

# STUDENT GUIDE

NEW EDITION

With  
exam-style  
questions  
and model  
answers

PEARSON EDEXCEL A-LEVEL

# Geography

## Human geography

- Globalisation • Shaping places (Regenerating places; Diverse places)
- Superpowers • Health, human rights and intervention
- Migration, identity and sovereignty

Cameron Dunn



**Synoptic link**

(P): Governments decide how open and liberal they want their countries to be and how closely tied to other countries. These policies are a question of judgement but with far-reaching economic, demographic and cultural consequences.

**Special economic zones**

In emerging countries there is a long history of attempts by governments to promote particular regions as ideal locations for FDI. Beginning around 1980, countries such as China, India, Mexico and the Philippines began to create special economic zones (SEZs), free trade zones (FTZs) or export processing zones (EPZs). China led the way in this area when in 1978 it decided on an Open Door Policy towards FDI and in 1980 created the Shenzhen Special Economic Zone. About 50 million people in more than 100 countries work in such locations.

SEZs and similar models are attractive to FDI for a number of reasons:

- They are tariff and quota free, allowing manufactured goods to be exported at no cost.
- Unions are usually banned, so workers cannot strike or complain.
- Infrastructure such as port facilities, roads, power and water connections are provided by the government, giving a subsidy for investors and lowering their costs.
- All profits made can be sent to the company HQ overseas.
- Taxes are usually very low, and often there is a tax-free period of up to 10 years after a business invests.
- Environmental regulations are usually limited.

SEZs have contributed hugely to 'made in China' as FDI has poured into that country in the last 40 years. Western consumers benefit from low-cost goods, but there are question marks about pay and working conditions in SEZs. Apple was subject to negative publicity in 2010 when working conditions in its supplier factories (owned by Foxconn) making iPhones and iPads came under scrutiny. In many Chinese SEZs wages are now high by global standards and countries like Vietnam are more competitive.

**Synoptic link**

(P): Governments can act to attract FDI, but inward investment brings costs as well as benefits and may encourage a 'race to the bottom' in terms of protecting workers and the environment.

**Exam tip**

Be prepared to discuss both the costs and benefits of special economic zones for the countries that use them.

**Knowledge check 4**

When did China first open up to foreign direct investment?

**The effects of globalisation**

Not all places are globalised and their degree of globalisation varies. The KOF Index (Figure 3 on page 12) measures the degree of globalisation of countries on an annual basis. It measures three aspects of globalisation:

- Economic globalisation measured by cross-border trade, investment and money flows.
- Social globalisation measured by international telephone calls, tourist flows, resident foreign population and access to foreign internet, TV, media and brands.

- Political globalisation measured by foreign embassies in a country, the number of international organisations the country is a member of and trade and other agreements with foreign countries.

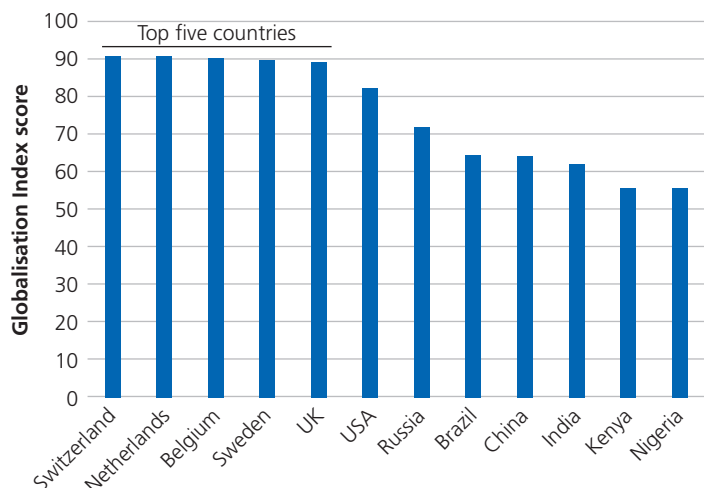


Figure 3 The most globalised countries from the 2020 KOF Index

Figure 3 shows that the top five most globalised countries are European, relatively small and involved in import/export trade. Many of the most globalised countries have culturally mixed populations and have many of their citizens living abroad, as well as foreigners living in their country. The USA is less globalised (ranked 25 in 2020) than might be expected but this reflects the large parts of the interior of the USA that are not well connected to the rest of the world.

The AT Kearney Global Cities Index measures how economically successful cities are. In 2020 London, New York, Paris, Tokyo and Beijing were ranked as the most successful global cities, reflecting their global political importance as well as their role in the global financial system.

## The role of TNCs

One of the main drivers in globalisation has been **TNCs**. These major companies have a global 'reach'. TNCs are important creators of wealth. As Table 3 shows, the largest TNCs have turnovers (sales) equivalent in size to those of large countries. Some, such as Walmart, employ enough people to populate an entire city. This gives them huge power. Investment decisions made by TNCs can be both a blessing and a curse.

Table 3 The world's five largest public TNCs compared to countries

World's five largest companies, 2020	Turnover in 2020 (\$ billions)	Employees 2020	Equivalent country by total GDP (\$) 2020
Walmart	559	2.2 million	Poland (580)
Amazon	386	1.3 million	Argentina (382)
Royal Dutch Shell	344	86,000	Bangladesh (348)
Apple	294	147,000	South Africa (282)
Volkswagen	282	304,000	Pakistan (276)

**TNCs** are transnational corporations — companies that operate in more than one country.

## Synoptic link

(P): TNCs have huge power as players, at a stroke bringing prosperity to new places or despair when businesses are closed.

Much of China's rapid economic growth has been fuelled by western TNCs locating manufacturing plants in its SEZs, creating jobs and boosting exports, taking advantage of China's economic liberalisation since 1978. Due to their complex global networks of production and sales, TNCs create connections that tie local and national economies into the global economic system. TNCs have contributed to globalisation by:

- **outsourcing** some parts of their businesses, usually administration and data processing, to third-party companies: Bangalore in India has become known as a location for TNC call centres and data processing
- **offshoring** some parts of their businesses to cheaper foreign locations, especially the special economic zones in Asian countries
- developing new markets: many TNCs that initially set up factories in Asia now sell their products there
- glocalisation: adapting brands and products to suit local market tastes. McDonald's is a classic example, which has adapted its products to suit the Indian market by not using beef, and offering spicy vegetarian products.

On the down side, TNCs have been accused of exploiting workers in the developing and emerging worlds by paying very low wages. Outsourcing jobs to the developing world can lead to job losses in developed countries. Local cultures and traditions can be eroded by TNC brands and western ideas.

## Switched off from globalisation

Most of the world is increasingly integrated into the globalised economy but some places remain 'switched off' and have only weak connections to other places. Table 4 summarises the reasons for this.

Table 4 Switched-off places

<b>Political isolation</b> North Korea has deliberately isolated itself from the rest of the world, shunning world trade and limiting the use of technologies such as mobile phones and the internet in pursuit of its own state ideology.	<b>Physical isolation</b> The Himalayan mountain countries of Nepal, Bhutan and Chinese Tibet are isolated by terrain and winter snow, limiting their connections to the outside world — although tourism is changing this.
<b>Economic isolation</b> Rural parts of Sub-Saharan Africa, especially the Sahel, are dominated by a subsistence farming economy with food produced to eat not to sell. These places are also poor, and their capacity to create connections is limited.	<b>Environmental barriers</b> Harsh desert climates, extreme polar cold and dense tropical forests all limit the development of transport and trade connections meaning continental interiors and polar regions are less well connected than coastal locations.

**Outsourcing** and **offshoring** are both ways of reducing business costs by moving parts of a TNC's business overseas. However, offshored parts are still owned by the TNC, whereas outsourced parts are not.

## Exam tip

Learn some key facts and figures about TNCs to use in the exam as data always help give your answers added weight.

## Knowledge check 5

Which was the world's largest TNC in 2020?

# Globalisation

A selection of questions that are representative of the ones you will encounter in A-level Paper 2 is given in this and the following sections.

## Question 1

(a) Study Table 1.

**Table 1** Data on the world's largest TNCs in 2016

World's 500 largest TNCs in 2016 by country of origin		World's 10 largest TNCs in 2016 by revenue	
Country	Number of TNCs	TNC name	Revenue (US \$ billions)
USA		Walmart	482.1
China	103	State Grid	329.6
Japan	52	CNP	299.3
France	29	Sinopec	294.3
Germany	28	Royal Dutch Shell	272.2
UK	26	Exxon Mobil	246.2
South Korea	15	VW	236.6
Switzerland	15	Toyota	236.6
Netherlands	12	Apple	233.7
Canada	11	BP	225.8
Other countries	75		
<b>TOTAL</b>	<b>500</b>	<b>TOTAL</b>	<b>2856.4</b>

Calculate the following using the data in Table 1.

(4 marks)

- The number of TNCs that originate in the USA.
- The percentage (%) of TNCs that originate from China.
- The mean revenue of the 10 largest TNCs.
- The difference in revenue between Walmart and BP.

Part (a) is a skills question, using the information in Table 1. It requires some careful maths (you are allowed to use a calculator) and should not be rushed. The calculations are not demanding but you do need to be accurate. Calculate your answers to one decimal place.

### Student answer

(a)

- 134
- 20.6%
- \$285.6
- \$256.3

**4/4 marks awarded** The calculations are all correct so the answer scores full marks. The answer to (a)(i) is calculated by adding up the values in column two and subtracting this value from 500. The answer to (a)(ii) is a simple percentage calculation  $103 / 500 \times 100 = 20.6\%$ . The answer to (a)(iii) simply involves shifting the decimal place in the total revenue cell because there are ten TNCs (alternatively add up the ten revenues and divide by 10). The answer to (a)(iv) involves subtracting 225.8 from 482.1 to find the difference.



**(b) Assess the extent to which local groups and NGOs can offset some of the negative consequences of globalisation.**

(12 marks)

Part (b) is an extended writing question that is marked in levels. 'Assess the extent' means 'how far' so your answer needs to be evaluative in style. Both local groups and NGOs need to be mentioned, and high-quality answers will also consider other groups and players that perhaps cause some of the negative consequences of globalisation. Is the work of local groups and NGOs enough to offset these consequences? Rather than thinking about negative consequences as being one thing, it needs to be split into social, economic and environmental aspects. Examples need to be used to support your answer to give it the required depth. The levels mark scheme for 12-mark questions is shown below.

<b>Level 1</b> <b>1–4 marks</b>	<ul style="list-style-type: none"> <li>■ Demonstrates isolated elements of geographical knowledge and understanding, some of which may be inaccurate or irrelevant.</li> <li>■ Applies knowledge and understanding of geographical information/ideas, making limited logical connections/relationships.</li> <li>■ Applies knowledge and understanding of geographical information/ideas to produce an interpretation with limited relevance and/or support.</li> <li>■ Applies knowledge and understanding of geographical information/ideas to make unsupported or generic judgements about the significance of few factors, leading to an argument that is unbalanced or lacks coherence.</li> </ul>
<b>Level 2</b> <b>5–8 marks</b>	<ul style="list-style-type: none"> <li>■ Demonstrates geographical knowledge and understanding, which is mostly relevant and may include some inaccuracies.</li> <li>■ Applies knowledge and understanding of geographical information/ideas logically, making some relevant connections/relationships.</li> <li>■ Applies knowledge and understanding of geographical information/ideas to produce a partial but coherent interpretation that is mostly relevant and supported by evidence.</li> <li>■ Applies knowledge and understanding of geographical information/ideas to make judgements about the significance of some factors, to produce an argument that may be unbalanced or partially coherent.</li> </ul>
<b>Level 3</b> <b>9–12 marks</b>	<ul style="list-style-type: none"> <li>■ Demonstrates accurate and relevant geographical knowledge and understanding throughout.</li> <li>■ Applies knowledge and understanding of geographical information/ideas logically, making relevant connections/relationships.</li> <li>■ Applies knowledge and understanding of geographical information/ideas to produce a full and coherent interpretation that is relevant and supported by evidence.</li> <li>■ Applies knowledge and understanding of geographical information/ideas to make supported judgements about the significance of factors throughout the response, leading to a balanced and coherent argument.</li> </ul>