

Paper 3: Global Interactions

Essay plans

These are essay plans, to gain full marks you would be expected to expand these points and provide examples where possible/appropriate.

Explain how global interactions may be measured?

One way of measuring globalisation is the KOF index. It is an index out of 100 & the higher the score the more globalised a country is considered to be.

This takes into account 3 main aspects:

- * **Economic globalisation:** this measures GDP and levels of trade, but also trade barriers such as tariffs.
- * **Political globalisation:** this looks at levels of international political involvement particularly involvement in international agencies and peace forces. Also considers embassies in countries.
- * **Social globalisation:** this looks at flows of people (tourism numbers), information flows through number of internet users & TV subscriptions. It also looks at spread of cultural products into other countries. such as Macdonalds & TV programmes.

[10]

Examine the Effects of the development of communications upon international interactions.

Communications development has transformed international interactions in many ways:

- * ICT & internet have made instant contact with people in most parts of the world easily available & affordable.
 - On personal levels this has led to much more interaction between families/friends in other countries but also on the ability to access other cultures through downloaded music & film & news stories. Increasing use of skype & video conferencing. Social networks (facebook). Global use of search engines (google) to find/share information between countries.
 - On a business level it has allowed massive increases in international trade by allowing sellers and consumers in different parts of the world to directly communicate through web based sales (Amazon, ebay).
 - Development of online transactions through credit cards & paypal systems have increased business transactions internationally.
- * Improvement in transportation has increased levels of international travel allowing greater interaction between countries (faster, more comfortable flights, trains & bus).
- * Growth of containerisation has increased international trade levels and reduced costs through economies of scale.
- * Greater political interaction as ICT systems allow countries to share data & co-operate on issues such as tax evasion, drug smuggling and terrorism.

[15]

Explain how & why glocalisation occurs

Glocalisation refers to the idea that firms products are more likely to succeed in foreign markets if they adapt their product to suit local markets.

Firms do this to increase their profits through increasing sales and expanding into new markets. Companies have to be aware that tastes/styles suited to European countries may not be suited to Indian tastes or Brazilian consumers.

Examples of glocalisation:

- Macdonalds - implements variations of its burgers - sticky rice instead of bread roll offered in indonesia. Gallo Pinto (local breakfast of rice & beans) offered in Costa Rica. Spicy wraps offered in India.
- Coca Cola - varies the amount of carbon dioxide in its drinks in different countries, it offers sweeter versions of drinks in some countries.
- Advertising may glocalised as firms use local celebrities/landmarks in different countries to promote the same product.
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Examine the reasons for the resistance to globalisation on either the national or local scale.

Globalisation is resisted by a range of places and people for different reasons.

- **Exploitation of resources** - some people feel that globalisation allows MEDCs & MNCs to access minerals, fuel and metal resources in many poorer countries at a low cost (Gold from Tanzania).
- **Environmental damage** - argument that many MNCs locate in MEDCs due to more relaxed environmental laws & that they are polluting soils, rivers & the atmosphere.
- **Damage to domestic industry** - MNCs with their mechanised production processes and economies of scale mean that local firms cannot compete and go out of business.
- **Profits** - MNCs locate in many poorer countries but then send the bulk of their profits back to their home country.
- **Power** - strong economic influence & sometimes political influence that MNCs exert over Governments.
- **Labour** - MNCs often accused of making use of sweatshops (low wages, long hours & poor working conditions) to reduce their costs of production.
- These should be linked to the scale (national or local).

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