The world’s level of connectedness reached a new record high in 2017. For the first time since 2007, the shares of trade, capital, information, and people flows crossing national borders all increased significantly.

The Netherlands is the world’s most globally connected country. Singapore leads on the size of its international flows relative to domestic activity, while the United Kingdom has the most global distribution of flows around the world.

Europe is the world’s most globally connected region, with 8 of the 10 most connected countries. Europe leads on trade and people flows, while North America is the top region for information and capital flows.

The economies where international flows exceed expectations the most are Cambodia, Malaysia, Mozambique, Singapore, and Viet Nam. Regional supply chains boost the performance of Southeast Asian nations.

Emerging economies have much lower average levels of connectedness than advanced economies. The largest gap is found in information flows, into which advanced economies are 9 times as deeply integrated.
Global connectedness is still constrained by distance and cross-country differences. Roughly half of all international flows are between countries and their top three origins and destinations.

Countries that integrate more deeply into international flows tend to enjoy faster economic growth, and even the top-ranked countries have untapped opportunities to strengthen their global connectedness.

The policy environment for globalization darkened in 2018 as trade conflicts escalated and countries raised barriers to foreign takeovers, immigration, and other flows. However, supporters of open markets fought back with a wave of landmark trade agreements.

The future of globalization depends on the choices of policymakers around the world. Because global connectedness remains limited, countries have more flexibility than many presume to shape their international flows and influence the distribution of their benefits.