

Past essay question- Globalisation

With reference to a range of examples, discuss the factors which are assisting the process of globalisation (15 marks)

Globalisation is the trend for business to be international or world wide in scope or application. The world is becoming to be viewed as an integrated system in which all elements being interdependent and linked, this is also called a global village as the restrictions of time and space have been reduced.

There are many factors which are assisting this process of globalisation, one of the most significant being the growth of TNC's (transnational corporations). TNC's such as Del Monte have factories and plantations all over the world this can be illustrated by one of their many products, bananas. The fruit is produced in over 15 countries including Costa Rica, Jamaica, and Malaysia. The fruit is then packaged and transported to many MEDC countries such as the USA and the UK who import the bananas at a reasonably cheap rate as they are mass produced on a very large scale. The countries which produce the bananas can become dependent on the TNC's for their jobs and livelihoods .

Another factor which has assisted the process of globalisation is the development of communication and information technologies. For example in the past 20 years the development of the internet has meant that it is now easier and quicker for businesses to communicate and have links with other countries. This can also be done by video conference calls which allow meetings to take place without have to fly abroad to attend them, this saves companies valuable time and therefore money. For example in London it is possible to talk to countries in the east and the west during the working day at convenient times for these places. This has enables countries to be able to choose between many countries to have the best location, for example somewhere there are the right skilled people and links.

Trade blocs such as the EU (European union) , NAFTA (north American free trade agreement) and APEC (Asia-Pacific economic co-operation) have also assisted the process of globalisation. These organisations have agreements about trading which include tariffs and quotas put on certain goods.

The EU for example has developed a single market through a standardised system of laws which apply in all member states, guaranteeing the freedom of movement of people, goods, services and capital. It maintains a common trade policy, agricultural and fisheries policies, and a regional development policy. These policies mean that countries become more interdependent on each other and develop their economies.

A further factor which has assisted the process of globalisation is the development and improvement of transport links .This means that companies and businesses can reach their destinations much quicker than in past, these increases the companies profits who can then in turn invest in other countries increasing the process of globalisation.

In conclusion the process of globalisation is not a simple process caused by a single factor, its complex with many influences not just including the growth if TNC's , the growth of IT, trade bloc and transport links.