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Geographies of Globalization

CHAPTER OVERVIEW

- Knowledge of networks, distance, and space are all critical to understanding processes of globalization.
- One area of inquiry that is of particular interest is the global reliance on technology and the increasing digital divide between more developed and less developed nations.
- The shift in production of goods from the more developed world to the less developed world would not have been possible without containerization.
- Globalization has increased in scale since the lowering of trade barriers with the introduction of the General Agreement of Tariffs and Trade (GATT) in 1947.
- Critics of economic globalization point out that it benefits the more developed world over the less developed world, particularly where transnational companies are based.
- There are both positive and negative aspects of globalization and there is no definitive way of determining whether it is good or bad.

LEARNING OBJECTIVES

After reading this chapter, you should be able to

- define concepts of distance, space, and networks and explore how they are understood economically, socially, and cognitively;
- understand how networks have contributed to time–space convergence and the types of networks that geographers tend to study;
- describe the motivators for trade and the varying degrees of integration of states relating to trade;
- understand how methods of transportation of goods has changed throughout time;
- understand how distance can be overcome (transnationals and transmitting information); and
- define economic globalization, the role of transnational corporations, and the critiques and supporting arguments for increased economic globalization.

KEY TERMS

Alienation The circumstance in which a person is indifferent to or estranged from nature or the means of production. (p. 441)

Competitive capitalism The first of three phases of capitalism, beginning in the early eighteenth century; characterized by free-market competition and laissez-faire economic development. (p. 440)

Disorganized capitalism The most recent form of capitalism, characterized by disorganization and industrial restructuring. (p. 440)

Foreign direct investment (FDI) Direct investment by a government or transnational/multinational corporation in another country, often in the form of a manufacturing or processing plant. (p. 422)

Globalization A complex combination of economic, political, and cultural changes that have long been evident but that have accelerated markedly since about 1980, bringing about a seemingly ever-increasing interconnectedness of people and places. (p. 410)

Innovations Introduction of new inventions or ideas, especially ones that lead to change in human behaviour or production processes. (p. 412)

International division of labour The current tendency for high-wage and high-skill employment opportunities, often in the service sector, to be located in the more developed world, whereas low-wage and low-skill employment opportunities, often in the manufacturing and processing sectors, are located in the less developed world. (p. 423)

Organized capitalism The second phase of capitalism, beginning after World War II; increased growth of major corporations and increased involvement by the state in the economy. (p. 440)

Principle of least effort Considered to be a guiding principle in human activities; for human geographers, refers to minimizing distances and related movements. (p. 411)

Tariff A tax or customs duty imposed on imports from other countries. (p. 418)

Time-space convergence A decrease in the friction of distance between locations as a result of improvements in transportation and communication technologies. (p. 411)

Transnational corporation (TNC) A large business organization (firm) that operates in two or more countries; examples include Nike, Apple, Toyota, Coca-Cola, Samsung; sometimes referred to as a multinational corporation; in many cases the head office is in a more developed country, and its manufacturing/processing facilities are in less developed countries. (p. 422)

RESEARCH QUESTIONS

1. Research and explain the differences of opinion between pro- and anti-globalization advocates.
2. What role do networks play in globalization processes? Describe how changes in networks have created conditions for increased globalization.
3. Describe how the evolution of the transport system has led to increased trade and globalization.

4. What are the key events and agreements in history that have affected trade relationships? How have these led to current states of trade and globalization?
5. Describe how cultural globalization is related to loss of national and local cultures.

LINKS OF INTEREST

- European Union
<https://europa.eu/>
- Global Policy Forum
<http://www.globalpolicy.org>
- Globalization and World Cities Research Network
<https://www.lboro.ac.uk/gawc/>
- NAFTA Now
<http://www.naftanow.org/>
- The NAFTA Secretariat
<http://www.nafta-sec-alena.org/>
- World Fair Trade Organization
<http://wfto.com/>
- World Trade Organization
<http://www.wto.org/>

SUGGESTED READINGS

Dicken, P. 2010. *Global Shift: Mapping the Changing Contours of the World Economy*, 6th edn. New York: Guilford.

A definitive text that details the workings of the global economy and how changes impact places and people. Intended for upper-level students.

Friedman, T. 2007. *The World is Flat: A Brief History of the Twenty-First Century*. New York: Farr, Straus and Giroux.

An examination of the impacts of globalization (the flattening of the earth) and what this means to individuals, communities, companies and countries.

Murray, W. E. 2006. *Geographies of Globalization*. New York: Routledge.

A balanced discussion of the topic with comprehensive coverage of economic, political, and cultural trends.

Stiglitz, J. 2002. *Globalization and Its Discontents*. New York: W.W. Norton.

An insider's analysis of the global financial institutions.

Wolf, M. 2004. *Why Globalization Works*. New Haven: Yale University Press.

In this book, Wolf critiques the changes against globalization and explains how it works as a concept and in reality.

YOUTUBE VIDEOS

edeos- digital education. 2011. "Globalization." YouTube video, 8:10. Posted October 2011.
<https://www.youtube.com/watch?v=3oTLyPPrZE4>

1. In our globalized world, how does the video make a case that economics, ecology, society, and politics are no longer limited at the national level?
 - The video begins by stating that reasonable governance can only be realized in a broader state. Because of globalization our world functions through a series of international organizations (NATO, European Union, NAFTA, United Nations). These large multi-national organizations drive commerce, international organization, and human movement.
2. How has "distance" decreased?
 - Technological advancement has essentially removed distance. Whether that is via global, instant, 24-hour television broadcasts to all corners of the world, the decrease costs associated with communication via telephone calls, emails, text, etc., or the rapid decrease in container shipment costs, our cost of and ease of travel has effectively made the world smaller.

TEDx Talks. 2018. "Why Will Future Globalisation Be So Different | Richard Baldwin | TEDxLausanne." YouTube video, 13:56.
<https://www.youtube.com/watch?v=qHBoxRdd08o>

1. Historically, why has globalization been more focused on physical goods rather than services?
 - Globalization has focused more on physical goods because they are easier to ship across borders than services, which typically require the service provider and service buyer to be in the same room at the same time.
2. How can digital technology change the way services are provided at a global scale?
 - As digital technologies continue to develop and advance, it will be easier to outsource service jobs to less developed countries where wages will be cheaper and still maintain a more intimate connection between provider and consumer.