

the authorities will be able to see a positive or negative reaction to the implemented decisions [4].

As a result of the study, based on the analysis of the examples given, it can be concluded that AI can be both a friend and an enemy, depending on the way it is used. Artificial intelligence is a tool that can change our world for the better. In many aspects, it cannot fully replace a person, but it can help in areas such as healthcare, manufacturing, the car industry, etc. Therefore, in order to avoid negative consequences, it is necessary to use technology wisely and carefully. Strategies and policies need to be developed to manage the impact of AI on the economy and society as a whole.

#### **REFERENCES:**

1. What is Artificial Intelligence? [Electronic resource]: AWS. – Mode of access: [https://aws.amazon.com/machine-learning/what-is-ai/?nc1=h\\_ls](https://aws.amazon.com/machine-learning/what-is-ai/?nc1=h_ls). – Date of access: 12.03.2023.
2. Automation will cut 85 million jobs and create 97 million new ones by 2025 [Electronic resource]: HIGHTECH.PLUS. – Mode of access: <https://m.hightech.plus/2020/10/25/avtomatizaciya-sokratit-85-mln-rabochih-mest-i-sozdast-97-mln-novih-k-2025-godu>. – Date of access: 13.03.2023.
3. Identifying facial phenotypes of genetic disorders using deep learning [Electronic resource]: Nature Medicine. – Mode of access: <https://www.nature.com/articles/s41591-018-0279-0>. – Date of access: 13.03.2023.
4. OK Computer: Romania debuts ‘world’s first’ AI government adviser [Electronic resource]: POLITICO. – Mode of access: <https://www.politico.eu/article/meet-the-first-ai-presidential-advisor-romanian-pm-says-nicolae-ciuca-nicu-sebe-kris-shrishak/>. – Date of access: 14.03.2023.

**Fedor Gritsev, Zakhar Novitskiy**  
Science tutor *N. Tesliuk*  
BSU (Minsk)

#### **SHADOW GLOBALIZATION: INSTITUTIONAL TRENDS**

The main trend of the world economy in the last few decades is the convergence of national economies: the simplification of goods, capital, labor, and information movement across borders. This trend is also called globalization. However, in addition to the movement of means of production and goods, there is also an exchange of institutions.

According to Gresham's law, ‘bad money crowds out the good’ this is also true for institutions; there is a tendency for ‘good institutions’ to be crowded out by ‘bad institutions.’ Instead of formal institutions, with certain legal frameworks, informal ones, often grossly contradicting legal norms also appear. These include the institutions of the shadow economy: economic activities that are not under the control of the states. Such

activities include those aimed at making a profit, but which are not regulated by formal rules [2, p. 479–485]. The purpose of this study is to examine the main trends in the globalisation of shadow economy institutions.

The globalization of the shadow economy refers to the expansion of illegal or unregulated economic activities across national borders. It can be human trafficking, money laundering, smuggling, counterfeit products and others [1, p.69–70].

A prime example of such a process would be counterfeit, where cheap counterfeits products displace the originals from the market. The globalization of the shadow economy has several negative consequences. It undermines the rule of law and weakens the ability of governments to collect taxes and provide public services. It also facilitates the spread of organized crime, corruption, and terrorism.

However, some argue that the globalization of the shadow economy can also have some positive effects. For example, it can provide employment opportunities for people who would otherwise be unemployed, and it can help to meet the demand for goods and services that are not available through legal channels. The Democratic People's Republic of Korea is such an example, where some goods can only be bought on the black market.

Overall, the globalization of the shadow economy is a complex and controversial issue that requires careful consideration of its costs and benefits.

It is possible to broadly divide the institutions of the shadow economy into two types: 1) illegal, but not harmful to third parties (such as tax evasion); and 2) having external effects (such as counterfeiting, which harms producers of original products). The first institutions may then form the basis for market institutions (what Hayek called ‘spontaneous order’), but this claim needs to be tested empirically [4, p.71–85].

An example of this can be the shadow economy of North Korea, where many goods, including foreign films and some technologies are sold illegally. On the other hand, North Korea has a big problem with labor slavery, which is a bad institution [3, p. 487–507].

Globalization as a process is a trend of modern economy. Each process is far from being as straightforward as it might seem at first glance, and globalization is no exception. It has very important and valuable benefits such as increased wealth, easier access to technologies etc. However, this process has its possible pitfalls – the prospect of violating the law and the rights of citizens, and the emergence of unfair competition.

#### **REFERENCES:**

1. Капица, Л. М. Теневая глобализация / Л. М. Капица // Вестн. МГИМО ун-та. экон. и бизнес. – 2014. – № 3. – С. 69–81.
2. Рождественская И. А., Тамбовец В. Л. Импорт институтов и диффузия идей / И. А. Рождественская, В. Л. Тамбовец // Журнал экономической теории. экон. и бизнес. – 2019. – № 3. – С. 468–479.
3. Dukalskis, A. North Korea’s Shadow Economy: A Force for Authoritarian Resilience or Corrosion? / A. Dukalskis // Europe-Asia Studies. – 2016. – № 68. – P. 487-507.
4. Hayek, F. A. The Constitution of Liberty / F. A Hayek. – London : Routledge & Kegan Paul, 1960. – 552 p.