

GLOBALIZATION what needs to be remembered?

I/ DEFINING GLOBALIZATION

A/ Definition

Emergence of a global society where some economic, political, environmental and cultural events in one part of the world have quickly significance for people in another part of the world. In this global society, countries are interdependent in a very organized world

B/ Expression of globalization

1- **EMERGENCE OF IMPULSE CENTERS:** It is composed of: **the Triad (+ China also called the world oligopoly) and huge cities also called hubs**

2- **INTERNATIONAL MIGRATIONS** (flows from an outgoing areas to an incoming area)
: economic migrants the highest, then brain drain, refugees (specific status by the HCR from the UNO) and tourists

3-**ECONOMIC FLOWS:** linked with free trade and economic associations (NAFTA, ASEAN, EURO UNION, MERCOSUR, the coming TAFTA) and new transport technologies like containers and multimodal platforms.

What is exchanged? 75% goods and 25 % services (finance, investments, illegal flows)

II/ ACTORS OF GLOBALIZATION

A/ TRANSNATIONAL COMPANIES : they outsource their production in countries where labour is cheap or they use subcontracting

B/ STATES: they manage taxes (tax free zones), they sign economic agreements (NAFTA), have cheap labour and can own some companies (AIRBUS)

C/ INTERNATIONAL AUTHORITIES AND ORGANISATIONS: **The UN** and its satellite bodies (**UNHCR, UNESCO, WHO, UNDP, FAO...**), **the IMF** (it manages international indebtedness), **WTO** (1995; Before **GATT**), **NGO's** (Red cross, doctor without borders, greenpeace...)

D/ ILLEGAL NETWORKS: prostitution, counterfeiting, terrorist organisations, mafias...

III/ CONSEQUENCES OF GLOBALIZATION

A/ Some inequalities aggravated by globalization

-The GDP measures a country's economic power (the total value of goods and services produced in a country) but it does not say much about the country's development.

So now the HDI highlights the NORTH-SOUTH DIVIDE and some blame globalization for this

-demographic contrasts also reflect development: developed countries have finished their demographic transition, whereas developing countries are still into it and have high population growth (over 2.5%/year).

B/ Anti globalization

-Anti globalization groups/activists stand up against inequalities triggered by globalization as well as **outsourcing** (délocalisations) and the pressure of **law of supply and demand** (offre et demande) which explains that head offices only focus on companies turnover (chiffre d'affaire) and don't care much of employees' future.

- Anti globalization activists essentially belong to NGO's and attempt to put more pressure on international institutions and dare to use all means of expression available to be heard from public opinion even if it **drives them to jail**.

C/ Sustainable development and fair trade

Fair trade: This movement advocates the payment of a fair price as well as social and environmental standards in the productive areas.

Sustainable development: launched in 1987 It deals with development that meets the needs of the present without compromising the ability of the future generations **to meet their own needs**. Sustainable development is advocated as answer to the negative impact of globalization.

Social forums: first 2001 in Porto Alegre in Brazil. It gathers members of the civil society who make proposition for a fairer globalisation. **LAST Feb 2015 in GENEVA**

HIERARCHY

A/ Main centres

-**the Triad and China:** 80 % of the world exchanges

-**Areas associated with the TRIAD:** North America, East European states, Asian dragons

-**The role of big cities and megalopolises:**

They concentrate political, economic and cultural power. Since 1996, it's often referred to a "network of megalopolises"

B/ Southern Countries left aside: (LEDC's) There is a hierarchy in the South.

At the top we find the BRICS or EMERGING COUNTRIES

Then Asian "tigers" Malaya, Thailand, Indonesia and Philippines.

Then Oil Producing countries

Then we find **Developing countries** with a HDI between 0.5 and 0.7. They mainly attract due to their cheap labour force and their low taxes.

To Finish, at the bottom of the list are **the Less advanced countries**.