GAN ENG SENG SCHOOL
Humanities Department – Social Studies
"To nurture knowledgeable and committed citizens with a global outlook and skills for the future"

Name: ___________________________ (   ) **Class:** _______ **Date:** _______

Social Studies

Issue 3

Chapters 8 & 9

Summary Notes

Note: These summary notes contain samples of how you can provide Examples and Explanations for a Structured Response Question.

These notes are meant to supplement studying of the Social Studies Coursebook.

Issue 3: Being Part of a Globalised World

Guiding Questions	Core Content

8. What are the factors that contribute to globalisation?	• Driving forces of globalisation
	  ○ Technological advancements
	    ❖ Developments in transportation
	    ❖ Developments in digital technology
	  ○ Growth of multinational corporations (MNCs)

9. How can we respond to the economic impacts of globalisation?	• Economic impacts of globalisation
	  ○ Economic growth vs Economic vulnerability of countries
	  ○ Employment opportunities vs Employment challenges of individuals
	• Responses to economic impacts of globalisation
	  ○ Government support
	  ○ Acquisition of skills and knowledge by individuals

Summary Notes for Chapter 8: <u>What are the Driving Forces that Increase the Pace of Globalisation?</u>

Globalisation refers to the increasing **interconnections** and **interdependence** between people and ideas in different parts of the world.

<table>
<tr><th rowspan="2">POINT</th><th colspan="2">Technological Advancements</th><th rowspan="2">Growth of multinational corporations (MNCs)</th></tr>
<tr><th>Developments in transportation</th><th>Developments in digital technology</th></tr>
<tr><td>EXAMPLE</td><td><u>Modes of Transport</u>
• There has been an improvement in the speed, capacity and cost of different modes of transport.

• For example, the proposed KL-Singapore High-Speed Rail l (HSR) can travel at up to 350km/h. Container ships can transport large volumes of good efficiently in standardised, stackable containers, while low-cost airlines like Scoot allows people to travel cheaply.

<u>Transport Infrastructure</u>
• We are also developing more efficient and integrated transport infrastructure.

• For example, Changi Airport is building Terminal 5 to handle more flights. We also have discussions with Malaysia to build the KL-Singapore High-Speed Rail.</td><td><u>Digital Technology</u>

• Advances in digital technology have facilitated communication between people, businesses and countries.

• For example, more and more people in the world are getting access to the Internet.

• The invention of smartphones has also led to the development of various social media platforms like WhatsApp or Instagram.</td><td>• MNCs are large corporations that operate in various countries.

• As MNCs grow in number and size, they control more aspects of international trade and investment.

<u>Starbucks</u>
• For example, Starbucks sources coffee beans from more than 30 countries before roasting them in the US. The roasted beans are then delivered to their outlets globally and made into coffee drinks.</td></tr>
<tr><td>EXPLAIN (SAMPLE)</td><td><u>How this leads to increased globalisation:</u>

• Developments in transport thus overcome the barrier of distance and make it cheaper, easier and faster for more people and goods to travel from place to place.

• This increases the interconnections between people and ideas in different parts of the world and create more interdependent relationships.</td><td><u>How this leads to increased globalisation:</u>

• The Internet allows people to access information on any topic from all over the world. This keeps them connected on what is going on elsewhere. There is a flow of ideas across the world.

• Smartphones and communication platforms also allow people to communicate on the go and stay in touch with overseas friends. This facilitates the maintenance of interdependent relationships across different parts of the world.</td><td><u>How this leads to increased globalisation:</u>

• The growth of MNCs thus create employment and bring in new technologies to the countries they have activities in. In return, the MNCs benefit from lower costs of labour and resources.

• As MNCs grow, they increase economic interconnections between different parts of the world as employees collaborate and exchange ideas.

• Interdependence grows as events like a workers' strike in one country can affect the supply of coffee in other parts of the world.</td></tr>
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Summary Notes for Chapter 9: What are the Economic Impacts of Globalisation?

<table>
<tr><th rowspan="2">POINT</th><th colspan="2">Countries</th><th colspan="2">Individuals</th></tr>
<tr><th>Economic Growth</th><th>Economic Vulnerability</th><th>Employment Opportunities</th><th>Employment Challenges</th></tr>
<tr><td>EXAMPLE</td><td><u>Economic Growth</u>
• Globalisation can lead to economic growth for countries.

<u>Foreign Direct Investment (FDI)</u>
• Globalisation leads to more foreign direct investment (FDI). For example, foreign companies like Hyundai invest money and employ people to set up a factory to make electric vehicles in Singapore.

<u>International Trade</u>
• Globalisation leads to more international trade. For example, Singapore produces Huggies diapers, which are then shipped globally to more than 20 countries.</td><td><u>Russia-Ukraine Crisis</u>
• Interconnections and interdependence make our economy vulnerable to events in other countries.

• For example, the Russia-Ukraine Crisis led to rocketing energy and food prices, as they are key exporters of energy and crops.</td><td><u>Urban Hawker in NYC</u>
• Globalisation can lead to more employment opportunities for individuals.

• For example, Urban Hawker is a street food centre in New York City.

• Singaporean hawkers have found success opening stalls there selling Singaporean food like chicken rice.</td><td><u>Panasonic Retrenchment</u>
• Globalisation can lead to more employment challenges for individuals.

• For example, Panasonic closed its compressor manufacturing facility here, retrenching a third of the local workforce.

• The manufacturing was moved to existing facilities in Malaysia and China, cutting costs for the company.</td></tr>
<tr><td>EXPLAIN (SAMPLE)</td><td><u>How this leads to economic growth:</u>
• FDI creates jobs for locals.
• There is an exchange of ideas as locals learn from foreign talents and vice versa.
• There is also more tax revenue for the government, which can be used to improve infrastructure and further grow our economy.

• International trade allows us to produce more goods and services to sell not just locally, but to a broader international market.
• This increases our gross domestic product (GDP) and economic growth.</td><td><u>How this leads to economic vulnerability:</u>
• Singapore is highly integrated into the global economy and have little bargaining power due to our small size.

• When energy and food prices go up, they affect our cost of production of goods, making our products more expensive and less competitive in the global market.

• As our cost of living increases, Singapore households, companies and the government bear the cost, and our economy becomes collectively poorer.</td><td><u>How this leads to more employment opportunities:</u>
• By venturing overseas, our local hawkers can charge more as our dishes are viewed as speciality items there.

• Expanding to more markets overseas thus creates more jobs for Singaporeans and improve their income.</td><td><u>How this leads to more employment challenges:</u>
• Advancements in technology may cause some types of jobs to be automated as machines are increasingly used to perform work. Thus, individuals in these types of jobs may lose their jobs.

• With greater movement of labour, local workers may also face more competition from foreign labour in securing employment.</td></tr>
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Summary Notes for Chapter 9: <u>How can We Respond to the Economic Impacts of Globalisation?</u>

POINT	Government Support	Acquisition of Knowledge and Skills by Individuals
EXAMPLE	**<u>Economic Cooperation</u>** • Singapore promotes economic cooperation and free trade by signing **free trade agreements (FTAs)**. • For example, the **EU-Singapore FTA** removes tariffs on Singaporean products imported into the EU. **<u>Attracting and Making Foreign Investments</u>** • Singapore attracts foreign investments and help local companies invest overseas. • For example, **EnterpriseSG**, a government agency, helped local company **Secretlab** gain insights to foreign markets and expand to over 50 countries. **<u>Financial Support and Development of Expertise</u>** • During the Covid-19 crisis, the Singapore government introduced a $4 billion **Stabilisation and Support Package** to reduce business costs and support them to retain jobs and wages. • A $1.6 billion **Care and Support Package** provided cash for individuals, especially lower-income households, to meet their daily needs. • **IMDA's Go Digital programme** helped businesses digitise their operations.	**<u>Upskilling through SkillsFuture</u>** • Individuals can continually acquire new knowledge and skills throughout their life. • For example, Farhan lost his job in the aviation sector during the Covid-19 crisis. He then signed up for the **SkillsFuture Work-Learn Bootcamp** to **learn new tech skills**, and eventually found a job as a **software engineer**.
EXPLAIN (SAMPLE)	**<u>How this helps in responding to economic impacts of globalisation:</u>** • **FTAs** make our products more competitive and foster new business partnerships, letting us export more to different countries. This diversifies our exposure to different markets and increases economic growth. • **Helping local companies invest overseas** help them to produce and sell more products and hire more employees. This increases our GDP and enhances the international profile and reputation of Singaporean companies, making more companies wanting to invest with us. • **Financial support** from the government can cushion negative economic impacts of globalisation in the short term. This ensures companies survive and people continue to have jobs, while we wait for the global economy to recover.	**<u>How this helps in responding to economic impacts of globalisation:</u>** • By being **flexible** and keeping an **open mindset** on his career, individuals like Farhan can pick up new skills and **remain relevant** to growing industries and jobs. • They can then switch over to these new careers, which may have greater job stability or offer higher pay.