



What is globalisation?

- This is how countries are coming together as one big global economy, which is making international trade easier .
- Globalisation is not just economic, it also influences people's culture, the environment and politics.
- Globalisation has been accelerated by a process called time-space compression. This means that it takes less time to move goods, send money and travel around the world.
- This has happened because of the development of air travel, what use to take weeks to travel from one side of the world to the other now takes less than 24 hours.
- As a world we are more interconnected because of the internet and the ease of movement of goods and finance.

Why are some places 'switched off'? - North Korea

- North Korea is a switched off place due to the 'closed' nature of the country and the fact that is run by a dictator.
- Few countries will trade with North Korea as few products are made that would be useful for the markets of the world.
- Life in North Korea is very controlled and people have a limited choice in their lives. Many products are imported via the black market from China, as they are banned in North Korea.



Why are international institutions so important?

- Large Inter-governmental organisations (IGOs) help many LICs to develop by providing loans and help countries to develop in a particular way
- There are lots of critics of IGOs such as the World Bank and the International Monetary Fund (IMF) because it is argued that they are forcing countries to develop in a particular way that might not in fact help them to develop.
- Both these organisation are based in Western countries and therefore might not think about the culture of different countries.



Key Terms

Globalisation	This is how countries are coming together as one big global economy, which is making international trade easier .
Time-Space Compression	This is the idea that the world is 'shrinking' due to technology and improvements in transport .
Switched off places	These are places that have not been effected by globalisation and are not developing as well as others might be.
World Bank	international financial institution that provides loans and grants to the governments of poorer countries for the purpose of pursuing capital projects.
International Monetary Fund (IMF)	An organisation that fosters global monetary cooperation, secure financial stability, facilitate international trade, promote high employment and sustainable economic growth
Transnational Corporations (TNCs)	A TNC is a large organisation that is based in a HIC country but produces goods/sells goods in LIC/NEE countries. This is often because of cheap labour in these countries.
Homogenised culture	This refers to the reduction in cultural diversity through the popularization and diffusion of a wide array of cultural symbols—not only physical objects but customs, ideas and values
Deindustrialisation	the reduction of industrial activity or capacity in a region or economy.

Are TNCs important for the development of LICs?

- Transnational Corporations are company that often produce their products in LIC countries but have their headquarters in HICs. They bring with them lots of positives and negatives.
- An example of a TNCs is Apple who make iPhone.

Positives	Negatives
It provides employment to local people	There are often poor working conditions for the workers who produce products in the factories
Improve education and skills for people in the host country	Profits often go overseas and don't really benefit the local people
Many TNCs will invest in the infrastructure of the area - improving quality of life	Natural resources are often exploited and poor environmental laws mean poor environmental standards.

Are TNCs eroding HICs?

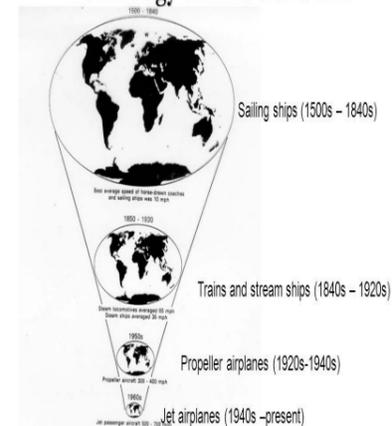
- Due to TNCs locating their business in LIC/ NEE countries, many areas of the UK and USA where companies use to produce their products have suffered from deindustrialisation.
- Large amount of unemployment has resulted in the decline of manufacturing of products. This is because the workforce have a limited skill set to be able to find alternative employment.
- When Donald Trump came into power in late 2016, he said that he would get American jobs back from abroad for American people. This decline in industry has largely effected areas of America's mid west around Chicago, often referred to as the 'rust belt'.

Is culture beginning to disappear?

- Many geographer's would argue that one of the biggest consequences of globalisation is the 'homogenisation' of culture—this means that places , city and countries culture is disappearing because of the introduction of global brands like Disney, McDonald's and Nike.
- Many cultures are unique to different countries and it has been argued that globalisation is destroying these culture to make a more globe culture that is not unique.



Time-Space Compression: Technology Shrinks Our World



Source: David Harvey: 1990. *The Condition of Postmodernity*, Pp. 241

