

Globalisation

What is globalisation and how is it changing people's lives?

By the end of this chapter you should have:

- *explored the key concepts, processes and terminology relating to globalisation and the associated processes of population change and migration*
- *identified key factors in the spread of globalisation, including the growth of transnational corporations and the establishment of international organisations such as the International Monetary Fund*
- *examined the impact of globalisation on population movements*

What is globalisation?

The word 'globalisation' only came into common usage during the 1990s. Prior to that, geographers mainly talked about 'the global economy'. However, there was a growing recognition that economic changes were accompanied by important cultural, demographic (population), political and environmental changes on a worldwide scale (and at an ever-accelerating pace). The umbrella term 'globalisation' is now used to describe the many ways in which places and people are becoming ever more closely linked (Photograph 8.1).

Some of the global changes are exciting and bring new possibilities. Wealth is spreading to more, although by no means all, people. Cultures are mixing and becoming more diverse. In the UK, people routinely consume food, films and music from all over the world. However, there are downsides to globalisation too.

A world in which people are more free to move across borders — as is now happening in the EU — is not to everyone's taste. There are serious issues about how it is possible for goods and resources to be moved around the world so easily while many people still go hungry. Finally, people everywhere look set to bear the heavy costs of the worst environmental impacts of globalisation, as described in Chapters 5–7.

Photograph 8.1
Coca Cola in Morocco.
Globalisation describes the way cultures are ever more closely linked

Corel





Globalisation

Key concept

Globalisation is sometimes described as being ‘nothing new’, in the sense that people, countries and continents have always been connected in economic, cultural and political ways, through:

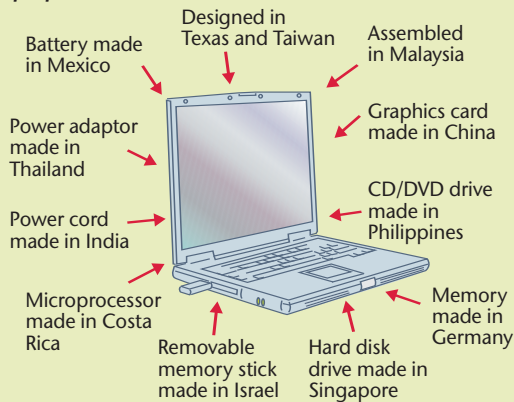
- ▶ trade — especially after 1492 when Columbus reached the Americas and the traditional world economy began to take shape
- ▶ colonialism — by the end of the nineteenth century, the British empire directly controlled one-quarter of the world and its peoples

- ▶ cooperation — since the First World War ended in 1918, international organisations similar to today’s United Nations have existed

What makes modern (post-1940s) globalisation different is:

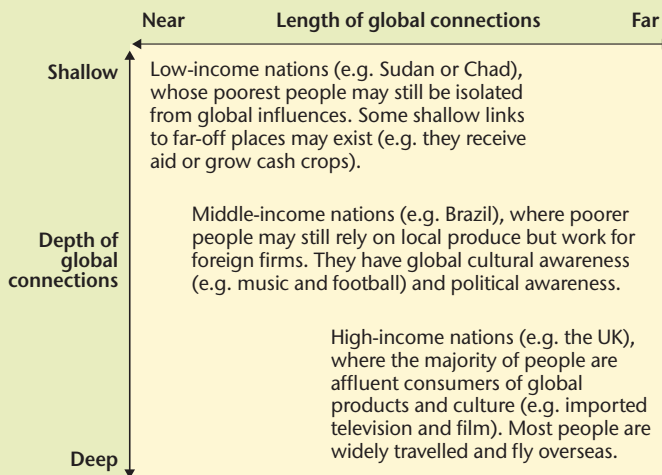
- ▶ a *lengthening* of connections between people and places, with products sourced from further away than ever before (in one extreme case, bottled water is now brought to the UK from Fiji, 16,000 km away)
- ▶ a *deepening* of connections to other people and places in more areas of our lives

Figure 8.1 The global origins of the parts of a Dell laptop



Study a laptop and see where the parts originated (Figure 8.1). Think about the food you eat each day and the places from which it is sourced. It is more or less impossible *not* to be connected to other people and places through the products we consume.

This sense of connection is not true for everyone in the world. Some nations (e.g. Chad) experience a much more ‘shallow’ form of integration (Figure 8.2). In other cases, there can be great unevenness among a country’s citizens in their experience of globalisation. For instance,



many people living in Brazil’s core cities of Rio de Janeiro and São Paulo are connected to the rest of the world as producers of goods or as consumers — even favela dwellers may follow the fortunes of Real Madrid or listen to US rock bands. However, the Korubo people, in Brazil’s Amazon rainforest, have almost no knowledge of the outside world, and are in no sense connected socially or economically to other places. Even so, their environment may soon be at risk because of logging or global climate change.

Figure 8.2 Types of global connection

Globalisation, population change and migration

Demographic (population) changes are an important aspect of globalisation. Economic growth usually triggers an increase in the number of people living in a region. This is due to changes in the **birth rate**, **death rate** and level of **natural increase** over time. Accompanying this growth in overall population numbers, the proportion of people living in urban areas also increases over time as a result of **internal migration** of **economic migrants**. Greater levels of international migration are another aspect of the strong influence that globalisation has on population dynamics.

Push and pull factors are usually identified to explain migration flows. These factors are the reasons why people are repelled by, or attracted to, different places. Globalisation can concentrate wealth in some places, for instance when businesses set up factories or offices in the world's major cities, making them more attractive to economic migrants. At the same time, rural areas usually modernise in ways that reduce job opportunities (mechanisation of farming, for instance). Mass population movements are generated, some of which cross territorial borders.

In the past, **intervening obstacles** such as political barriers often meant that such migration could not take place. However, globalisation sometimes removes these obstacles. Citizens of the 27 EU member countries can now move freely and can, in most cases, take up work wherever they please in the EU. For instance, between 2004 and 2006, 650,000 Polish people gained UK work permits. Many were young and their arrival has noticeably modified the population pyramids of those cities where they have settled.

Sometimes, **intervening opportunities** can interrupt a migration flow. For instance, young Polish migrants heading to Ireland via London may not complete their original planned journey if they find work in London.

Key terms

Birth rate The number of births per 1,000 people per year in a region (a measure of fertility, although actual fertility rates are highly dependent upon population structure, with youthful populations having much higher fertility than greying populations).

Death rate The number of deaths per 1,000 people per year in a region (a measure of mortality).

Economic migrant A migrant whose primary motivation is to seek employment. Migrants who already have jobs may set off in search of better pay, more regular pay, promotion or a change of career.

Internal migration The movement of people between different regions within the same nation. Hundreds of millions of people in the world's poorer nations have made an internal movement

from the countryside to cities in recent decades, in response to differing levels of economic opportunity.

Intervening obstacle Barrier to a migrant such as a political border or physical feature (e.g. the Mediterranean for north Africans heading to Europe). Obstacles can include family pressures and travel costs.

Intervening opportunity An alternative migration destination that exists between the migrant's place of origin and intended destination.

Natural increase The difference between the birth rate and the death rate, usually converted into a percentage. A negative figure suggests deaths exceed births and may be described as 'natural decrease'.



Population growth over time

Key concept

Since Europe's Industrial Revolution in the eighteenth century, societies around the world have experienced a fall in death rate followed by a fall in birth rate. This has occurred as the benefits of modern healthcare, sanitation, nutrition and education have spread between countries. The resulting changes in natural increase and total population sizes are described by the demographic transition model (Figure 8.3).

In almost all cases, economic growth — as it has spread around the world — has been accompanied by a period of pronounced population growth. The UK was the first nation to industrialise and its population increased from 5 million in 1750 to around 40 million by 1900 (it has now reached 60 million). In countries such as India and Brazil changes are still taking

place, and on an even larger scale. India, whose population was already large at 300 million in 1940, is predicted to reach a staggering 1.5 billion by 2030.

High rates of population growth occur when a society enters a stage in which death rate falls but birth rate does not. This happens when the benefits of modern health, medicine and food technology result in a fall in mortality, but there is a time lag before economic and cultural preferences for fewer children become established. This is currently the situation in much of Africa, where populations are expected to double over the next 30 years. In contrast, the European nations that experienced early economic growth now have near-zero population growth, as birth rates fell to the same low level as death rates some decades ago.

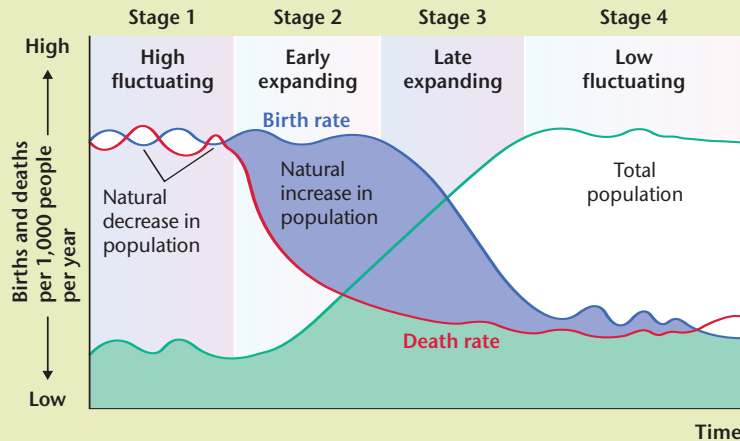


Figure 8.3 The demographic transition model

The evolution of globalisation

A number of factors have been responsible for the lengthening and deepening of the interconnections between places that define globalisation. Some factors are continuations of much older processes, such as the growth of international air travel, while others are entirely new, such as the internet.

The period that concerns us most begins in 1945, the year when the Second World War ended, worldwide economic reconstruction began (notably for

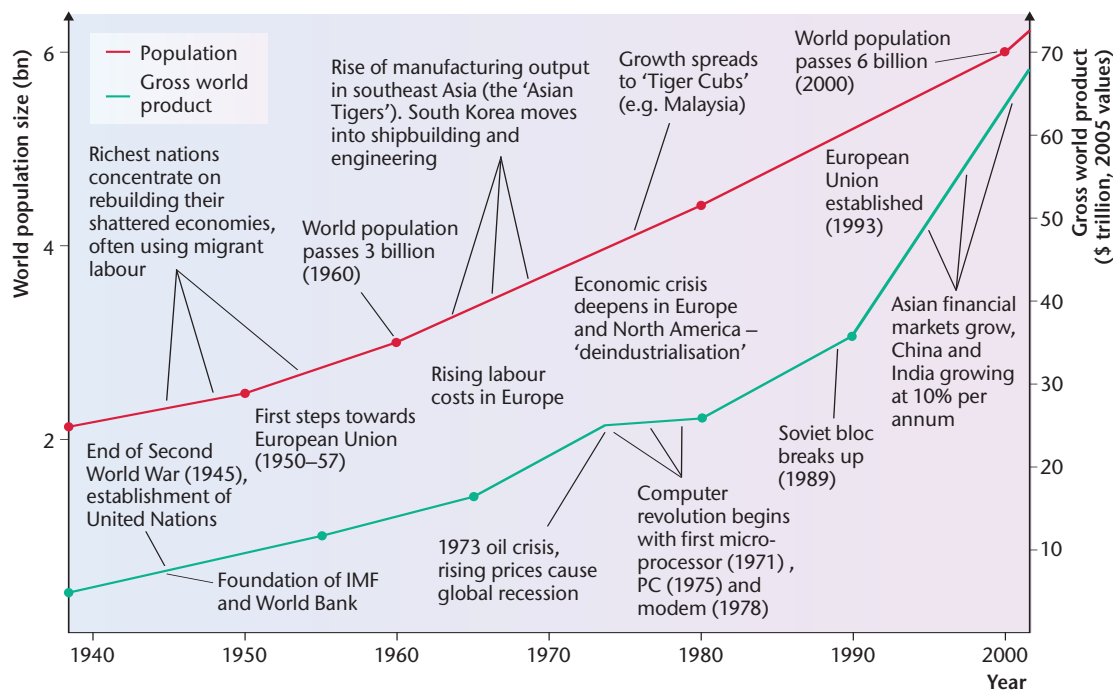


Figure 8.4
The postwar globalisation timeline

Japan and Germany) and the International Monetary Fund (IMF) was set up (Figure 8.4). We will look at several key influences on globalisation throughout the postwar decades.

Transnational corporations

Transnational corporations (TNCs) are firms with operations spread across the world, operating in many nations as both makers and sellers of goods and services. Instantly recognisable 'global brands' such as Coca-Cola, McDonald's and the BBC (a special case, as it is partly funded by the UK government) have brought cultural as well as economic changes to places where products are made and consumed (Photograph 8.2).

Transport

The arrival of the intercontinental Boeing 747 in the 1960s made international travel more commonplace, while recent expansion of the cheap flights sector (e.g. Ryanair and easyJet) has brought air travel to the masses in richer nations. The growth in containerised shipping since the 1940s is another important factor. Around 200 million individual container movements are thought to take place each year.

Computer and internet technology

Computers have had a profound effect on how businesses operate and where they can locate. Computer-aided design and manufacturing (CAD and CAM) have revolutionised manufacturing processes. They help make manufacturing more

McDonald's



*Photograph 8.2
Global brands have
brought cultural
changes:
McDonald's in
Shanghai*

flexible and less reliant on human labour, allowing some firms to become more footloose. Information and communications technology (ICT) allows managers of offices and plants which are geographically distant to keep in touch more easily (e.g. through e-mail and video-conferencing). This has allowed TNCs to expand into new territories, either to make or to sell their products.

International organisations

International organisations grew in power and influence throughout the twentieth century. The most important of these 'brokers' of globalisation is the IMF. Based in Washington, it channels loans from the world's richest nations to countries that apply for help. In return, the governments that receive loans must agree to run free-market economies that are open to investment from outside. This means TNCs can enter these countries more easily, further promoting globalisation. IMF rules and regulations are sometimes controversial, especially **structural adjustment programmes** (SAPs). For example, in Tanzania, water services to shanty towns in the capital Dar es Salaam were cut off when the country was required to privatise its water services as a condition of receiving \$143 million debt relief.

Other important organisations that work alongside the IMF include the World Trade Organization (WTO) and the World Bank. Non-governmental organisations (NGOs), such as Oxfam and Christian Aid, also have a major transglobal influence, working to connect places and people through flows of aid or debt relief.

Key term

Structural adjustment programmes Strict conditions imposed on countries receiving loans from the IMF and the World Bank. Receiving governments may be required to cut back on healthcare, education, sanitation and housing programmes.

Markets

Markets are on the rise globally. More and more people living in major world cities have enough wealth to be significant consumers of goods and services. In 2007, China already had an estimated 30 million affluent consumers, and it is predicted to become the world's largest market for consumer goods by 2015. The growth of major stock markets (where shares of companies are traded and vast amounts of wealth are generated) has also been an important influence. Since 1945, several new stock exchanges have opened, notably Shanghai (China) in 1990.

Case study

Globalisation and Christmas

According to a recent estimate, the ingredients of a typical UK Christmas lunch collectively travel around 130,000 km. In the past, Christmas meals — as well as the presents given — would probably have originated locally within the UK. Now, food and toys are transported from all over the world by plane, lorry or container ship. For example, a Christmas dinner might include:

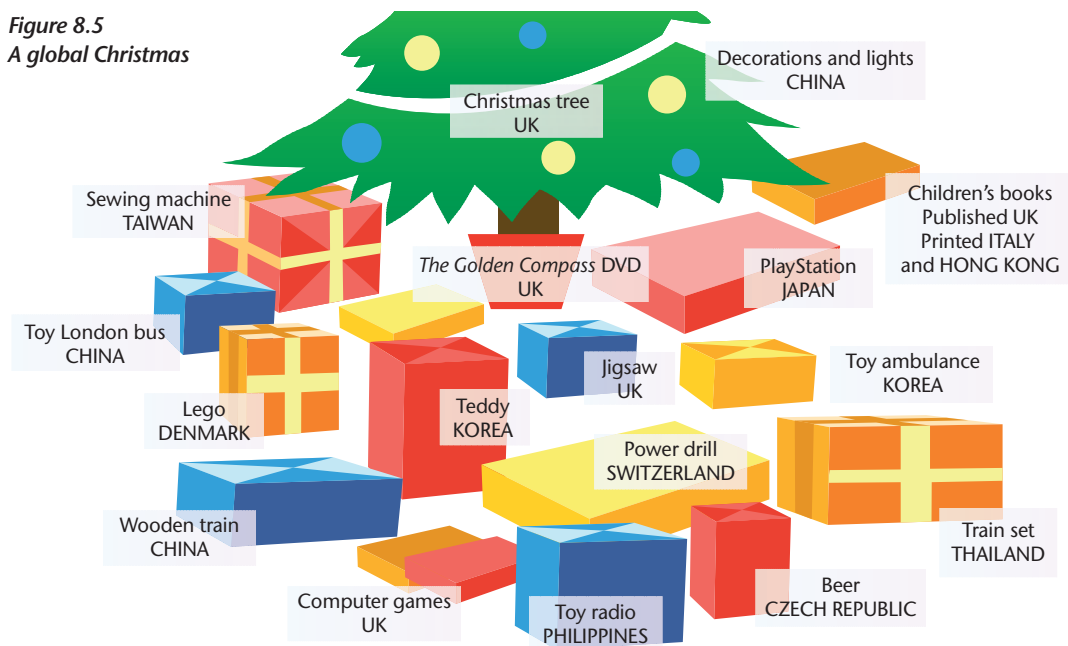
- frozen turkeys flown into the UK from Thailand
- wine flown into the UK from New Zealand
- runner beans flown into the UK from Zambia

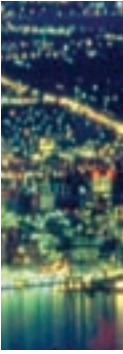
Of course, it is still possible to obtain ingredients locally. A London family could source an organic

free-range goose from Norwich as well as wine and sprouts from Kent. However, these products might well cost more — costs of production in less developed countries are lower. Efficient transport systems also help to keep prices down. Large container ships move enormous volumes of produce. The unit cost of food items and manufactured toys barely rises, even when goods have travelled all the way from China to the UK (Figure 8.5). Transnational corporations help drive this change, looking for the cheapest possible location to grow food or assemble manufactured goods for the Christmas market.

For instance, one of the most popular items on UK high streets for Christmas 2005 was a toy called

Figure 8.5
A global Christmas





Roboraptor. Selling at around £80, the product was manufactured by a Chinese company, Wah Shing Toys, using very cheap labour. The city of Dongguan, where Wah Shing is based, is known as ‘Santa’s workshop’ because so many of the world’s toys are made there. Working 24 hours a day, 7 days a week, the Dongguan factory produced 1.5 million Roboraptors in the run-up to Christmas 2005. The workforce was more than doubled, from 3,000 to 7,000, during this period. The firm

employs many rural migrants and prefers women, who are more dextrous.

The globalisation of Christmas does not finish at the end of the holiday season. The UK government-sponsored Recycle Now organisation estimates that 1 billion Christmas cards, 8 million Christmas trees, 750 million extra bottles and 500 million jars need to be disposed of each year. Much of this waste is now sent back to China for recycling, as it is far cheaper to process materials there than in the UK.

Globalisation and population movements

Globalisation can make us think of the world as a potentially borderless place. The photograph ‘Earth-rise’ was taken by *Apollo 11* astronauts in 1969 (Photograph 8.3). It was the first time people living on Earth had seen the world as a single entity. This iconic image helped assist the process of globalisation and also raised environmental awareness.

People are increasingly thinking of themselves as ‘global citizens’, visiting and often relocating to distant places. This is especially true of the international elite (Figure 8.6). These affluent people, whose

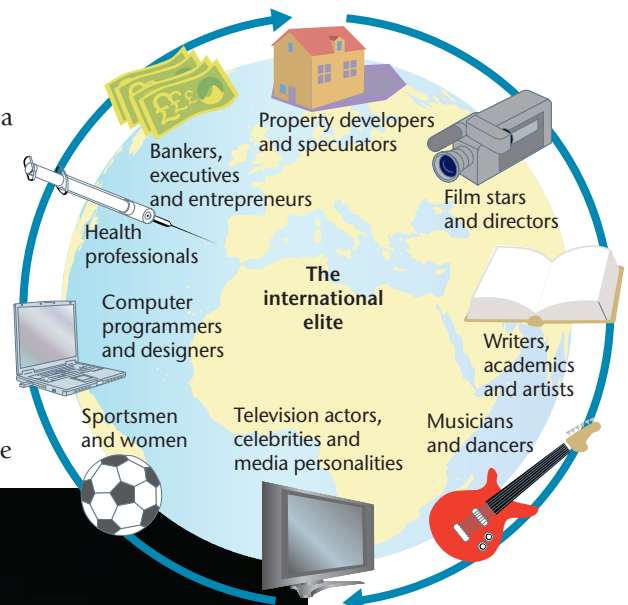


Figure 8.6 The international elite

NASA/SPL



Photograph 8.3 Earth-rise from the Moon (1969)

Key terms

Elite A group of people who are economically and socially powerful. Their money may be inherited or entrepreneurial in origin (e.g. Bill Gates has earned over \$50 billion from his company Microsoft).

Foreign direct investment A financial injection made by a TNC into a nation's economy, either to build new facilities (factories or shops) or to acquire or merge with an existing firm there.

Rural–urban migration A movement of population from rural to urban areas. Typically, it is a young (15–30 years) migration and often male-dominated, although in Asian nations (notably China and Thailand) there is a balance between men and women.

skills or financial resources are highly prized, may find few obstacles to prevent them from moving between countries for work or residency. For example, there are around 200,000 Americans living in the UK, even though the USA is not part of the EU.

As well as international migration, internal movements between different regions of a single country have increased. Large-scale **rural–urban migration** is taking place in many of the world's poorest and emerging economies on a scale never seen before. Some 3.3 billion people now live in urban areas. Two important reasons for this shift are:

- Television and radio (helped by satellite), as well as printed books and newspapers, can be received even in remote and impoverished rural areas in poor countries. For instance, mobile cinemas and satellite dishes have penetrated even into the remotest parts of rural India. Such knowledge of other places can trigger migration of the young.
- The **foreign direct investment** (FDI) that TNCs make in urban areas of poorer countries greatly boosts the employment opportunities on offer, thereby attracting rural migrants.

Globalisation may mean easier movement of goods and money, but this is not always the case for population migration. Since 11 September 2001, when terrorists destroyed the World Trade Center, rich countries have started introducing new immigration rules and restrictions. It has become harder to gain a visa to enter the USA, which was often described in the past as an 'immigrant nation', and kept its doors open for tens of millions of people in the nineteenth and early twentieth centuries.

Heightened fears about terrorism and national security have accompanied the most recent phase of globalisation. Conflicts between different values and attitudes have been brought into increasingly sharp focus. Meanwhile, the world's poor continue to gain greater knowledge of the affluent conditions in rich countries, while their own countries suffer drought

(e.g. sub-Saharan Africa) and flood (e.g. Bangladesh) as a result of climate change. European policy-makers are toughening their stance towards migration as increasing numbers of hungry refugees from poor African nations such as Somalia attempt to cross the Mediterranean into Europe in unsafe, leaky boats (Photograph 8.4).



The Independent

Photograph 8.4
African migrants
cling to a tuna net in
the Mediterranean



Skills focus

It is probably unwise to take your laptop or mobile apart to see where the parts come from. However, it is possible to deconstruct ('take apart') art, music or films — artefacts that we can tell are a product of globalisation because they show signs of different cultural influences. Much popular music is a combination of European and African musical forms. Food is another good example — the ingredients of 'fusion' cuisine are drawn from many different places.

Following this line of inquiry, study Image 3 of 'Spiderman India' at www.gothamcomics.com/spiderman_india. This version of the popular American superhero — owned by the New York transnational corporation, Marvel Entertainment Group — was 're-imagined' for a young Indian audience by a firm based in Bangalore. The following task involves decoding the image to find signs of how a local culture has redesigned a global icon.

Task

- 1 Record the characteristics that appear to be Indian, rather than American.
- 2 Decide what overall message the image sends about globalisation. Is globalisation a simple 'exporting' of American products?
- 3 Decide if this illustration could best be described as an example of cultural or economic globalisation — or both.

Tip You may need to refer back to the original American 'Spiderman' to see what changes have been made to the character. A Google Image search will help you find the original. You can also find additional information at www.geographyinthenews.rgs.org/news/article/?id=325.

Review questions

- 1 Study Figure 8.1. Using an atlas, estimate the total kilometres that the parts of the laptop have travelled, assuming it is finally assembled for sale in Malaysia.
- 2 Draw a table with two columns headed '1900' and '2000'. List the leading transport and communications technologies associated with each time period.
- 3 Compare recent global trends in internal and international migration.
- 4 Describe the varied characteristics of elite groups and suggest reasons why these people find it relatively easy to move between nations.
- 5 Using examples at a range of scales, outline the main factors responsible for globalisation.