Your notes

GCSE Geography: revision notes

Globalisation, TNCs and tourism

Contents

1. Start here: globalisation
2. Transnational corporations (TNCs)
3. Changing employment and where industries locate
4. Tourism
5. Key terms
6. Quick questions
7. What to do next

Start here: globalisation

- **Globalisation** is the way countries and people are becoming more connected through trade, investment, travel, migration, culture and communications.
- Causes: cheaper and faster transport (container ships and planes), the internet and mobile phones, free trade agreements, and organisations such as the World Trade Organization (WTO) and the International Monetary Fund (IMF).
- Effects: more trade and choice, the spread of brands and culture around the world, and production spread across many countries.

Transnational corporations (TNCs)

- A TNC is a company that operates in more than one country, such as Nike, Apple or Toyota. It usually has its headquarters and research in a high-income country and its factories or assembly where labour and land are cheaper.
- Benefits to a host country: jobs, investment, new skills and technology, better roads and other infrastructure, and taxes.
- Problems: low wages and poor working conditions, profits going abroad, damage to the environment, and jobs that can leave if the TNC moves to a cheaper place.

Changing employment and where industries locate

- Industries are primary (raw materials), secondary (making goods), tertiary (services) or quaternary (research and information technology).
- In low-income countries most people work in the primary sector. As countries develop, manufacturing and then services grow. High-income countries have mostly tertiary and quaternary jobs.
- Industries locate near raw materials, energy, labour, markets and good transport, and where governments offer help. **Containerisation** has made it cheap to make goods far from where they are sold.

Tourism

- Tourism has grown because of higher incomes, more paid holiday, cheaper flights, the internet and more interest in visiting other cultures.
- The **Butler model** shows how a resort changes over time: exploration, involvement, development, consolidation, stagnation, then decline or rejuvenation. It helps plan for the future, but not every resort follows it.
- Benefits: jobs, money for the economy and for conservation, better infrastructure. Problems: jobs are seasonal and low-paid, profits leak to foreign companies, pollution and erosion, and local culture can be changed.
- Sustainable tourism, such as **ecotourism** in Costa Rica, uses small numbers of visitors, local guides and protected areas, so the environment and local people benefit.

Key terms

Globalisation	The growing connections between countries through trade, investment, travel and culture.
Transnational corporation	A company that operates in more than one country.
Quaternary sector	Jobs in research, development and information technology.
Containerisation	Moving goods in standard-sized containers on ships, trains and lorries.
Butler model	A model of how a tourist resort grows, peaks and then declines or is renewed.
Ecotourism	Tourism that protects the environment and benefits local people.
Leakage	Tourist money that goes to foreign companies instead of staying in the local economy.

Quick questions

Cover the answers and test yourself: remembering is what makes it stick.

1. Which has helped globalisation most?
2. What is a TNC?
3. Which is a benefit of a TNC for the host country?
4. Which is a problem TNCs can cause?
5. Which sector do research and IT jobs belong to?
6. Where do most people in low-income countries work?
7. Which stage comes first in the Butler model?
8. What is leakage in tourism?

Your notes

Answers

1. Cheaper transport and the internet
2. A company that operates in more than one country
3. New jobs and investment
4. Profits going abroad
5. Quaternary
6. The primary sector
7. Exploration
8. Tourist money going to foreign companies

What to do next

Practise 10 questions on this topic

Try 3 exam questions, with mark schemes

Read the lesson, one step at a time

Free revision for GCSE and KS3 at lycolearn.co.uk. Some notes are for one exam board only, and say so in brackets.

Your notes