONCLUSION

Globalization is, without a doubt, one of the most influential processes shaping the modern age. It breaks down borders, merges cultures and reshapes how we understand the world around us. The economic, social, cultural and political aspects of globalization prove that the world has become increasingly connected and interdependent, which brings with it numerous advantages, but also challenges.

Digital globalization is revolutionizing the way we communicate, learn and work. Information technologies enable faster exchange of information, facilitate education and remote work, but also raise questions about digital literacy, privacy and social connectedness. While digital communications can increase access to information and resources, they can also widen the gap between those who have access to digital resources and those who do not.

Overall, digital globalization is a double-edged sword. While it provides enormous opportunities for innovation, development and connectivity, it also gives rise to tensions, inequalities and new challenges. In order to successfully adapt and cope with the most modern trends, adaptability and constant re-examination are needed. What is indisputable is that globalization, in all its forms, will continue to shape our society, economy and culture for decades to come. This is precisely why it is essential that we understand its impact and channel it in a direction that will be beneficial and sustainable for all.

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