

Regionalism & Globalisation



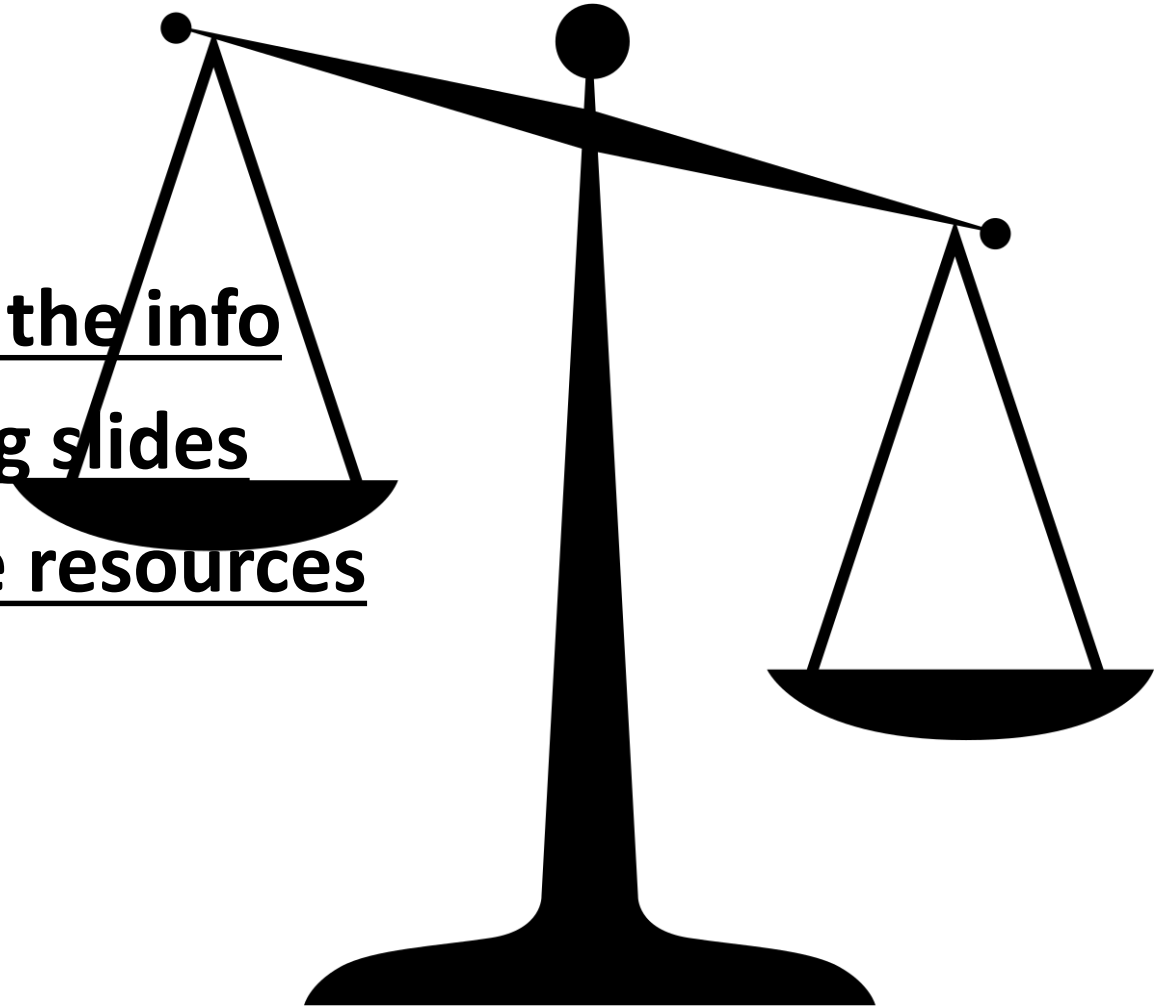
What is regionalism?

- Regionalism is when states within a particular geographical region pool resources within a single institution. These result in the formation of political & economic organisations.
- Typical examples of regionalism in action are the
 - EU
 - ARAB LEAGUE
 - NAFTA

Regionalism's impact on Globalisation

Pros and Cons

Make a note of the info
on the following slides
and refer to the resources
when directed



1st Positive

Economic Impacts

- Most economists argue that the economic benefits of globalisation, helped by regionalism are positive.
- Read the article and note down what you think are the three most important aspects of Globalisation which held the economy. Explain your answers.

2nd Positive

Pooling Resources

- Certain problems are better dealt with on a multi-national scale
 - 1: Environment
 - 2: Security
- 3: Preventing states from helping TNC's in the 'race to the bottom' and thereby ensuring a 'level-playing field'

3rd Positive

Helping Smaller States

- Small states can benefit from allying themselves with a larger regional institution.
E.G As part of the EU Malta (a state of only 430,000 people) can make a trade deal with China (which has 1.3 billion citizens) which it may not have been able to do if it was negotiating by itself.

1st Negative

Democratic Deficit

- Signing up to regional institutions can have side effects on industries and communities which no one wanted or expected. This is the ‘sovereignty’ argument
- Example One: Free Movement via the EU has had significant effects on some communities (750,000) Polish emigrated to Britain
 - Example Two: By signing up to NAFTA many American jobs were subsequently outsourced to Mexico

2nd Negative

Cultural Homogenisation

- Read the article on your resource and answer these questions
- 1: What is meant by cultural homogenisation?
 - 2: Give two examples
- 3: Can you think of any examples to counter the point made by the article? Any examples of other cultures/industries which have made significant inroads into America?

3rd Negative

Variation within regionalism

- Remember what we said about regionalism being a prevention for TNC's racing to the bottom...
- Well there can still be variations within regions. E.G Corporation Tax is 10% in Bulgaria and 33% in France and yet both countries are in the EU, so in theory Bulgaria is more attractive to business than France.

Look at the table on your resource

- Decide if you think there is a future for greater regionalism (select at least three from the side you find more convincing and explain why)

