## Flying Start: Geography

We will begin the human Geography course by investigating the characteristics, mechanisms and impacts of <u>globalization</u>. This should be a area you have touched on before, and is something that has a considerable impact on our everyday lives.

### Task

Take some time to read the article below, which covers many issues we will be investigating in the course. Answer the following questions as you do so - some may require addition research:

- **1.** What is meant by the free market?
- **2.** What is the IMF?
- **3.** Describe how contemporary globalisation is different
- **4.** List some of the impacts of globalisation
- **5.** Globalisation is a combination of many different aspects. Identify those aspects mentioned in the text and add some of your own ideas.
- **6.** Give an example of countries that you think are 'peripheral' and which are 'core'?
- 7. What is meant by delocalisation?
- 8. What sort of 'risks' do you think are being referred to?
- 9. Describe some of the impacts of globalisation felt by local communities
- 10. "We have also witnessed the rise and globalization of the 'brand'"

Choose one global brand, (either mentioned in the article, or choose another) and describe the impact it has on your life. Look for an article/you tube clip/image that shows the globalisation of this brand and explain what your chosen source communicates.

# Globalization

Smith, M. K. and Doyle M. (2002) 'Globalization' the encyclopedia of informal education, www.infed.org/biblio/globalization.htm.

'Globalization' is a favourite catchphrase of journalists and politicians. It has also become a key idea for business theory and practice, and entered academic debates. But what people mean by 'globalization' is often confused and confusing. Here we examine some key themes in the theory and experience of globalization.



'Globalization' is commonly used as a shorthand way of describing the spread and connectedness of production, communication and technologies across the world. Rather confusingly, 'globalization' is also used by some to refer to the efforts of the International Monetary Fund (IMF), the World Bank and others to create a global free market for goods and services.

Globalization in the sense of connectivity in economic and cultural life across the world, has been growing for centuries. However, many believe the current situation is of a fundamentally different order to what has gone before. The speed of communication and exchange, the complexity and size of the networks involved, and the sheer volume of trade, interaction and risk give what we now label as 'globalization' a peculiar force.

With increased economic interconnection has come deep-seated political changes - poorer, 'peripheral', countries have become even more dependent on activities in 'central' economies such as the USA where capital and technical expertise tend to be located. There has also been a shift in power away from the nation state and toward, some argue, multinational corporations. We have also witnessed the rise and globalization of the 'brand'. It isn't just that large corporations operate across many different countries - they have also developed and marketed products that could be just as well sold in Peking as in Washington. Brands like Coca Cola, Nike, Sony, and a host of others have become part of the fabric of vast numbers of people's lives.

Globalization involves the diffusion of ideas, practices and technologies. It isn't simply modernization or westernization. Anthony Giddens (1990: 64) has described globalization as 'the intensification of worldwide social relations which link distant localities in such a way that local happenings are shaped by events occurring many miles away and vice versa'. This involves a change in the way we understand geography and experience localness. As well as offering opportunity it brings considerable risks.

**Globalization and de-localization.** Many of the activities that previously involved face-to-face interaction, or that were local, are now conducted across great distances. There has been a significant de-localization in social and economic exchanges. Activities and relationships have been uprooted from local origins and cultures (Gray 1999: 57). One important element in this has been the separation of work from the home. But de-localization goes well beyond this. Increasingly people have to deal with distant systems in order that they may live their lives. Banking and retailing, for example, have adopted new technologies that involve people in less face-to-face interaction. Your contact at the bank is in a call centre many miles

away; when you buy goods on the internet the only person you might speak to is the delivery driver. When we buy books from an internet supplier like Amazon our communications pass through a large number of computers and may well travel thousands of miles; the computers taking our orders can be on a different continent; and the books can be located anywhere in the world. The 'spaces' we inhabit when using the internet to buy things or to communicate (via things like chatrooms) can allow us to develop a rather different sense of place and of the community to which we belong.



### Risk, technological innovation and globalization

A particular feature of 'globalization' is the momentum and power of the change involved. Developments in digital technology have opened up vast, new possibilities for production and exchange. Innovations like the internet have made it possible to access information and resources across the world - and to coordinate activities in real time.

As well as opening up considerable possibility, new technologies bring risks. Hazards linked to industrial production, for example, can quickly spread beyond the immediate context in which they are generated. In other words, risks become globalized.

### Globalization and the rise of multinational corporations and branding

A further, crucial aspect of globalization is the nature and power of multinational corporations. Such companies now account for over 33 per cent of world output, and 66 per cent of world trade. Significantly, something like a quarter of world trade occurs within multinational corporations eg. car manufacturers who typically source their components from plants situated in different countries. These large multinational corporations have considerable economic and cultural power.

The impact of multinationals on local communities. Multinationals can impact upon communities in very diverse places. They look to exploit cheaper labour and resources. While this can mean additional wealth flowing into those communities, this form of 'globalization' entails significant inequalities. It can also mean large scale unemployment in those communities where those industries were previously located. The wages paid in the new settings can be minimal, and worker's rights and conditions poor.

**Branding and globalization.** The growth of multinationals and the globalization of their impact is wrapped up with the rise of the brand.

Nike, Levi, Coca Cola and other major companies spend huge sums of money in promoting and sustaining their brands. One strategy is to try and establish particular brands as an integral part of the way people understand, or would like to see, themselves - this has had a particular impact on children and young people (and education): there is an attempt 'to get them young'.

It's argued that these brands widen gaps of wealth and poverty, erode democracy, fails in creating sustainable economic growth, and widen the gap between rich and poor countries considerably.

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