

Globalisation: the levels of how interconnected countries are with each other, their levels of trading and money flows

Unit 4: Power, places, and networks

Global interactions: All of the varied economic, social, political, cultural and environmental processes.

KOF is reliable:

- all economic, political and social globalisation is weighted equally with a scale of 1-100.

KOF is not reliable

- Does not measure any aspect of the environment
- social globalisation includes info from sources that may not have McDonalds.
- Book trade is unreliable as a country might have low literacy rate or low disposable income
- technology has progressed (use e-mails and not letters, news from internet, not newspaper).

KOF INDEX:

Covers economic, social, political dimension of globalisation

- measures all aspects equally

- ~ Economic: trading of goods (33%)
- ~ Political: ~~no. of international organisations~~ (33%)
- ~ Social: no. of internet users (33%)

- Simple compare countries
- calculated using 24 variables
- economic globalisation is divided into actual flows and restrictions, not just GDP

1. Global interactions and global power

How global power and influence varies spatially

Globalization indices showing how countries participate in global interactions

Global superpowers and their economic, geopolitical, and cultural influence

- Detailed examples of at least two actual or potential global superpowers

Powerful organizations and global groups:

- G7/8, G20 and Organization for Economic Cooperation and Development (OECD) groups
- Organization of the Petroleum Exporting Countries' (OPEC) influence over energy policies
- global lending institutions, including the International Monetary Fund (IMF) and New Development Bank (NDB)

- Soft power:
- cultural influence
- Hard power:
- military action

Global Superpowers: USA & China

Multilateral: an alliance of multiple countries pursuing a common goal

- Power ranking:
1. USA
 2. China
 3. Russia
- } all/include soft and hard power

G7/8

- established in 1975
- Russia kicked for annexing Ukraine in 2014
- no headquarters (created by USA)
- cannot be considered global when most population is not included. (India, China)
- most powerful nations undermining international cooperation.
- CAN take action against aggressiveness like sanctions to Russia

G20

- established 1999
- guests can attend summit
- guests represent and show world they have a wide selection
- no head quarters
- Africa under represented
- large economies not shown
- they cannot force any countries to do something (recommendation only)
- represent 85% of world gross product & 80% world trade / 65% population

(Organisation for Economic Co-operation & Development)

OECD

- established 1961
- Canada/USA joined 1960
- there are 35 countries in OECD
- headquarter Paris, France
- Africa/China not included
- membership is narrow
- helps sustain economic growth best employment and raise living standards.
- 'Swearing platform' for int'l research
- good progress for attacking TNC's with their tax evasion

(Organisation of the Petroleum Exporting Countries)

OPEC

- established 1960
- headquarter Vienna, Austria
- many view OPEC as a modern monopolistic cartel. (triggered oil intution)
- oil prices drop, members turn their IMF for help
- new sources of energy found but not members
- 65% of world petroleum in 1979 but now 2017 is 36%
- pursues stabilizing oil prices
- keep oil countries in control
- regulate supplies.

(International Monetary Fund)

IMF

- established July 1944
- headquarters USA
- decisions are made by top 20 richest countries
- policy making is American and Eurocentric.
- SAP, reform for countries that borrow money but cannot repay
- conditions are harsh
- slow respond
- allows leaning
- achieve economic stability
- eradicate poverty.

(New Development Bank)

NDB

- established 2015
- new addition of UAE, Brazil, Uruguay, Bangladesh
- headquarter in Shanghai China
- no major achievement despite 5 year operation
- long time for loans and boost economy
- lending only for sustainable development projects.
- 50% population in NDB
- no need to agree to lending terms of the dominated US banks
- strong membership, good cooperation.

Network World:
 - more connected people & places
 - flows of trading & migration etc
 → Global HUB: places especially important & powerful

ILLEGAL FLOWS → **DRUGS** = global market worth US\$0.5 trillion
 → globalization made borders more open = ability to detect trafficking decreased.
 ~ **Counterfeit goods**
 → linked with money laundering, corruption
 → worth \$456 billion per year
 → lost revenues in companies and less taxes for government

Trafficking People:
 → 21 million trafficked in world
 → 70% world wide // 30% inter-regional

Fraudulent medicine:
 → worth \$5 billion a year

TNCs: companies that are involved in international products & services, foreign invest in more than 1 country.

→ grow by merging or acquisitions
 → many branch companies
 Newly industrialised countries:
 → took advantage of FDI & TNCs increasing their exports.

Foreign Direct Investment:
 → Financial investment (company to country) to acquire lasting influence of a business enterprise in foreign country

GLOBAL SHIFT IMPACTS
PROS
 → cheaper imports
 → employment
 → economic stability
 → development overall
CONS
 → job losses
 → disruptive social impact due to TNCs
 → low salaries & exploitation
 → lack of environmental control for industries.

Patterns of trade:

- Raw materials
 → used to be highest trading factor
 → rising demand from industrial sector
- Manufactured goods
 → grew drastically (1900-2000)
 → textiles & electronic goods
 → innovation has increased e.g. ~~Apple~~ Huawei & Samsung
- Services
 → tourism, finance insurance etc has increased
 → ~~countries~~ cities like Shanghai & Tokyo serve as an important global hub for service flows

AID: gift of money, goods or services to a developing country. No repay needed.

Bi-lateral: large scale from government to another (tied agreement)

Multi-lateral: from the IMF, often in loans

Emergency: short-term relief for humanitarian disasters.

Development: aid to assist at grassroots level to be more sustainable.

2. Global networks and flows

How different places become interconnected by global interactions

An overview of contemporary global networks and flows:

- global trade in materials, manufactured goods, and services
- an overview of international aid, loans, and debt relief
- **international remittances** from economic migrants
- illegal flows, such as trafficked people, counterfeit goods, and narcotics

Foreign Direct Investment (FDI) and outsourcing by transnational corporations (TNCs), and ways in which this networks places and markets

- **Two contrasting detailed examples of TNCs and their global strategies and supply chains**

GLOCALISATION → McDonalds

the process of TNCs adapting their products to suit local people's religion / taste

FACTS:

- \$22 billion revenue (2021)
- 1.9 million employees around the world
- operate over 100 countries with 14k restaurants in the US

STRATEGIES for GROWTH:

- glocalisation to improve the likeliness of the product succeeding in the culture they are in.
- local menus
- appeals to local taste and global strategy.
- E.g. **INDIA** has no beef as their religion (Hindu) do not eat beef.

SUPPLY CHAIN:

- outsource ^{almost} 100% of their supplies
- comes from local farms in that country
- long-term supplies of ingredients
- McDonalds own the land they are on
- no need to deal with landlord etc
- VERTICAL integration of supplies
- keep costs low & profits up
- Out sourced from sustainable programmes
- better reputation.

OFFSHORING → APPLE

the process in which TNCs move parts of their own produce process to other countries to reduce cost.

FACTS:

- \$365 billion revenue (2021)
- 147,000 employees (2020)
- headquarter in USA California
- 515 stores across 25 countries
- 272 shops in USA.

SUPPLY CHAIN:

- sources raw materials from USA, China east Asian countries
- transport products to warehouses or intermediate ware houses
- then travels to retail stores, wholesalers etc.
- Has a return process which trades for old products (recycle/reuse) programme.

STRATEGIES FOR GROWTH:

- outsourcing → reduce costs, improves quality of service, benefit from outside expertise.
- factories in China for low labour cost
- exploitation of workers
- showing tiny demand
- e.g. FOXCONN apple factory
- employs about 230,000 workers in Chinese factory.

PROS

- help with creating a sustainable, developed world.

CONS

- may promote dependence rather than self-reliance

HIPC: heavily indebted poor country

Development loan: transfer of money or skill that needs repayment later on

METHODS USED TO HELP HIPCs:

1. Structural Adjustment program
 → do not allowed to choose what assets of things they want to sell to the receiving country
2. HIPC initiative:
 → IMF granting debt stock relief
3. Expanding market access
 → remove tariffs & quotas on agricultural products.

REMITTANCES FLOWS

- transfer of money or goods by foreign ~~family~~ worker to family in home country
- can improve quality of life
- BUT**
- can create culture dependency in receiving country = lower work participation & slow economic growth.

Sovereignty:

The state of being independent and being able to make own decisions.

Influence of physical environment

- countries with a long coastline and abundance of valuable natural resources will economically develop rapidly through trade.

- unfavourable physical environment

can impact countries' potential to globally interact

- natural resource availability (such as oil) underpins modern society (e.g. providing energy to heat buildings) -

Land locked countries and remote island nations

- Landlocked = poor and low levels of trade - struggle to move goods to and from ports - no historical benefits of flows of migration.

- Remote island nation = tiny volcanic island like

(St Helena) requires day journey via ship - strong winds discourage planes, therefore they remain disconnected from the world. → strong sense of community

Multi-governmental Organisation (MGOs)

operate across many countries.

→ focus on economic matters to increase trade & interaction

But there is more nationalism & calls for protectionism

Trade Bloc arrangement between countries to allow free trade & impose tariffs on external countries

European Union (EU):

~GOALS

- EU citizens can work, study, travel & retire anywhere in EU
- Goods can be transported around EU freely
- Money can move to any bank account anywhere in EU
- One day to all use the same currency
- Houses can be bought and sold by any EU citizen
- Health care all free for EU citizens anywhere in EU.

Single market:

- reduction in price for many products
- 2.8 million new jobs

An Area of Freedom, Security & Justice:

- joint fight against terrorism
- police in different countries cooperate
- coordinated asylum & immigration policy

Schengen:

- an area with no internal borders
- no police or customs in borders
- more cooperation between countries

European Parliament:

- decides EU laws and budget
- democratic supervision of all EU's work
- Has legislative power but does not have power to propose new law

Free Trade Zone (FTZ): helping to accelerate global interaction and change government actions with **Special Economic Zones (SEZ)** that embrace free trade.

→ prone to exploitation → no taxes, tariffs and quotas.

Economic migrants seek better prospects of jobs and higher standard of living. Tens of thousands of immigrants attempt to enter USA.

IMPLICATIONS to POLICY MAKERS

- challenging to provide for all migrants
- increased hostility in receiving countries (xenophobia)
- harder to restrict migration due to growing diversity.

3. Human and physical influences on global interactions

How political, technological, and physical processes influence global interactions

Political factors that affect global interactions:

- multi-governmental organizations (MGOs) and free trade zones
- economic migration controls and rules

Our "shrinking world" and the forces driving technological innovation:

- changing global data flow patterns and trends
- transport developments over time
- patterns and trends in communication infrastructure and use

The influence of the physical environment on global interactions:

- natural resource availability
- the potentially limiting effect of geographic isolation, at varying scales

CONTROL & RULES

- 2016, number of refugees allowed was cut from 110,000 during Obama, then 36,000 to now 16,000
- December 2016, the beginning of **migrant-protection protocols**, or the **Remain in Mexico policy**.
- Building a wall in USA & Mexico border
- Enacted the "zero-tolerance" or **family separation policy**
- US immigration and customs enforcement (ICE) and border patrol officers target illegal immigrants.

TIME SPACE CONVERGENCE:

- the reduction in time taken to travel between two places due to improved transportation and communication.
- the world is effectively shrinking, information & goods etc can be transferred quickly.

CAUSES of shrinking world

- development of internet in 1980
- globalisation increasing
- development of electronic communication
- sharing of ideas & experiences, lifestyle & culture
- Emergence of TNCs
- foreign direct investment by TNCs provide new jobs and skills.

Globalisation:

Economic

- offshoring & outsourcing → allows TNCs to expand
- barcodes invented, more efficiency
- companies able to transfer documents to other countries

Cultural

- language and music has hybridized faster
- small cultures thrive online → allows people to become more cultured.
- smaller independent artists are able to achieve economy scale

Social:

- Mark Zuckerberg introduced Meta which bring people together with technology.
- Skype, twitter etc allowed migrants to maintain strong links with family left behind
- increased number of people learning online
- Healthcare able to reach remote places.

Political

- work of MGOs (EU) has been enhanced with ease of publication of information
- social networks are used to raise awareness and fight political issues for a global scale change

Air travel:

Air bus A350 double decker plane increased capacity of more commercial passengers. XB-1 supersonic plane to decrease travel time.

Advantage

- No cost in building routes
- Good for bulk low cost non-perishable goods
- Fast over long distance
- good for high value perishable goods

Disadvantage

- slower than air travel
- some routes have been maintained and enlarged
- Planes cause pollution
- contribute to green house effect
- cost is high

Containerisation:

Involving two or more different modes of transport in conveying goods

→ By land and by sea

→ intermodal transport revolution

United Nations Development Programme (UNDP): The concept of development is the creation and improvements of living conditions.

Human rights: multi dimensional process that can be analysed through global & local lens

→ Sustainable development goals (SDGs)

- e.g. 1. No poverty
- 2. Zero hunger
- 11. Sustainable city
- total 17 goals.
- achieve by 2030

Development measurement

- achievements of SDGs
- GNI (gross national income) per capita
- Human development index
- GII (gender inequality index)

CRITICISM OF SDGs

- no mechanism to enforce
- 17 statements but 169 indicators = confusing
- government require to be proactive in order to achieve goal

HDI

- simple measurement, compares from 0 to 1.
- 1 most development
- 0 no development

COMPONENTS

- a long happy life
- being knowledgeable
- decent standard of living.

Unit 5: Human development and diversity

Social entrepreneurship approaches

- trying to achieve human development goal
- SDGs
- Business strategies to achieve human development goals

Corporate social responsibility (TNC)

- recognize companies should behave in ethical moral way
- whatever country the work in, it benefits local people

Micro-finance loans = small-scale financial support to help individuals or community to start small business.

e.g. Grameen Bank in Bangladesh created 1974

- loans to people that are very poor without having to have security for repayment.

METHODS

- education on loans
- help start businesses
- provide loans for farmers to invest

Fair trade (FT)

→ trade between companies in developed countries and producers in developing countries in which fair prices are paid to the producers.

- ~ farmers usually powerless in free market but FT allows them to have power
- FT farmers can organise with other farmers
- communication on how to benefit together.

(Corporate social responsibility)

McDonald TNC

- gives free housing to families who travelled to new country due to medical help for children
- reuse, reduce and recycle in restaurant
- Use low energy LED light
- use energy saving equipment
- 85% packaging made from renewable resources.
- food sources abide to ethical practices.

1. Development opportunities

Ways of supporting the processes of human development

The multidimensional process of human development and ways to measure it:

- UN Sustainable Development Goals criteria
- validity and reliability of development indicators and indices, including the human development index (HDI) and gender inequality index (GII)
- empowering women and indigenous or minority groups

Detailed illustrative examples of affirmative action to close the development gap

The importance of social entrepreneurship approaches for human development:

- the work of microfinance organizations and their networks
- alternative trading networks such as "Fairtrade"
- TNC corporate social responsibility frameworks and global agreements

GI

- measurement for gender inequality

COMPONENTS

- health
- empowerment
- labour market.

AFFIRMATIVE ACTION:

- the practice/policy of supporting representation of groups known to have been previously against

CASE STUDY

EMPOWERING WOMEN (Pakistan (Malala))

~ Importance

- essential to health of families
- social development of families
- increase in labour force
- good for the economy
- better opportunity for kids.

ACTIONS

- help promote girls education
- advocate local, national, internal levels
- stop child marriage & child labour
- covering costs of girls education
- closing gender bias
- health & quality of girls

SUCCESSSES:

- raise awareness globally
- able to speak in places like the UN security council to educate people
- provide monetary help for women who lost their jobs or want to learn
- Investing \$ 7.8 million in education champions programme and advocacy campaign.
- Pakistan government promised to

- improve participation from young girls.
- protected young girls from abuse, child marriage or labour.

LGBTQ+

~ Importance

- freedom of speech and choice
- more fair & happy environment
- positive contribution to children of same-sex families
- less feeling of isolation

ACTIONS

→ LGBTQ foundation helps everyone

- foundation has programmes to help you gain confidence in your gender
- deliver advice support and information service to our gender community

SUCCESSSES

- → same-sex marriage has been legalised in many places
- → LGBTQ gaining more recognition and power in general / less homophobic experience
- → some states offer non-discrimination for LGBTQ
- → schools educating new generation
- → US issuing first US passport with X gender
- → protect LGBTQ workers from discrimination.

→ Peru advocate for girls, educate reproductive rights

- work for every sexual orientation & gender identity
- expose abuses & advocate for laws
- Plan-international has a champions of change programme aiming to advance gender inequality.

Culture: broken down into each component called cultural trait

- perception of ourselves
- something that unites people
- common values that bind people together
- integrated system of our socially gained values, beliefs, customs & languages.

Diaspora: the scattering of a nation's population outside of their original homeland. (can develop from forced or voluntary migration)

IRISH DIASPORA:

→ contains 80 million people more than 14 times the population of Ireland = Irish diaspora.

→ USA was a popular destination for the Irish in 19th century

→ seen as hard workers (the Irish) because they did jobs such as firefighters or police

IRISH culture that emerged globally

- sports (hurling & Gaelic football)
- food / drinks (guinness)
- river dance (dance & music)

IRISH CULTURE IN AMERICA

- annual celebration of Saint Patrick's day (preservation)
- **ADOPTION of Irish culture in America**

- McDonald introduced the Shamrock Shake in 1970
- seasonal green mint drink
- when day takes place after Christmas
- The Irish American contribution to popular entertainment
- Halloween.

- Celts celebrated this time in Ireland hundred years ago.
- Americans replaced turnips (original) to pumpkins

Ethnicity: A shared identity of an ethnic group, could be based on common ancestral roots or cultural characteristics such as language.

Identity: An individual or society's sense of attachment to one or more places. People may feel a sense of belonging and this can be a local, regional or city scale

~ hetero = 2 things
~ homogenous = same thing

Global scale

- some cultures spread globally (Americanisation) can be at the expense of indigenous local cultures
- western culture influences
- wide use of European language
- their power, wealth & TNCs
- strong soft power of USA
- linguistic diversity decreasing about 30% since 1970.
- 7000 minor language is threatened.
- subse of English called "Globish" has been used more often than before due to global interaction (global interaction)

National scale

- some nation states have become diluted (melting pot) in which new arrivals can be made to feel included & as equally excluded.
- prior to the shrinking world era, mountain & rivers formed as natural population movement barriers.
- African borders were founded due to politics (many African ethnic groups don't feel they belong or represent them since 1900)
- Nigeria is home to 250 ethnic groups.

City Scale

- cities have experienced high levels of migration which can change cultural composition.
- **Ethnoscape:** virtual landscape constructed by a minority ethnic group such as a migrant population
- diversity can lessen or weaken
- HUBS**

2. Changing identities and cultures

How global interactions bring cultural influences and changes to places

The global spectrum of cultural traits, ethnicities and identities, and ways in which the spectrum of diversity is widening or narrowing at different scales

The effects of global interactions on cultural diversity in different places:

- the diffusion of cultural traits, and cultural imperialism
- globalization of branded commodities, and cultural hybridity
- cultural landscape changes in the built environment

How diasporas influence cultural diversity and identity at both global and local scales

- **Case study of a global diaspora population and its cultures(s)**

high levels of cultural diversity at ^{world} global cities (international migration hubs)

- melting pot gave a rise to modern English culture & language.

Cultural diffusion: the process in which powerful civilisation have brought cultural change to other places ~~and~~ for a length of time.

→ **CAN INFLUENCE**

- globalisation (time convergence)
- technology
- TNCs
- soft & hard power

Global adoption:

- Irish pubs (low ceilings, radiates hospitality)
- World Irish Dance Association (NGO)

Advantage of Diaspora:

- Irish culture spread around the world
- increase in revenue for businesses like Guinness

Disadvantages of Diaspora:

- wrongful claims of Irish citizenship or descendants
- possible economic & political interference from people living outside the country.

Cities becoming homogenic

- global brands
- architecture found in financial and high class areas are more global than local.
- cities are being described as "cloned".

→ **Financescapes** → emerged in HICs (modern landscape & skyscrapers to be space efficient and to attract global investment.

Hegemonic power

- the ability of a powerful state or TNC to influence outcomes without using hard power. USES soft

CULTURAL hybridity:

- when a new culture develops, whose traits combine 2 or more sets of influences

Homogenisation: the process of products, people and places becoming the same.

Disadvantages

- world becomes homogenised
- local cultures are diluted
- Political & economic exploitation.

Advantages

- tribal members to understand what is happening around the world
- local customers are not gone but relocated.

Disadvantages

- tourist, disease & corruption can threaten jungle tribes
- lack of cultural style (buildings all the same)
- aspects of local culture being changed or altered

Advantages of cultural imperialism

- greater variety of commodities
- may introduce new technology
- language skill increase
- Economic development may take place

cultural dilution:

- local cultures becoming less proud as they are influenced

- 3 categories of diffusion
1. **Direct diffusion:** is when two cultures are very close to each other, resulting in intermarriage, trade or warfare
 2. **Forced diffusion:** one culture subjugates another culture and forces its own customs
 - **cultural imperialism:** the practice of promoting the culture of one nation in another.
 3. **Indirect diffusion:** local cultures being less traits are passed down from one culture to another.

Reasons for fighting Globalisation

- major events such as terrorist attacks, financial crisis 2008, Brexit etc.
- cause people to become sceptical

De-globalisation: A reduction in the intensity of some global interactions or the introduction of new barriers to global flows.

Civil Society: Any organisation or movement that works in the area between the household, private sector and the state to negotiate matters of public concern. (NGOs, trade unions etc)

International mindedness: the view of the world in which people are connected in a global community → appreciates diversity and cultures

Internet freedom: digital rights such as access to the internet.
→ Under threat because:
→ using social media gives away personal data
→ National governments can control what their population sees

GREAT FIRE (challenge to internet freedom)
→ non-profit citizen led organisation that helps circumvent internet blockages by the government in China.
→ focus on helping the Chinese people being able to access info
→ have downloads such as Freedom which allows free access to info.

PAX (help support Palestinian freedoms under threat)
→ peace organisation, work to protect civilians against acts of war and end armed violence.
Social media has been restricted, hashtags blocked and hidden in IG. Twitter shut multiple activists accounts.
→ PAX tries to improve freedom of expression in Palestine
→ protects, preserves and promotes digital freedom.

MOTIVATION for de-globalisation

- **Nationalism:** a political movement that focuses on national independence to regain their sovereignty.
- incites fear that local culture traits are being eroded

Sustainability & justice

- concerns with social, economic and environmental justice
- such as worker exploitation
- environmental damage done by globalised economy

Anti-globalisation: umbrella term for protest causes

- include environmentalism
- third world debt
- animal rights
- child labour / opposition to TNCs

Nationalism & sovereignty:

- Anchored in renewed nationalism
- people's own community identity is threatened and own state sovereignty has been jeopardised

FAVOURING LOCAL SOURCING: (SLOW FOOD) NGO

- NGO that promotes local food and traditional cooking.
- as an alternative to fast food. (preserve traditional cuisine)

3 guiding principles:

- good - high quality food
- Clean - environment is respected and taken to serious consideration
- Fair - achieving social justice through respected labour rights balanced global economy.

Encouragement:

- learn where food comes from → how veggies are grown
- become familiar with local farms → where meat comes from and are raised.

3. Local responses to global interactions

The varying power of local places and actors to resist or accept change

Local and civil society resistance to global interactions:

- rejection of globalized production, including campaigns against TNCs and in favour of local sourcing of food and goods by citizens
- rise of anti-immigration movements

Geopolitical constraints on global interactions:

- government and militia controls on personal freedoms to participate in global interactions
- national trade restrictions, including protectionism and resource nationalism

The role of civil society in promoting international-mindedness and participating in global interactions, including social media use and campaigning for internet freedom

- **Two detailed examples of places where restricted freedoms have been challenged**

Reasons for anti-immigration

- competition for jobs
- cost of housing
- pressure on education & healthcare systems.

Anti-immigration views

- concerns for loss of sovereignty
- oppose multiculturalism
- rate of culture change too fast
- extreme events such as terrorist attacks

USA (anti-immigrant)

- Trump views illegal immigrants as criminals
- immigrants steal the jobs of locals
- want immigration levels to subside

SUCCESS

- wall was useful at first but some now go by plane and never leave
- border apprehensions dropped by 25% in June.
- these actions may motivate TNCs to leave
- Foreign direct investment is tightly linked to immigration.

Autocratic state: non-democratic country where political power is controlled by unelected officials

USA & China Trade War:

→ US imports more from China than it exports.
Why?
→ China is USA's first trading partner (\$37 billion)
→ China over \$500 billion while USA is over \$200 billion.
US population unhappy with increased prices.
→ companies depend on Chinese produces.
China's steel through protection
→ China selling steel cheap so they put a 500% tax
→ US steel makers seek to ban all Chinese steel imports.

National Trade

→ new barriers being made to stop global flows
→ USA & Mexico will reduce flow of data (firewall of China)
→ trade restriction is a form of protectionism
→ increases inefficiency and leads to less choice for consumers
→ reduce trade between countries

Resource Nationalism

State governments restrict exports to other countries
- domestic industries have priority to national resource
→ Protectionism
→ State governments enforce barriers to foreign trade investment
Trade inequality: leaders of LICs have gained disproportionately from global trade.
→ reduce trade between countries

Internet Censorship

Pros
- less identity theft
- no fake news
- curb access to harmful activities
Cons
- restricts too much info
- who's in charge
- censor's free speech
Militia (armed unofficial military force from civil society)
Plays a role in the world's most troubled regions.
→ e.g. South Sudan, Syria

Autocratic & democratic

have different levels of political control on global interactions.
Melting pot (hybridism)
Internet censorship
Closed doors to migration.

Globalisation: the process of global interaction among people, companies and government worldwide

Risk: A real or perceived threat against any aspect of social or economic life.

→ e.g. geopolitical hazard, physical hazard, economic hazard.

Cybercrime: criminal activity using the internet.

Disruptive technology: Technology which brings major changes to the way people live & work instead of merely supporting and enhancing the current way things are done.

Drones: threat to economic and political sovereignty

3D printing:
- bone replacement
- aircraft manufacturing

Unit 6: Global risks and resilience

How disruptive tech empowers world:
→ SG, robots, drones
3D printing

terrorist threats from drones able to drop bombs

→ no regulatory framework for 3D print
→ able to print guns

Economic globalisation
→ growth in TNCs
→ growth in ICT
→ online purchasing

Political globalisation
→ growth in trading blocs

→ more free trade, financial crisis
→ international orgs e.g. IMF, WTO

Social globalisation
→ international immigration
→ global improvements on health & education

Cultural globalisation
→ globalisation
→ successful western traits (Americanisation)
→ hybridisation

Nationalism: identification with one's own nation and support for its own interest, especially to the exclusion or detriment of the interests of other nations/loyalty

Tribalism = refers to growing tendency to narrow one's focus to favour one group and disadvantage another.
→ growth can be seen in controlling strategies. (authoritarian states)

People becoming more exposed to threats:

→ spam e-mail attachment
→ cyber-bullying
→ pornographic/violent imagery

Hacking = major threat

→ hackers can sell confidential documents to other states or randoms
→ Previously sold missile designs used by NATO

Identity threat:

→ increased due to...
→ increased data base globally.
→ low prosecution rate
→ lenient sentences.

→ social media account easily hacked

Implications of Surveillance:

→ personal freedom at risk due to surveillance

Reasons for introduction to CCTV

→ help reduce crime & improve safety for vulnerable people

→ national security can be protected.

→ more surveillance on people who commit online crimes.

1. Geopolitical and economic risks

How technological and globalizing processes create new geopolitical and economic risks for individuals and societies

Threats to individuals and businesses:

- hacking, identity theft and the implications of surveillance for personal freedoms
- political, economic, and physical risks to global supply chain flows

New and emerging threats to the political and economic sovereignty of states:

- profit repatriation and tax avoidance by TNCs and wealthy individuals
- disruptive technological innovations, such as drones and 3D printing

The correlation between increased globalization and renewed nationalism/tribalization

- **Two detailed examples to illustrate geopolitical tension/conflict**

Global supply chain: the connection between companies and people
→ threats:
→ if one supply chain is disrupted, others will be too.

Supply Chain: A network of individuals and companies who are creating a product & delivering it to consumer.
→ sourcing raw material → moving to production → transporting finished product to retail store

RISKS

→ supply risk
→ demand risk
→ operational risk

1. Environmental: 2011 tsunami in Japan disrupted motor industry

2. Geopolitical: Arab spring protests disrupt supplies of goods from Middle east.

3. Economic: debt crisis in Europe → uncertainty to companies

4. Technological factors: disruption in ICT and transport

SOVEREIGNTY

→ political - freedom of a state to fully govern

→ economic - freedom of state from outside intervention in its market and trading relations

WEALTHY people avoid tax:

→ living in countries with low tax

→ have someone manage finances for you

→ donating assets to charity where they can claim tax reliefs.

Expatriate: Someone who has migrated to live in another state but remains citizen of the State of birth.

→ TNC avoidance
→ routing profits to secondary companies.

→ the secondary companies will be based in low tax countries.

→ wealthy tax avoidance
→ lots of money in stocks
→ not income tax

Profit repatriation: A financial flow of profits from a country where a TNC has overseas operation back to the country where its headquarters are.

Apple Case study

→ TNC pays tax where it is located.

→ Irish 12.5 tax rate & American tax rate 21%

→ centrally managed and controls outside of the headquarter means that they are essentially

* stateless * then that means Ireland nor America can tax APPLE

Global cooperation tax rate

→ 2021, G7 decided TNCs should pay tax

→ minimum tax rate of 15%
→ companies pay tax where they are located.

Brexit (nationalism)

- Globalisation CAUSE
- leave EU = reduction in regulations, more respect for borders & sovereignty

- immigration discontent
- don't want same currency
- wants national sovereignty to be protected (vote leave campaign)

- paid more than it received

TENSION CAUSED:

- Jo Cox murder

- UK Irish passports increased from 200 to 4000 \$/day

- increased violence.

Boko Haram (tribalism) conflict
- a civil society militant group based in north-eastern Nigeria.
- set in 2002

Globalisation Cause:

- wealth in Nigeria is concentrated to the small political elite

- react colonialism & western education

CONFLICTS CAUSED:

- suicide bombing of young child

- armed assaults

- bombing of church, schools

- 2014, 200 schoolgirls were abducted and forced to slavery // caused 55 thousand deaths in total

Air pollution: Harmful air created and affecting multiple countries, not just countries producing the pollutants

Transboundary pollution (TBP): occurs when air, water, land is polluted in one country but the pollution also affects other nearby countries. e.g. acid rain, haze, sea by plastics.

Haze: the result of forest fire burning in neighbouring countries.

Southeast Asian Haze

- fire-related large scale air pollution
- impacts Indonesia, Malaysia & Singapore
- CAUSES**
 - burning peaks during dry season
 - farmers use slash-and-burn technique to clear land.
 - palm oil as cause
 - weak governance, corruption and control of TNCs take advantage
 - main problem when fire burns underground in peatlands.

CONSEQUENCES

- significant decrease in air quality in Malaysia, Singapore Thailand etc
- ~ Indonesia → 500,000 people suffered from respiratory problems
- ~ schools shutting due to hazard air
- ~ forests destroyed
- ~ orangutans critically endangered

Responses

- Indonesia dumping millions of liters of water
- ASEAN developing strategy to combat

Dry and hot season made by weather phenomenon El Niño Southern Oscillation
→ fires are carried by southwest monsoon winds that travel upwards.

~ investigation of 10 cooperations and 100 individuals.

→ agreement to reduce amount of clearing

Global flows: The movement of something from place to another over a large distance

Damages caused by Shipping: waste dump, noise pollution, oil spills
→ high rates of pollution along certain shipping routes

IMPACTS:
- increased acidification
- ships release sulphur

Manufactured goods: Consuming nation generating demand and producing nation does it
→ containerisation to transport food creates water & air pollution.

activities require fossil fuels
→ climate change impacts

2. Environmental risks

How global interactions create environmental risks for particular places and people

Transboundary pollution (TBP) affecting a large area/more than one country

- One TBP case study including the consequences and possible responses

Environmental impacts of global flows at varying scales:

- localized pollution, including impacts along shipping lanes
- carbon footprints for global flows of food, goods, and people

Environmental issues linked with the global shift of industry:

- polluting manufacturing industries
- food production systems for global agribusiness

PEOPLE (immigrants)
- migration of ppl in LIC to HIC
~ Mexico to USA (tourism)
- carbon footprint generated varies from types of travelling
- tourism related activities require fossil fuels
→ climate change impacts

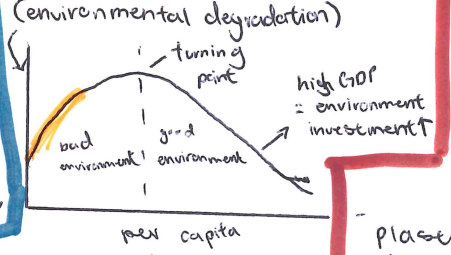
Global Shift of industry: the international relocation of different types of industries

Agribusiness: global farming or food production company

agro-industrialisation: large-scale, intensive, high-input/output commercial nature of modern farming

Environmental Issues:
→ biodiversity lost
→ eutrophication
→ water scarcity
→ food miles

KUZNETS CURVES



TURNING POINT: income increasing GDP = attitudes change - env. concern
Early industrialisation:
- economic development
- pollution rapid increase
- no concern for enviro.

Effects of E-waste

- lead, barium, heavy metals cause leach into ground water and release toxic chemicals
- glass dust, tin, lead leak into rivers and air
- Hydrocarbon ashes released into the air by computer wires.
- Plastics from printers = emissions of brominated dioxins.
- Chemical stripping for chips and gold plated components = acidifying fish, contaminate rivers & ground water.

GUIYU, CHINA

POLLUTING MANUFACTURING INDUSTRIES

- HIC have strict green laws than NEEs
- manufacturing creates opportunity for economy
- low min wage in NEEs
- lots of labour available

E-waste in China:

- despite banning e-waste it remains as a dumping ground for the developed

Civil Society: A movement that works at a variety of levels to negotiate matters of public concern (NGOs etc)

Globalisation: process of global interactions among people, companies, governments worldwide.

Global interaction: varied economic, social, political, cultural and environmental processes.

TNCs reshoring

→ discovered that outsourcing can increase exposure to different threats
→ e.g. poorly monitored supply chain

- easier to manage & control in locally
- some no longer have low labour cost like China
- create more benefits for origin country (jobs etc)

~ **APPLE** reshore

- covid-19 with protests in China → disrupting ASC
- tariffs and trade restrictions between USA & China.

Crowd sourcing: process of sourcing ideas, services, financial and info from the public group.

- 1. Microtasks** - breaking large project into micro tasks
- 2. Macrotasks** - asking crowd to get involved in portions of the project

Resilience: the capacity of individuals, organisations, societies or environments to recover and resume 'business as usual' following a hazard event or system shock (e.g. 2011 Tsunami and Global financial Crisis)

OPTIONS in protecting from global risks

- 1. Managed retreat**
 - de-globalise, reduce overseas investment
 - protectionism
- 2. Adaptation**
 - be aware of where risks are likely & plan ahead
 - build supply chains with back up suppliers

3. Mitigation

- global action to prevent crisis
- Tackle poverty which leads to conflict and disruption.

Solutions to reduce impact

- Social**
 - Round table sustainable palm oil certifies small holders into working without harming enviro.
 - Greenpeace advocate to put pressure on TNCs
- Economic**
 - Boscán village committed to save & protect remaining forest
 - law to not expand plantations
 - 2003, government introduced palm oil program to improve economy

PALM OIL (Greenpeace, WWF, RSPO):

Impacts of palm oil:

- Social:**
 - new source of income for Boscan village, Riau
 - changed lives for the better e.g. education & food
- Economic:**
 - industrial slash-and-burn → burned land can be sold for more
 - peatland, huge carbon stores → when burned releases all

Success:

- Social**
 - prosperity and social cohesion
 - unemployment & poverty gone
 - children can go to school
- Economic**
 - immediate benefits in reduce chemicals
 - 3.2 million hectares certified by RSPO
 - 6.2 mil tonnes of RSPO oil.
 - 52% of total CSPO supply
 - RSPO = 816 families & 1600 actors
 - RSPO → high yields more profit

3. Local and global resilience

New and emerging possibilities for managing global risks

The success of international civil society organizations in attempting to raise awareness about, and find solutions for, environmental and social risks associated with global interactions

- Detailed examples of one environmental and one social civil society organization action

Strategies to build resilience:

- re-shoring of economic activity by TNCs
- use of crowd-sourcing technologies to build resilience by government and civil society
- new technologies for the management of global flows of data and people, including cybersecurity and e-passports

Social Media (Facebook)

- Connectivity Crisis Response Program (CCRP)
- people able to make themselves safe or directly get help if in danger.

Government on message:

- help deal with natural hazards
- emergency info can be released easily
- Japan uses loud alarms, message on TV etc for earthquakes

Advantages

- high prob of success
- saves costs & time
- gain brand ambassadors

disadvantages

- risk of manipulation
- risk of image loss
- risk of internal disputes
- insufficient funding could lead to project failure.

Disadvantages:

- if E-passport is stolen the data can be used illegally
- hack system is possible - person who owns the passport do not have access to the data

Cybersecurity: set of tech used to protect computer net work from cyberattacks.

Cyber-attack: stealing sensitive data or data leakage

→ such as DDOS & web attacks

E-passports: digital passports containing biometric data for access

be cause passports can be easily forged.

→ peel pages & change details

Advantages of E-passport

- faster checking in / boarder clearance
- help in crime detection
- retrievable data from database
- difficult to forge