

## Collaboration Day Work – Geography Y8 – 9<sup>th</sup> February 2024

### Is globalisation a good or bad thing?

Read and think carefully about the various statements on the following page.

1. Decide whether each one is a positive (good) or negative (bad) impact of globalisation. Write the key phrase in the relevant column in the table below.

Positive impacts of globalisation	Negative impacts of globalisation

### **Promotes inward investment**

Transnational companies (TNC) may choose to set up in a LEDC. This inward investment will provide new jobs and skills for local people e.g. Nike is based in the USA but has factories in 45 countries.

### **Local companies are driven out of business**

The money generated from inward investment does not always benefit the local community. Often, profits are sent back to the MEDC where the TNC is based. TNCs operate massive economies of scale. This may drive local companies out of business. In addition, if it becomes cheaper to operate in another country, the TNC might simply close the factory and set up elsewhere, making local people redundant.

### **Local economies, traditions and languages may be eroded**

Many people fear that globalisation will have a negative impact on cultural diversity. They believe that local economies, traditions and languages may be eroded and the whole world will become homogenised, taking on the characteristics of the capitalist north and west e.g. English as a world language.

### **Brings in wealth and foreign currency**

When TNCs utilise local resources, products and services, they bring wealth and foreign currency to local economies and this extra money can then be spent on services, such as education and training, health services and both infrastructure development and social development, e.g. the French Lafarge mining company quarrying in northeast India. See [http://www.lumpl.com/pdf/weaving\\_proj.pdf](http://www.lumpl.com/pdf/weaving_proj.pdf).

### **Exploitation of LEDCs**

The richest countries seem to gain most from globalisation. These countries continue to dominate world trade to the detriment of developing nations. Within the world market, the role of LEDCs is largely to provide MEDCs with cheap labour and raw materials.

### **Promotes diversity, tolerance and understanding**

It helps us appreciate different people and cultures and encourages the sharing of ideas, experiences and lifestyles. We are now able to experience foods and other products that were previously unavailable in our own countries.

### **Raises awareness**

Globalisation raises awareness of events in remoter parts of the world. For example, we were soon to hear about the devastating earthquake and tsunami of December 2004 which affected much of south-east Asia and were rapidly able to send out aid in response.

### **Health and safety may be compromised and environmental issues increased**

Some TNCs now make more money in a year than some countries! TNCs often operate in LEDCs in a way that they would not be allowed to in MEDCs due to a lack of enforcement of international laws. For example, they may pollute the environment, compromise the safety of individuals or impose poor working conditions (sweatshops) and low wages on local workers.

### **Negative impact of the economy of MEDCs**

Industry may begin to thrive in LEDCs, whilst jobs in manufacturing, especially in textiles, both in the UK and other MEDCs, may be lost.

### **Highlights global issues**

Globalisation may help to highlight pressing global issues, such as deforestation and global warming, as well as reinforcing the importance of sustainable development.

