



Does China's Rise mean the End of the United States' Economic Leadership?*

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Abstract: The article offers an updated overview of the hegemonic dispute between the United States and China, analysed from the perspective of the competition of its main transnational corporations for world economic leadership. The research was carried out by systematising *Fortune Global 500's* list for a period of 26 years (1994-2020). The descriptive analysis focused on four main variables: incomes, profits, assets, and employment; for two scales of the study: a first global scale that locates the main groupings of the world's largest companies by their headquarters country; and a second meso-economic scale that determines the top economic activities in which the world's largest corporations compete. Finally, we performed a comparative analysis of the economic performance of the United States and Chinese corporations in those core activities. Our study concludes that in the short term, the economic bases of the United States corporations will continue to play a hegemonic role in world economic competition.

Keywords: World Economic Order, Capitalist Enterprises, Capitalist Political Economy, Prospects of Capitalist System, Hegemony, World economic leadership

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INTRODUCTION

After the global crisis of 2008, China's rise has been an omnipresent topic in academia and public debate. China's sustained growth at rates higher than

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those of the world's main economies, along with the consolidation of its business fabric, makes it the main engine of the global economy. This situation raises a fundamental question for the future of the capitalist world-system: will the business-state coalition in China succeed in displacing the rival U.S. based coalition as the world hegemon?

Since the 1990s, several studies have established the shift of the world economic center of gravity from the North Atlantic to the Pacific, first with the Japanese economic miracle, followed by its spread to the Asian Tigers (Hong Kong, South Korea, Singapore, and Taiwan), and now by the rise of China (Shinoda and McNeil, 1991; Abramowitz, 1993; Quah, 2011; Nolan, 2012; Cox, 2012; Hamnett, 2018; Rivera et al., 2023). Giovanni Arrighi's (2007) historical analysis supported the hypothesis that an eventual global dominance by China would be beneficial, as it would establish relations founded on exchanges rather than on military relations, which have been the hallmark of British and American hegemonies.

From a medium and long-term perspective, competition between transnational corporations plays a decisive role in world economic leadership. Corporations are the subjects that articulate the bases of global domination, through the creation of technologies, the accumulation of all kinds of resources, mainly financial, and the conquest of markets on an international scale. Theories of market power and global value chains, as well as theories of capitalist economy monopolisation, coincide in the central role of large corporations or "leading companies" (Kindleberger, 1962; Baran & Sweezy, 1968; Hymer, 1972; Hopkins & Wallerstein, 1986; Gereffi & Korzeniewicz, 1994).

From this perspective, in this paper, we propose to analyse the United States and China's main transnational corporations' competition, to assess the world economic leadership's actual situation and its near future. In a context in which conflicts between the major powers are increasing, the balance of power between these groups of corporations will be decisive in the immediate future. We processed data from the *Fortune Global 500* companies list, which presents consolidated data on a worldwide scale for four indicators: incomes, profits, assets, and employment; analyses were carried out on a global scale and a meso-economic scale for the period 1994-2020. We consider that the amount of data (500 cases for four indicators through 26 years), allows us to mark trends in the world economic leadership competition.

METHODS

Every year, *Fortune* magazine publishes a list of the world's largest companies (*Fortune Global 500*) ranked by revenue, taking on count more than 40 economic activities. From this data, we constructed a historical series for the period 1994-2020 that includes: the company name, headquarter country, main activity, income, profits, assets, and employment. The data in the list comes from public information, mainly company reports, and surveys sent to companies.

At the first level of analysis, series were obtained by groups of companies according to their headquarter country; among these, those countries that account for 75% or more of the accumulated amount of each indicator were selected, resulting in 6 dominant groupings: companies based in the United States, China, Japan, Germany, France, and England (this last group includes companies classified as Anglo-Dutch). From the economic indicators, 12 performance measures were calculated, three for each indicator: accumulated amount, average values for the period, and the simple average of annual growth rates. These measures make it possible to establish two competitive relationships: who dominates (dominance or equilibrium) and what is the trend of this dominance (ascending, descending, or stable).

Secondly, the historical series was classified by activity, without distinguishing the countries where the companies were headquartered; based on this, and using the aforementioned performance measures, we established the hierarchy of the main activities carried out by the world's largest companies. After that, we compared the relationship between companies headquartered in the United States and those headquartered in China.

These analyses made it possible to establish the state of world economic leadership competition, through a global analysis and the seven main activities of contemporary capitalism.

RESULTS

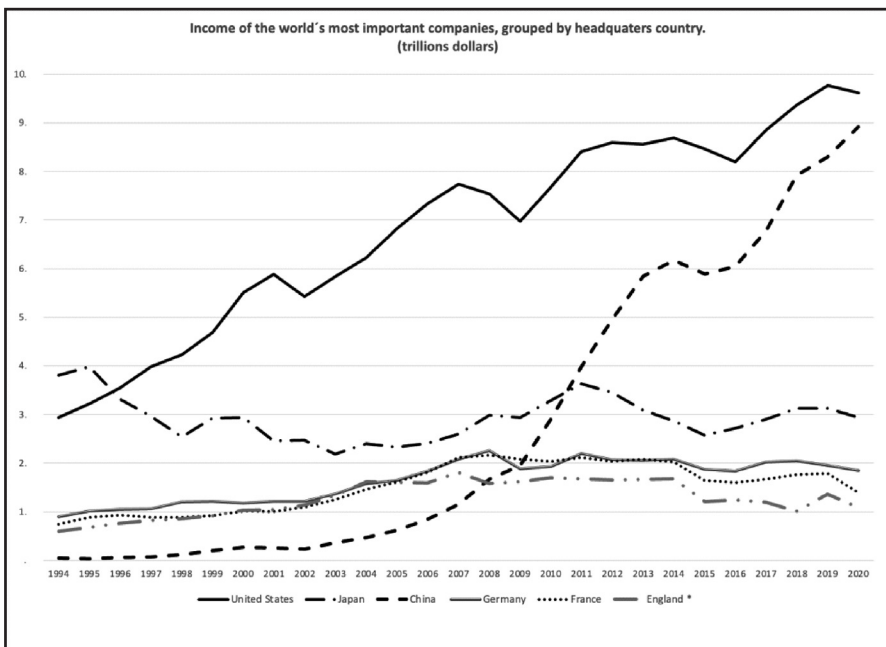
The analysis of the historical series involved three steps (we took the case of income to illustrate the processing of the information):

- 1) Value of the accumulated amounts for each indicator: sum of the annual values of the income for each grouping of companies, resulting in a total value of more than 584 trillion dollars (tr) for the world's top 500 companies. The U.S. based companies reported incomes of more than 184 tr (31.5% of the total); the Japanese grouping accounted

for nearly 79 tr (13.5% of the total); and the China-based grouping reported almost 76 tr (13% of the total), a 2.4 to 1 ratio in favour of the U.S. corporations.

- 2) Average annual share of each grouping in the accumulated amount of income over 26 years. The U.S. grouping share was 32.5%, compared to 15.9% for the Japanese grouping and 9.8% for Chinese corporations.
- 3) Annual growth rates, the average indicates the dynamics of the performance of each grouping of companies. Incomes of the 500 global companies grew at an average annual rate of 4.6%, a figure that contrasted sharply with Chinese corporations' rate, which reached 25.5%, while U.S. based corporations were 4.8% and the Japanese grouping was negative, at -0.52%.

From those calculations, we found that U.S. based corporations dominated in the income category, but their growth had weakened in recent years; the Japanese grouping had a significant weight at the beginning of the period, which placed it in second place in the magnitude measures. In contrast, from 2008 onwards, China based companies showed an upward performance and accelerated growth. This first measure of global competition showed that the main competitors were companies based in the United States and China.



These calculations were made also for the remaining three indicators, profits, assets, and employment; after that, we created the following matrix that summarised the situation of the competition among giant corporations on a global scale.

Matrix 1. Economic indicators of the world's most important companies, grouped by headquarters country									
	United States			China			Japan		
	Amount accumulated	average	Growth Annual average	Amount accumulated	average	Growth Annual average	Amount accumulated	average	Growth Annual average
Income	1 (D)*	1 (D)	2 (D)	3 (A)	3 (A)	1 (D)	2 (D)	2 (D)	6 (S)
Profits	1 (D)	1 (D)	3 (D)	2 (A)	2 (A)	1 (A)	3 (S)	3 (S)	2 (S)
Assets	1 (D)	1 (D)	2 (D)	2 (A)	3 (A)	1 (D)	3 (D)	2 (D)	6 (A)
Employment**		1 (D)	2 (S)		2 (A)	1 (A)		3 (D)	5 (S)

*Position (Trend). The position indicates the place among the 6 main groupings of companies. The trend can be A = ascending; D = descending; S = stable; depending on variations greater than 5% between the initial year and the final year.

** Since employment is not an annual flow but the number of employees reported each year, we only calculate the simple average for the period 1994-2020.

Source: Database of the world's largest companies, based on *Fortune* magazine.

This matrix showed the U.S. based corporations' leadership, which occupied first place in the amounts of the four indicators analysed. In contrast, their dynamism was lower than their competitors, ranking second position in income, assets, and employment growth; and third in the strategic area of profits. Correlatively, the China based grouping was the most dynamic among the top six corporate groupings in *Fortune's* sample. This dynamism allowed China based corporations to close the gap between them and their U.S. competitors, to the point where they outperformed them in annual asset amounts (as of 2016) and employment (as of 2012). Japan based corporations had an important weight in this leadership competition, due to their relevance in the 1994-2010 period, after which they showed declining performances. The only thing that stood out is its behaviour in the category of accumulated and average income.

The next analytical step was to determine the most important activities for the world's 500 largest companies. The method selected established the groupings of companies that accounted for 50% or more of the amounts of each indicator for the main activities. Out of a total of 30 activities, seven stood out: commerce, oil refining, banks, insurance, automotive and auto parts, telecommunications, and information technology (Table 1).

These were the activities that appeared in at least three indicators, being part of the group that concentrated 50% or more of the total accumulated amount of each of the four indicators. Of the seven selected activities, the participation of companies dedicated to commerce was remarkable, as they

Table 1: Main activities of the world's largest companies
Trillions dollars and millions of employees

	<i>Incomes*</i>	<i>Profits*</i>	<i>Assets*</i>	<i>Employment**</i>
Commerce	82.1	1.7	50.5	9.0
Oil refining	71.2	3.5	74.3	3.1
Banks	64.7	6.4	1 260.5	5.4
Insurance	57.0	2.5	380.1	2.4
Automotive and auto parts	51.3	1.6	66.3	4.6
Telecommunications	29.1	1.9	60.9	3.1
Information technology	20.2	2.1	23.6	2.0
Share of the 7 in the Total (%)	64.3	64.8	81.3	54.9
Total of 500	584.3	30.4	2 357.2	54.1
* Accumulated amounts for the period 1994-2020				
** Number of employees, simple average for the period 1994-2020				

accounted for the largest amounts of income and jobs (remember that this activity had high levels of employment, with more than 9 million employees on an average during the study period; and that Walmart was the largest corporate employee, employing on average more than 2 million people). The banks were noticeable for their contribution in the areas of earnings and assets; the latter accounting for more than 53% of the total accumulated. All seven had a significant economic weight, constituting the core of the activities carried out by giant corporations. The smallest of them, telecommunications and information technology were distinguished by their profitability levels; in fact, the profit/sales ratio of information technology was the first of that set, and telecommunications occupied the third position, even above the performance of trading companies and oil refining.

The analysis of the competition between the main groupings of corporations according to their country of headquarters was carried out in the seven selected activities, with the following results:

Commerce

Commercial activity played a fundamental role in the competition for world economic leadership, to the extent that it projected the products of other activities onto the world market, and gained influence in the organisation of production, as evidenced by the operations of companies such as Walmart, Amazon, Alibaba, Mitsui, etc.

This activity was largely dominated by the U.S. based corporations, which concentrated the largest amounts in the four indicators analysed; partly because of their magnitude and partly because of the dynamism of other corporate groupings, the growth of the U.S. grouping was limited and showed a declining trend, except in profits. There was a significant asymmetry between the cumulative incomes of the U.S. corporate grouping (38.4 tr between 1994 and 2020) and the combined incomes of Chinese and Japanese companies (22 tr).

Matrix 2. Economic indicators of the world's most important companies, grouped by headquarters country. Commerce.

	United States			China			Japan		
	Amount accumulated	average	Growth Annual average	Amount accumulated	average	Growth Annual average	Amount accumulated	average	Growth Annual average
Income	1 (A)*	1 (A)	12 (D)	3 (A)	3 (A)	2 (D)	2 (D)	2 (D)	17 (A)
Profits	1 (A)	1 (A)	12 (S)	3 (A)	3 (A)	3 (S)	2 (A)	2 (A)	7 (A)
Assets	1 (A)	1 (A)	15 (D)	3 (A)	3 (A)	1 (D)	2 (A)	2 (A)	17 (A)
Employment**		1 (A)	12 (D)		3 (A)	2 (D)		5 (A)	11 (A)

*Position (Trend). The position indicates the place among the groupings of companies that participate in this activity throughout the period = 20 groups of companies according to their country of headquarters. The trend can be A = ascending; D = descending; S = stable; depending on variations greater than 5% between the initial year and

** Since employment is not an annual flow but the number of employees reported each year, we only calculate the simple average for the period 1994-2020.

Source: Database of the world's largest companies, based on *Fortune* magazine.

Corporations based in Japan were in second place, due to their performance between 1994 and 2000, and the conglomerate type of a large part of their companies, which integrated a diversity of activities and some of them, had trade as their main activity. The Chinese grouping was in third place in this hierarchy, with an upward trend in the amounts and a significant dynamism, highlighting its performance in the asset category.

Oil refining

Oil exploitation is an essential factor for the functioning of the global economy, hence its strategic nature. Unlike the other six activities studied, it is determined by the geopolitics of the location of oilfields and reserves, which are generally in the hands of state companies and strongly controlled by the states. However, the giant corporations, particularly those based in the United States and England, led the competition through their capacity to commercialise oil globally and transform it into various widely used products.

The U.S. based grouping dominated this activity thanks to the number of its operations, accounting for between 20% and 30% of total incomes, assets, and profits; on the other hand, its dynamism was limited. Chinese corporations occupied positions 2 and 3 in the indicators analysed, but given their high

Matrix 3. Economic indicators of the world's most important companies, grouped by headquarters country. Oil refining.

	United States			China			Japan		
	Amount accumulated	Growth average	Annual average	Amount accumulated	Growth average	Annual average	Amount accumulated	Growth average	Annual average
Income	1 (A)*	1 (A)	23 (D)	2 (A)	2 (A)	3 (D)	6 (A)	6 (A)	25 (D)
Profits	1 (A)	1 (A)	21 (S)	3 (A)	3 (A)	4 (D)	18 (S)	18 (S)	3 (A)
Assets	1 (A)	1 (A)	20 (D)	2 (A)	2 (A)	4 (D)	9 (S)	9 (S)	25 (S)
Employment**		2 (D)	20 (S)		1 (A)	11 (D)		12 (S)	14 (A)

*Position (Trend). The position indicates the place among the groupings of companies that participate in this activity throughout the period = 33 groups of companies according to their country of headquarters. The trend can be A = ascending; D = descending; S = stable; depending on variations greater than 5% between the initial year and

** Since employment is not an annual flow but the number of employees reported each year, we only calculate the simple average for the period 1994-2020.

Source: Database of the world's largest companies, based on *Fortune* magazine.

dynamism, they had reached and even surpassed their U.S. competitors in the items of incomes (as of 2015) and assets (as of 2012); coupled with their leadership in employment, an area in which they dominated with a share of more than 64% of the total. In terms of profits, the U.S. corporations dominated, except for the year 2020, when they reported losses of 43 billion dollars (bd), an abnormal behaviour derived, in general terms, from the low demand for oil during the Covid-19 pandemic.

Corporations based in Japan played a marginal role in this activity, while England-Holland-based companies occupied relevant positions, particularly Shell and BP.

Oil activity is one of the main scenarios of Sino-American competition, and the outcome of this dispute will be essential to define world economic leadership. For the moment, oil refining is dominated by the U.S. corporations, which, in addition to resources within the U.S. territory, have managed to establish themselves in a large part of the territories that have oil production and reserves, including Venezuela, which has the largest proven reserves in the world. This leadership faces intense competition from Chinese corporations and the question mark of conflicts with Russia, another global energy power.

Banks

Banking activity is of great importance in the capitalist economy. Historically and today, it enables economic activities to be boosted by concentrating social savings and channeling them to corporations and the public. The credit function is fundamental to globalisation and the giant banks receive and grant funds on a worldwide scale. However, their roots in certain territories remain a fundamental relationship for economic leadership, as has been shown by financial crises, including the current one in the United States following the collapse and bailout of several banks, in particular Silicon Valley Bank and First Republic Bank.

Therefore, it is of the utmost relevance that China based banks ranked first in terms of profits, assets, and employment, while their U.S. competitors retained first place in terms of income if we considered the period as a whole. Notably, as of 2011, the Chinese banks' incomes were higher than those of U.S. based banks. The vigour of the operations of both groups of corporations was reflected in the upward trend of this set of indicators. The Chinese banks dominance was also underpinned in the growth rates of their performance indicators, among the 4 most dynamics, while the U.S. and especially Japanese corporations reported much lower growth rates.

Matrix 4. Economic indicators of the world's most important companies, grouped by headquarters country. Banks.

	United States			China			Japan		
	Amount		Growth	Amount		Growth	Amount		Growth
	accumulated	average	Annual average	accumulated	average	Annual average	accumulated	average	Annual average
Income	1 (A)*	1 (A)	12 (D)	2 (A)	2 (A)	3 (D)	6 (D)	6 (D)	22 (A)
Profits	2 (A)	2 (A)	18 (S)	1 (A)	1 (A)	4 (S)	9 (A)	9 (A)	22 (A)
Assets	2 (A)	2 (A)	9 (D)	1 (A)	1 (A)	2 (D)	4 (A)	4 (A)	21 (A)
Employment**		2 (A)	5 (D)		1 (A)	2 (D)		10 (A)	13 (A)

*Position (Trend). The position indicates the place among the groupings of companies that participate in this activity throughout the period = 23 groups of companies according to their country of headquarters. The trend can be A = ascending; D = descending; S = stable; depending on variations greater than 5% between the initial year and

** Since employment is not an annual flow but the number of employees reported each year, we only calculate the simple average for the period 1994-2020.

Source: Database of the world's largest companies, based on *Fortune* magazine.

The Chinese banks' strength and their rapid growth are directly linked to the statist model of the Chinese economy, strongly centralised and directed from the top of the Communist Party of China. Unlike private banks that must compete for funds from other private clients, Chinese banks benefit from government regulations that direct funds from the vigorous parastatal sector to Chinese banks.

Recently, numerous analyses have established the possibility of a systemic financial crisis (Toussaint, 2019; Chesnais, 2020; Roubini, 2022; Rogoff, 2023). Both China with the real estate crisis of 2022 and 2023, and the United States with the local bank failures of March 2023, show signs of fragility and despite state measures aimed at stabilising markets, the danger of a systemic breakdown cannot be ruled out. In the current balance of power, a consolidation of the global leadership of China based banks is foreseeable.

Insurance

The role of this activity in the contemporary economy results from the increasing complexity of capitalist production, as well as from the proliferation of economic, logistical, environmental, and social risks involved in business operations.

Matrix 5. Economic indicators of the world's most important companies, grouped by headquarters country. Insurance.

	United States			China			Japan		
	Amount accumulated	average	Growth Annual average	Amount accumulated	average	Growth Annual average	Amount accumulated	average	Growth Annual average
Income	1 (A)*	1 (A)	10 (D)	6 (A)	6 (A)	3 (D)	2 (A)	2 (A)	15 (A)
Profits	1 (A)	1 (A)	9 (S)	3 (A)	3 (A)	2 (D)	2 (A)	2 (A)	14 (S)
Assets	1 (A)	1 (A)	13 (D)	6 (A)	6 (A)	2 (D)	2 (A)	2 (A)	14 (A)
Employment**		1 (A)	12 (S)		3 (A)	3 (D)		2 (A)	13 (A)

*Position (Trend). The position indicates the place among the groupings of companies that participate in this activity throughout the period = 17 groups of companies according to their country of headquarters. The trend can be A = ascending; D = descending; S = stable; depending on variations greater than 5% between the initial year and

** Since employment is not an annual flow but the number of employees reported each year, we only calculate the simple average for the period 1994-2020.
Source: Database of the world's largest companies, based on *Fortune* magazine.

This activity was dominated by the U.S. corporations, which ranked first in the four indicators analysed, with upward trends during the study period; their growth rates were not among the most dynamic but were nevertheless higher than those of their China based competitors. The Japan based grouping ranked second with oscillating performances until 2014 and a period of stability between 2015 and 2020. Their positions in the assets category stood out, where they ranked first between 1994-1995 and 2008-2012. Chinese companies only stood out in the profit category, where they occupied the third position; since 2008, they showed a solid upward trend, overtaking Japanese ones in incomes, profits, and employment in 2013-2014; finally, the U.S. based corporations maintained considerable distances, the most important in the assets field: in 2020 they reported assets for 3.5 tr versus 5.7 tr for the U.S. insurers. Although the Chinese grouping showed the highest growth rates, its declining trend indicated that it would take a considerable time for them to catch up with their U.S. and Japanese competitors.

Among the trends in the evolution of this activity, the most relevant for the definition of leadership is the degree of concentration of each grouping. In terms of the number of companies in the Fortune sample, the U.S. and China based groupings increased their share of the insurance business, from 13 to 14 companies in the U.S. case (1994 to 2020), and from 1 to 9 in China (2002 to 2020). On the other hand, the Japan based grouping was reduced from 19 to 8 companies (1994 to 2020). Overall, it is estimated that in the medium term, the U.S. insurers will maintain their global leadership.

Automotive and auto parts

This is a mature activity, which in addition to saturated markets, faces the pressure of a change in its production paradigm towards renewable energies,

electric and hybrid technologies. The displacement of the U.S. based corporations, creators of the automotive industry and leaders until the eighties of the twentieth century, was strongly reflected in this activity, with the consequent strengthening of Japanese, Korean, and German corporations.

The Japan based grouping ranked first in the four indicators analysed, with rising performances, positioning itself as the global leader in automotive production. The technological advantage of this grouping was well known, as it had developed continuous flow processes and stockless production (*just in case* and *just in time*), innovations in materials, and fuel savings. Recently, the development of hybrid and electric motors had allowed Japanese corporations to maintain their leadership.

Matrix 6. Economic indicators of the world's most important companies, grouped by headquarters country. Automotive and auto part

	United States			China			Japan		
	Amount accumulated	Growth average	Annual average	Amount accumulated	Growth average	Annual average	Amount accumulated	Growth average	Annual average
Income	3 (D)*	3 (D)	10 (D)	4 (A)	4 (A)	2 (A)	1 (A)	1 (A)	7 (A)
Profits	3 (S)	3 (S)	2 (D)	4 (A)	4 (A)	4 (D)	1 (A)	1 (A)	1 (D)
Assets	3 (D)	3 (D)	11 (S)	5 (A)	5 (A)	2 (D)	2 (A)	2 (A)	7 (S)
Employment**		3 (D)	10 (S)		4 (A)	1 (D)		2 (A)	5 (S)

*Position (Trend). The position indicates the place among the groupings of companies that participate in this activity throughout the period = 11 groups of companies according to their country of headquarters. The trend can be A = ascending; D = descending; S = stable; depending on variations greater than 5% between the initial year and the

** Since employment is not an annual flow but the number of employees reported each year, we only calculate the simple average for the period 1994-2020.
Source: Database of the world's largest companies, based on *Fortune* magazine.

The U.S. grouping was the only one of the 4 main groups showing downward trends. Thus, at the end of the period, it had a considerable distance from the leading groups; in 2020, its incomes were only 40% of the German group's incomes, which ranked first in that year, with 78% of assets, 22% of employment and 35% of profits. China based corporations had upward performances that placed them in fourth place, showing a significant take-off from 2009 onwards.

Although their growth rates were higher than those of their competitors, the saturation of the global automotive market left no room for accelerated growth.

Asian leadership in this activity is strong. Even the shift towards hybrid and electric vehicles will favour the positions of Asian corporations, particularly the Japanese and Chinese, which have the largest production and expansion capacities. An example of this is the electric vehicle market. According to Statista, in 2022 the fully electric vehicle market was led by the Chinese company YDB, which sold more than 1.8 million units, surpassing the leading U.S. manufacturer, Tesla, which reported selling 1.3 million units.

Telecommunications

This activity plays a fundamental role in contemporary capitalist production. Telecommunications enable the international integration of productive chains and the complex logistical and commercial organisation involved in globalised production. Historically, it was considered a strategic and even a national security activity, due to its role in wars and political conflicts. Since the 1990s, Western economies have undertaken the privatisation of telecommunications, giving rise to large operators that rapidly expanded their operations on a regional and global scale.

The U.S. grouping largely dominated this activity, occupying first place in the four indicators analysed. The distance that separated it from its main competitors, the Chinese corporations, was maintained throughout the period; in 2020, its incomes were 29% higher, assets by 51%, and profits by 44%.

Matrix 7. Economic indicators of the world's most important companies, grouped by headquarters country. Telecommunications

	United States			China			Japan		
	Amount		Growth Annual average	Amount		Growth Annual average	Amount		Growth Annual average
	accumulated	average		accumulated	average		accumulated	average	
Income	1 (A)	1 (A)	11 (D)	3 (A)	2 (A)	1 (S)	2 (A)	3 (A)	5 (D)
Profits	1 (A)	1 (A)	2 (D)	3 (A)	2 (A)	7 (S)	2 (A)	3 (A)	5 (A)
Assets	1 (A)	1 (A)	6 (D)	3 (A)	2 (A)	3 (D)	2 (A)	3 (A)	5 (A)
Employment**		2 (D)	11 (D)		1 (A)	3 (S)		3 (A)	5 (A)

*Position (Trend). The position indicates the place among the groupings of companies that participate in this activity throughout the period = 18 groups of companies according to their country of headquarters. The trend can be A = ascending; D = descending; S = stable; depending on variations greater than 5% between the initial year and

** Since employment is not an annual flow but the number of employees reported each year, we only calculate the simple average for the period 1994-2020.

Source: Database of the world's largest companies, based on *Fortune* magazine.

Chinese telecommunications companies were in intense competition with Japanese corporations. Based on their performance during the 1994-2010 period Japanese companies dominated the accumulated amounts, while Chinese corporations showed higher averages, due to their value increase since 2011. Except for the profit category, the Chinese grouping growth rates were the highest among the leading corporations.

However, the U.S. leadership should be maintained in the medium term, both because of the distance that separates it from its competitors and because of its technological advantages in telecommunications and related activities. Indeed, leadership in telecommunications feeds back into information technology, content, and infrastructure technologies.

Information technology

Since the 1940s and 1950s, this activity has been at the forefront of technological development. First around semiconductors, and later through the design and implementation of computer systems, information technology has enabled productive transformations that have renewed the global economy. Today, it has enough economic weight to be among the most important activities of giant corporations, as well as creating some of the strategic technologies of contemporary capitalism.

This is the activity that the U.S.-based grouping dominated the most: in terms of accumulative amounts, this group accounted for 69% of incomes, 75% of assets, 85% of profits, and even 58% of employment, an indicator in which the China based group tend to predominate. Unlike the other six activities studied, the U.S. presented significant growth rates.

	United States			China			Japan		
	Amount		Growth Annual average	Amount		Growth Annual average	Amount		Growth Annual average
	accumulated	average		accumulated	average		accumulated	average	
Income	1 (A)*	1 (A)	3 (S)	3 (A)	2 (A)	1 (A)	2 (S)	3 (S)	6 (D)
Profits	1 (A)	1 (A)	2 (D)	2 (A)	2 (A)	1 (A)	3 (S)	3 (S)	6 (S)
Assets	1 (A)	1 (A)	3 (S)	3 (A)	2 (A)	1 (A)	2 (S)	3 (S)	6 (S)
Employment**		1 (A)	4 (S)		6 (A)	1 (A)		2 (A)	6 (D)

*Position (Trend). The position indicates the place among the groupings of companies that participate in this activity throughout the period = 6 groups of companies according to their country of headquarters. The trend can be A=ascending; D=descending; S=stable; depending on variations greater than 5% between the initial year and the final year.

** Since employment is not an annual flow but the number of employees reported each year, we only calculate the simple average for the period 1994-2020.

Source: Database of the world's largest companies, based on *Fortune* magazine.

China based corporations had an upward performance, allowing them to outperform the Japan based grouping as of 2015-2016, and possessed the highest growth rates. In contrast, Japanese corporations tend to stagnate, with the lowest growth rates in this activity. It should be noted that the *Fortune* sample records data for Chinese corporations since 2010.

The U.S. predominance in information technology has solid support in its national innovation system, highlighting two peculiar and almost exclusive features of the U.S. economic reality: the financial and technological presence of the military sector, as creator of semiconductors and the Internet, among other radical innovations; and secondly, a highly competitive organisation that gave rise to the emergence of innovative companies capable of destabilising the leaders and even taking their place, as happened in the case of IBM, Intel, and Microsoft in the 1980s, and AMD and Nvidia at the beginning of the 21st century. A peculiar feature of competition in this activity is that

competitors with the ability to challenge the leading U.S. companies in terms of technological and economic performance fields emerge in the United States and not among their Asian or European rivals.

With the development of information technology, U.S. leadership will tend to remain, sustained by its economic performance and its technological edge. A further evolutionary trend derives from convergence with other activities and technologies, in particular artificial intelligence, which is set to become the new transversal technology during the third decade of this century. Computer products are fundamental elements of artificial intelligence, and it is possible that in the long term, other corporations with the appropriate government backing will be able to imitate and surpass U.S. based computer corporations' technologies. For now, the United States and its companies are the undisputed leaders in global computing.

DISCUSSION

The analysis of the historical series of economic performance indicators for the period 1994-2020 allows us to trace the main trends in competition among the world's largest companies. The combination of weight and growth measures considers both the current situation and evolution trends. Based on this method of analysis, two competitive landscapes were drawn up between groupings of companies according to their headquarter country.

The first overview, on a global scale, showed that the U.S. and Chinese groups are the main subjects of world competition, with the distinctive feature of an accelerated rise of Chinese corporations starting in 2009, largely driven by the effects of the 2007-2008 financial crisis.

The second scenery dealt with corporate competition in the seven most important activities in terms of economic weight. The U.S. corporations largely dominated four of them: commerce, insurance, telecommunications, information technology, and a fifth in a situation of growing competition, oil refining. The rise of Chinese corporations is expressed in their solid control of banking activity. The automotive industry is dominated by Japan amid intense oligopolistic competition involving Asian and German corporations.

CONCLUSION

These analyses support the idea that the corporate-state grouping in the United States will continue to play the hegemonic role in the short term: at least this is what their economic bases show.

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