Liberalization: Liberalization entails the reduction of state intervention in economic affairs, granting businesses greater autonomy in decision-making. This trend aims to bolster competition, both domestically and internationally, by removing barriers to trade and promoting market-driven policies. Liberalization stimulates economic growth, encourages international specialization, and expands markets, thereby benefiting consumers through increased choices and efficiencies.

In conclusion, the trends of globalization, post-industrialization, and liberalization are reshaping the world economy in profound ways. These trends foster greater economic integration, technological advancement, and market competitiveness. While presenting numerous opportunities for growth and development, they also pose challenges, including socio-economic disparities and environmental concerns. Understanding and navigating these trends is crucial for policymakers, businesses, and societies to harness their benefits while mitigating their adverse effects. As we move forward, it is imperative to adapt to evolving economic dynamics and anticipate emerging trends to ensure sustainable and inclusive global prosperity.

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INTERNATIONAL TRADE – FDI. OR VICE VERSA?

International trade, along with foreign investment, are common forms of international economic relations [1]. It is not surprising that countries can build their economies mainly on the external sector of the economy. But what comes first: foreign direct investment or international trade? Of course, historically, the first form of international economic relations is international trade, which has undergone significant evolution both theoretically and practically. But the question is not what came first, but rather, can foreign direct investment, a form of IER that is not historically first, drive international trade? Or does international trade only stimulate foreign direct investment? That is the problem of this topic. A small remark should be made at once: everything is individual for each country basically. Applying the same methods of economic and mathematical modelling to a set of country-specific data. It is unlikely that the constructed model will at least describe the relationship for countries all over the world. For this study, China was chosen as the country under investigation, because China is export-oriented economy. It has an active flow of foreign direct investment and has a significant degree of economic openness.

Let us start with the case when foreign direct investment stimulates international trade. Theoretically, this is possible, because if a country has a number of competitive advantages in foreign markets, for example: cheap labor, optimal exchange rate, business environment for doing business, etc. - then after investing in a country's enterprise, there can be an increase in exports of that enterprise and consequently an increase in exports of the economy. Considering the fact that China has the advantage of cheap labor and also the Chinese are quick to do any kind of work irrespective of the deadline. Based on statistical data, using econometric models, we will construct a regression equation [2]:

$$\Delta y = 129537{,}1 + 1892{,}5 * \Delta x$$

This model can explain the change in China's exports by about 35.3 %. For all indicators, the model has good predictive properties, but in our case we are more interested in the relationship between the indicators. Therefore, foreign direct investment can stimulate foreign trade performance, as shown in the data of the Chinese economy.

Now consider the reverse side of this process. Let's say two countries trade with each other. There are several reasons why one of the parties decides to transfer some of its capital to the other country with which they are actively trading. Among such reasons are a favourable business environment for export-oriented business, export-oriented industries often adopt advanced technologies to remain competitive, growth through exports requires efficient infrastructure (ports, transport, communication networks). Investment in infrastructure is beneficial for both exports and FDI, making the country more attractive to investors, etc.

If we apply these points to China's economy, we can see that China relies on exports of high-tech goods such as electronics, telecommunications and machinery, The Chinese government encourages export-oriented industries through tax incentives, subsidies and favourable policies, China invests heavily in infrastructure development, including ports, railways and roads, etc.

As we can see from the above points, China's exports can also provide incentives to foreign investors for foreign direct investment. Also, we should not forget the significant role of integration processes and participation in international economic organizations.

In determining which comes first, FDI or exports, based on the above information, it can be concluded that FDI and exports stimulate each other at the same time. It also depends on the purpose of the FDI " arrival" and what the enterprise will produce. If the enterprise is aimed at producing for domestic consumption, it is wrong to assume that FDI stimulates exports [3].

The main disadvantages can be highlighted the shortcoming of econometric models (in reality, the coefficient of determination is likely to be lower). Also, the creation of export incentives in China brings problems to the Chinese economy, in particular wage problems, although the problem is not only related to the export-oriented model of the economy.

Therefore, for the Chinese economy, foreign trade is still primary (in the earliest stages of economic interaction between countries), and export FDI stimulates foreign trade afterwards.

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AN EMPIRICAL ANALYSIS OF INFLATION DYNAMICS IN INDIA

The topic of inflation is extensively studied in the field of economics due to its various severe consequences. A highly debated subject across the world pertains to identifying the factors that determine inflation rates [1]. India's inflation has been impacted by various factors, including wars, agricultural failures, fiscal shortfalls, and public debt. The introduction of the New Economic Policy in the 1990s facilitated private enterprise access to previously controlled sectors, which helped to stabilize pricing and establish a foundation for all-round development. However, the shift from past practices initially contributed to local inflation, which continued to linger until the mid-1990s, occasionally surging into double digits. The global financial crisis of 2008 unleashed another wave of inflation in India, which was accompanied by a slowdown in economic growth, threatening to raise the levels of unemployment, external debt, and other financial crises. An inflation rate exceeding 6per cent constrains GDP growth and reduces general economic activity [2]. In India, inflation arises primarily due to imbalances in economic drivers, namely demand-side and supply-side factors, future inflation expectations, and market mechanisms [2]. From 2006 to 2013, demand-pull inflation occurred as a result of rapid economic growth, amplified government spending on infrastructure and social welfare programs, and the expansion of the middle class. To tackle this issue, the Reserve Bank of India executed monetary policy measures, while the government concentrated on implementing structural reforms to enhance the supply of commodities and services in the economy. Between 2007 and 2014, cost-push inflation emerged, primarily attributable to escalating food and oil prices and the government's crop support price promotion policies. In response, monetary policy measures were enforced once again, and the government persisted in its pursuit of structural reforms to augment the supply side of the economy [3].