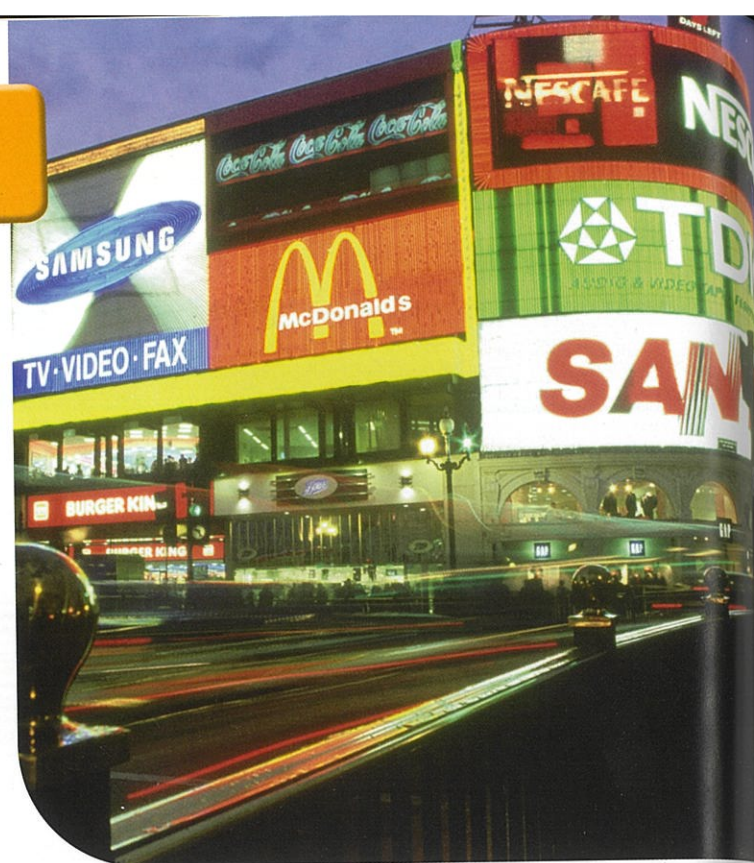


The globalisation process



8.1 The symbols of globalisation are everywhere.

The world has always had a total surface area of about 509 600 000 square kilometres. It is not the physical size of the globe that has become smaller, but the speed by which we can communicate and move between places.

IT'S A SMALL WORLD

The space that separates countries in terms of the time it takes to communicate or travel between them has become rapidly less than it was 100—or even 50—years ago. It is in this way that the world is getting smaller.

The term 'global village' is used to describe the way technology can enable the global population of nearly seven billion people to communicate as if they were in a small village.

Technology has enabled a series of links to develop between countries, companies, people, resources, cultures and money. As technology has improved, these links or interconnections have caused 'globalisation'.

GLOBALISATION AND THE WORLD TODAY

Globalisation is not a totally new concept as nation-states have always traded goods. What has changed is the way this trade occurs. Technology allows a wider variety and larger quantity of goods and services—as well as ideas, information and money—to be exchanged between countries faster than at any other time in history.

Globalisation is the major process causing change in the world today. It lets companies make profits on clothes that are made in Indonesia and sold in England. It can change cultures through television shows and sporting events that are beamed around the world. It can even influence people's tastes through the location of fast-food restaurants in distant countries.

The most important factors that have brought about globalisation are:

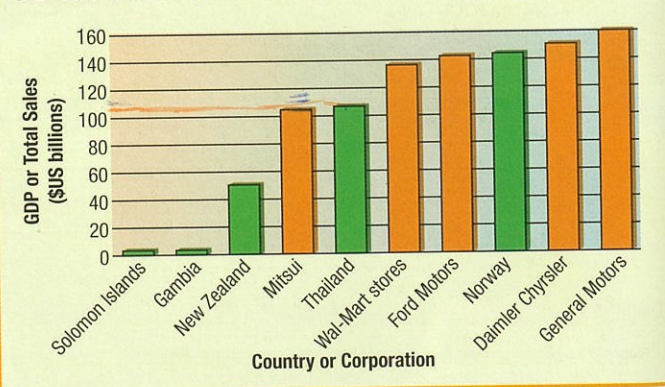
- improvements in transport that allow quicker trade and travel between countries
- advances in communications technology
- advances in computer technology
- growth of very large companies or transnational corporations (TNCs)
- changes to the organisations that control trade between countries.

TNCs AND GLOBALISATION

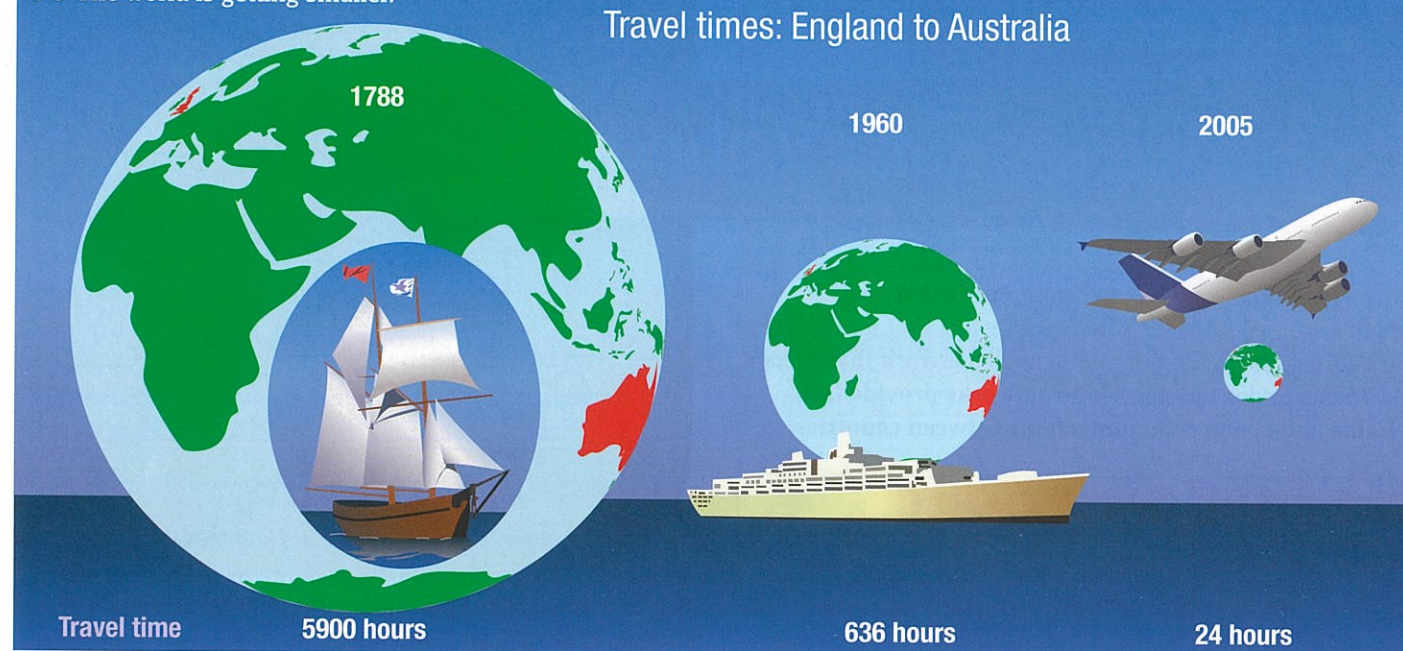
Globalisation has created some winners and losers. The most obvious winners are the TNCs—the global companies that have been able to use the world's resources to make large profits—and the people who like and use their products.

While companies have been able to profit from globalisation, some of the people in the poorer countries of the world have been open to exploitation as they produce cheap goods for sale in richer countries. Child labour and low wages are just two of the results of globalisation. These poorer countries would be the most obvious losers from the globalisation process. This is illustrated in 8.2, which compares the earnings of selected TNCs to the total earnings of some of the countries of the world.

8.2 The wealth of selected TNCs and countries



8.3 The world is getting smaller.



Activities

Knowledge

- 1 Describe what geographers mean when they say 'the world is getting smaller'.
- 2 Explain how the world is now viewed as a 'global village'.
- 3 In your own words explain what is meant by the process of globalisation.
- 4 Refer to 8.3 and explain how travel times have changed people's view of distance.
- 5 Describe three ways global trade has changed.
- 6 Outline two impacts of globalisation.
- 7 Identify five factors that have enabled the globalisation process to occur.
- 8 Select two images from 8.1 and explain why they are considered symbols of globalisation.

Skills

- 9 Look at 8.2:
 - a Use the definitions list on the front page of the chapter to define the term GDP.
 - b What was the GDP of New Zealand?
 - c What were the total sales of General Motors?
 - d Rank the countries on the graph according to their GDP.
 - e Calculate the difference between the total sales of General Motors and the GDP of Thailand.

10 Class survey on globalisation

For each global brand in the table opposite investigate the place of manufacture of a range of items.

- a Survey your friends and family by asking them if they have products of the following brand names. Then record the item the person has and the country the item was made in. By law the country the item was made in must be printed on the label. Once you have collected your results, combine your information with others in the class.

Global brand	Item (eg, shoes, pencil case, T-shirt, etc)	Country made in
Nike		
Adidas		
Puma		
Billabong		
Human		
Quiksilver		

Putting it all together

- b Which global brand proved most popular? Suggest one possible reason for this.
- c In which country were the majority of the items made?
- d Graph your results.

Application

- 11 Briefly outline two examples of the impact globalisation has on your life.
- 12 Look at 8.1. Collect images from magazines or the Internet and create a globalisation collage that contains images of global companies.
- 13 Conduct a survey of your local shopping centre and record evidence of the impacts of globalisation.