

Area of study 2: Dynamic Places

Topic 3: Globalisation

Enquiry question 1: What are the causes of globalisation and why has it accelerated in recent decades?

Key idea	Detailed content
3.1 Globalisation is a long-standing process which has accelerated because of rapid developments in transport, communications and businesses.	a. Globalisation involves widening and deepening global connections, interdependence and flows (commodities, capital, information, migrants and tourists). (1)
	b. Developments in transport and trade in the 19th century (railways, telegraph, steam-ships) accelerated in the 20th century (jet aircraft, containerisation), contributing to a 'shrinking world'.
	c. The 21st century has been dominated by rapid development in ICT and mobile communication (mobile phones, internet, social networking, electronic banking, fibre optics), lowering communication costs and contributing to time-space compression.
3.2 Political and economic decision making are important factors in the acceleration of globalisation.	a. International political and economic organisations (P: role of World Trade Organization (WTO), International Monetary Fund (IMF), World Bank) have contributed to globalisation through the promotion of free trade policies and foreign direct investment (FDI).
	b. National governments are key players in terms of promoting free trade blocs (P: role of European Union (EU), The Association of Southeast Asian Nations (ASEAN)) and through policies (free-market liberalisation, privatisation, encouraging business start-ups). (P: role of governments in economic liberalisation)
	c. Special economic zones, government subsidies and attitudes to FDI (🌐 China's 1978 Open Door Policy) have contributed to the spread of globalisation into new global regions (P: role of governments in attracting foreign direct investment (FDI))

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3.3 Globalisation has affected some places and organisations more than others.	a. Degree of globalisation varies by country and can be measured using indicators and indices (AT Kearney index, KOF index). (2)
	b. TNCs are important in globalisation (P: role of TNCs) both contributing to its spread (global production networks, glocalisation and the development of new markets) and taking advantage of economic liberalisation (outsourcing and offshoring).
	c. There are physical, political, economic and environmental reasons why some locations remain largely 'switched off' from globalisation (🌐 North Korea or Sahel countries). (3)