INTERNATIONAL STUDIES

SAC is only negatives.

QUESTION 6:
Choose ONE of the following and explain the impact that globalisation and/or internationalism have had on it since 1990

- International trade +
- The environment
- Human rights and refugees −
- Technology and communications
- Politics

Topic Chosen: International Trade

Globalisation and international trade go hand in hand. Each is linked to the other where a more connected world has allowed countries and multi national corporations to import and export from all over the globe. The global economy through such streams as trade and free markets have allowed nations to prosper as markets thrive with products, ideas, culture, communications and technology circulating the world. ~~the world.~~ In 1975, total foreign direct investment was $23 billion; by 1997, it totalled $694 billion. However, as international trade has produced booming economies and richer nations and corporations, there is still debate as to who really benefits. Does the money trickle down to the people of nations? Or does the money just exponentially increase in the pockets of CEO executives in high-powered corporations?

Debate is still heated about the methods multinational corporations use in producing the exporting products. For example, in Brazil coffee is the highest legal exporting product but workers in the coffee plantations are paid pittance for their labour. The coffee is then exported and sold to consumers at much higher prices. This has also been applied to transnational company Nike in which garments are made/produced in developing Asian countries where labour is cheap. But ~~the~~ the Nike products are sold to consumers at quadruple prices. This highlights the clear imbalance as globalisation has allowed the relative ease of the mobility of labour and products. Moreover, the trade of these products internationally has just purported the exploitation of workers by multi-national, trans-national corporations and corrupt governments as acceptable.

However, globalisation has allowed economies to grow and prosper. In the case of China in which international trade and investment have driven significant economic development. The Chinese income per capita jumped from

Great use of statistics.

$1460 in 1980 to $4120 in 1999. In 1980 the US earned 12.5 times as much as the Chinese per capita, but by 1999 they were only earning 7.4 times as much. This was possible because china lowered tariffs and barriers and opened up free trade which in turn benefited the chinese economy. The world merchandise trade has continued to grow rapidly since the end of the Cold War. Total world merchandise exports in 1990 were US$ 3.44 trillion and by the end of 2004 this had grown to US$ 9.12 trillion. Thus, international trade is clearly thriving.

International trade through globalisation has allowed the existence of both winners and losers depending on your point of view. Most people in developing countries would hail globalisation and international trade as it has benefited consumers considerably. But some may see the process of benefiting consumers and corporations through cheap labour immoral and unjust. In spite of this it is clear that globalisation has allowed trade to expand and grow in which economies are now stronger than ever. It is hard to deny the prominence of international trade in the 21st century.

25 Marks

PTO for Assessment Criteria Q'n 6....

22 Sovereignty