

## Chapter 14 Global Awareness



**Figure 14-1** The glamour and style of the fashion industry (left) contrasts with the reality for many workers in the clothing industry. The photograph at the top right shows sweatshop workers in a clothing factory in Guangzhou, China. They work long, hard days to turn out apparel for consumers in developed countries. A few successful campaigns against sweatshops have helped make consumers aware of sweatshop conditions. But all clothing factories are not sweatshops. The workers in the bottom photograph are employed by American Apparel in Los Angeles. This company says it can make money without overworking and underpaying employees.

## CHAPTER ISSUE

### To what extent does global awareness affect quality of life?

MOST PEOPLE IN DEVELOPED countries, including Canada, enjoy the benefits of globalization, such as cheaper clothing, vehicles, and electronics. More people in these countries can afford to buy items that were once considered luxuries. But if some people have benefited from globalization, others have not.

Examine the photographs on the previous page and respond to the following questions:

- What similarities do you see between the workers in Guangzhou and the workers in Los Angeles? What differences do you see?
- Which group of workers do you think has benefited more from global awareness?
- If you were planning to buy a T-shirt, would being aware that it was manufactured in a sweatshop affect your purchasing decision?
- If you decided not to buy a T-shirt because it was made in a sweatshop, how might your decision affect the sweatshop workers?
- Do you think these photographs fairly represent the fashion industry in a globalizing world?

#### KEY TERMS

ingenuity gap

gender gap

labour standards

#### LOOKING AHEAD

In this chapter, you will explore answers to the following questions:

- How has globalization affected awareness of issues?
- How has global awareness affected gender issues?
- How has global awareness affected labour and employment issues?
- How are global awareness and quality of life related?



### My Point of View on Globalization



At the beginning of Related Issue 3, you recorded your views on whether the effects of globalization have been largely positive, largely negative, or somewhere in between. Has your view changed since then? Use words or images — or both — to show whether your view has changed or stayed the same.

Record your ideas in your notebook, learning log, portfolio, or computer file. Date your ideas and record them so that you can continue to return to them as you progress through this final related issue.

# HOW HAS GLOBALIZATION AFFECTED AWARENESS OF ISSUES?

**CHECKBACK**

The role of the Internet in expanding globalization by improving communication technology was introduced in Chapter 2.

**VOICES**

We are interacting more because we travel more, e-mail more, and trade more. People are gaining access to other peoples and cultures at greater speeds than ever before and in ways never before possible. Such access forces people to engage in a changing world as the globalization process picks up momentum.

— Duane Bajema, professor at Dordt College, Sioux Center, Iowa, 2006

Thomas Friedman, an editorial writer for the *New York Times*, delivers a mixed verdict on the Internet, a tool that many Canadians rely on to understand the world. Friedman argued that “at its best, the Internet can educate more people faster than any other media tool we ever had. At its worst, it can make people dumber faster than any other media tool we ever had.” He goes on to point out that uninformed people “don’t realize the Internet at its ugliest is an open sewer: an electronic conduit for untreated, unfiltered information.”

## Some Ripple Effects of Globalization

Without question, the Internet — an important tool in the globalizing process — has provided many people with opportunities to make global connections. Users can tap into vast quantities of information and opinion. The popularity of blogs and social networking sites shows that Internet users welcome this opportunity. Individuals and organizations can present their understandings of the world to any who will listen.

But for critics like Thomas Friedman, these opportunities to present information also represent opportunities to reinforce ignorance. Information drawn from the Internet often lacks context and may be unreliable. On any controversial topic, a search will locate a range of points of view and perspectives. It is sometimes hard to judge which points of view are thoughtful, unbiased, and based on sound research and logic. And though the media and the Internet connect people around the world and provide

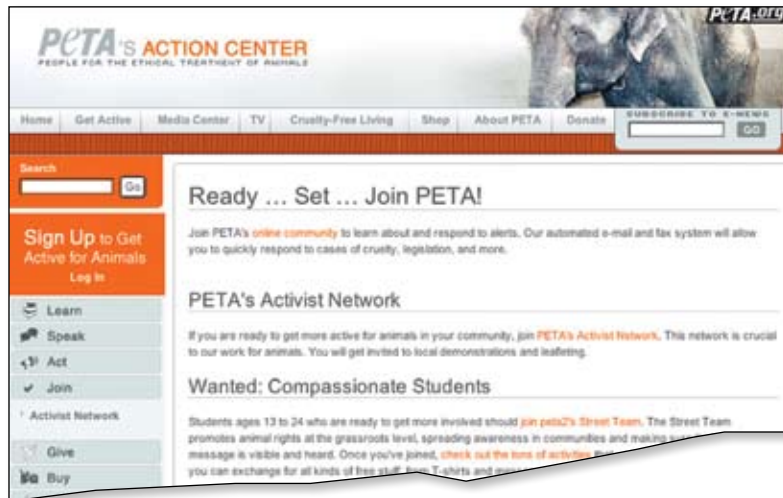


Figure 14-2 This is a page from the web site of People for the Ethical Treatment of Animals, one of many organizations that exist to share ideas about animal welfare and rights. What are some criteria you could use to judge the validity of the information found on web sites such as this?

access to a huge reservoir of knowledge and opinion, these communication technologies also link people to less pleasant aspects of human life, such as terrorism, poverty, human trafficking, and environmental degradation.

Think of a current controversial issue. What might be some unreliable sources of information on this topic? Where might you locate reliable information that you can use to develop an informed position?

Opportunities to expand one’s understanding of issues is one ripple effect of globalization. But there are also other

ripple effects. Global commerce, for example, now takes place 24 hours a day. As a result, the number of hours Canadians work has increased. Between 1998 and 2005, the average workweek of Canadians rose to 46.3 hours from 44.6 hours.

In addition, to stay connected and competitive, people must constantly update their technological know-how and equipment. In some respects, technology ties people down by requiring greater and greater investments of time and money.

Darin Barney, the author of *Prometheus Wired: The Hope for Democracy in the Age of Network Technology* and a McGill University professor who specializes in studying the relationship between technology and citizenship, told an interviewer: “Technological mythology leads us to believe that technologies arise, as if by magic, to address pre-existing needs and to provide solutions to pre-existing problems. In reality, technologies tend to create more needs than they address . . . Was the ability to engage in phone conversation while riding the bus really a pressing social need prior to the arrival of the cellular phone, or did our perception of that as a need arise after this technology became widely available?”

Based on your own experience, identify one unexpected consequence of globalization for individuals or society in general. Discuss your ideas with a partner or small group.

## Web Connection



To hear Darin Barney's provocative views on people's relationship with technology, go to this Web site and follow the links

[www.ExploringGlobalization.ca](http://www.ExploringGlobalization.ca)

## Ideas

### Can people be too globally connected?

The students responding to this question are Katerina, who lives in St. Albert and whose grandparents emigrated from Ukraine in 1948; Gord, a member of the Beaver First Nation near High Level; and Tom, a fourth-generation Albertan who lives on a ranch near Okotoks

Sometimes I feel that there is just too much information to handle. I look around and I see all kinds of problems and issues, and I don't know what to make of them. Should I do something? Ignore the problem? Join a group? I just don't know how to figure out which problems are important — and which aren't. I don't know how to decide on priorities. I need some way of filtering information so that I can focus on what's important and where I can actually make a difference. I know that globalization is affecting me directly, but I'm at a loss about what I should do.



Katerina

It's important to be connected so that we know what's going on and so we have a forum where our voices can be heard. Look at the situation for First Nations. If we talk about issues that concern us, there are so many voices out there that our voices can barely be heard. But if we join other Indigenous peoples from around the world who share our concerns, we have a much louder voice together. Being globally connected is just the first step. After that, people and groups need to use the connections to achieve their goals.



Gord

What I try to do is be careful about how I connect to the rest of world. I filter the information I get by connecting to people and places that I think will help me reach my goals. I have my favourite web sites, magazines, and TV programs, and I don't get upset about what I'm missing. After all, I can only handle one problem at a time. Maybe I don't know about everything that's going on, but I know about the things that are important to me.



Tom

## Your Turn

How would you respond to the question Katerina, Gord, and Tom are answering? How can you find a balance between too much information and not enough? How might too much — or too little — information affect your life? Do you think you need to filter and organize the information you receive? Explain your ideas.

## The Ingenuity Gap

Canadian political scientist Thomas Homer-Dixon uses the term **ingenuity gap** to refer to the gap between people's *need* for new and innovative solutions to problems and their *ability* to supply those solutions. He says that people often rely on scientists or entrepreneurs to come up with innovations that will solve the problems faced by societies. After all, globalization has provided a world full of resources and people with great ideas. In the past, this ingenuity has helped raise productivity and solve problems. But what happens if the problems remain unsolved? This “gap” is dangerous to a society, says Homer-Dixon, especially if it goes on for a long time. Over time, the problems tend to become more complex and urgent.

Homer-Dixon suggests that four factors can become hurdles that prevent problem solving.

- **Market failure** — The market does not provide opportunities for businesses to make money, perhaps because the necessary resources are not available.
- **Shortage of capital** — Financial and human resources are not available to solve the problems.
- **Science cannot operate** — Scientific research cannot be conducted for reasons such as lack of funding or the controversial nature of the topic being explored.
- **Social conflict** — In times of turmoil, groups take action to protect their own interests rather than the interests of society as a whole.

According to Homer-Dixon, people in developed countries are more likely to be able to overcome these hurdles. In developing countries, people struggle because market forces are often weaker and less money is available. In addition, developing countries are more likely to be dealing with internal conflicts that create instability.

In a globalizing world, people have the opportunity to observe the ingenuity gap in other places and to become aware of the problems various societies are trying to solve. But many observers are pessimistic about the outcome. They believe that the world is too fast-paced, too complex — and too dangerously close to spinning out of control.

**Figure 14-3** Poverty is a problem that often forces people to live on the streets. The photograph on the left shows homeless men in Jammu, India, suffering through a month-long cold spell that killed 1600 people in 2003. The photograph on the right shows homeless people in Edmonton sleeping in public transit stations. How do these photographs illustrate the ingenuity gap?



### REFLECT AND RESPOND

With a partner, brainstorm to create a list of ways you use to develop your awareness of other places, people, and events. On your list, note specific sources, such as web sites, blogs, TV programs, radio stations, newspapers, books, and magazines.

Then organize the items on your list into categories, such as culture, recreation, entertainment, and hard news. Analyze your results to provide a snapshot of your connections to the wider world. Write a statement that assesses your level of global awareness.

## HOW HAS GLOBAL AWARENESS AFFECTED GENDER ISSUES?

Over the past several decades, awareness of gender roles has steadily increased. Many countries have taken steps to reduce the **gender gap**, the social, economic, and political differences that separate men and women. Actions have included guaranteeing human rights for females, increasing access to education for girls, and improving health care for girls and women. The importance of this trend was noted in 1984 when the United Nations set up the Development Fund for Women to promote gender equality and empowerment initiatives for women. Yet many analysts agree that progress toward gender equality has been slow and inconsistent.

A 2005 study by the World Economic Forum measured the extent to which women in 58 countries had achieved equality with men in terms of economics, politics, education, and health care. Selected results are shown in Figure 14-4. Countries were scored on a scale of 1 to 7, with 7 representing full gender equality. Why do you think Canada didn't rank higher?

What geographic patterns do the data in Figure 14-4 reveal? Describe and explain these patterns. What did you find most surprising about the rankings? Explain why. The highest-ranked country on the list scored only 5.53. What do you think this means?

### Gender Issues and Communication Technologies

Many of the improvements in gender equality have come about because women's organizations have used communication technologies to share ideas, information, and documents. Access to reliable information is an important factor in developing effective programs and raising awareness among target populations. Communication technologies also enable people to participate in making decisions about issues that affect them. Even in areas where computer networks are not available, organizations have been able to use other communication methods, such as faxes and radio.



**FYI**

A World Health Organization study has revealed a strong link between female literacy and changing social conditions. In countries where the female literacy rate increased by 10 per cent, family size dropped by 10 per cent, child death rates shrank by 10 per cent, and wages rose 20 per cent.

Figure 14-4 The Gender Gap in Selected Countries

Country	Rank	Gender Gap Score
Sweden	1	5.53
Norway	2	5.39
Iceland	3	5.32
Denmark	4	5.27
Finland	5	5.19
New Zealand	6	4.89
Canada	7	4.87
United Kingdom	8	4.75
Germany	9	4.61
Australia	10	4.61
United States	17	4.40
Costa Rica	18	4.36
Colombia	30	4.06
South Africa	36	3.95
Japan	38	3.75
Zimbabwe	42	3.66
Italy	45	3.50
Mexico	52	3.28
India	53	3.27

Source: World Economic Forum

Figure 14-5 Women march in São Paulo, Brazil, to mark International Women's Day, 2006. Women's organizations often deal with broad issues, including peace and security. Why do you think women link peace and security to gender equality issues?

**Figure 14-6** These children from a disadvantaged area of New Delhi, India, attend an informal computer education program sponsored jointly by American and Indian organizations. Why do you think it is important to educate children in using computers? How might this qualify as a women's issue?



### The communication gap

One difficulty faced by women's organizations is that some of their members, as well as many of the people they are trying to reach, do not have access to contemporary communication technologies. This is especially true in developing countries and among groups that are at the margins of society. When members of these groups try to use technologies, they face barriers such as social and cultural expectations, language difficulties, and

lack of education and money. As a result, women tend to have less access to communication technologies than men, and less ability to use these technologies in a way that meets their needs. Does this conclusion seem to apply to females you know? Why or why not?

A variety of programs have been initiated to try to close the gap for women. In Uganda, for example, the Women of Uganda Network set up a computer-training centre for rural women. Among their difficulties is the lack of telephone land-lines in the area. How might money and modern technologies overcome the lack of land-lines?

## PROFILE

### JIN TING ZHAO — CONNECTED TO THE WORLD

While in junior high school, Jin Ting Zhao sang "O Holy Night" for a local radio contest. Her performance caught the attention of an Edmonton music producer who had connections in Taiwan, and the Edmonton teenager was soon recording — in Mandarin — songs that became hits halfway around the world.

Jin Ting didn't need to live in Taiwan to record her CDs. Because of advances in communication technologies, she was able to write and record the basic tracks in Edmonton with lyrics that were written in Taiwan. Instrumentation was added in recording studios in Calgary and Los Angeles. MP3 files of the songs were then sent over the Internet to Taiwan for final mixing in Taipei. Jin Ting's first CD, titled "Lying Tears," came out in 2002. She now has two CDs to her credit, as well as videos, and even a public service message for the government.

Jin Ting said, "Learning to adapt Western-style songs to Chinese is a bit hard, and when I went to do concerts and videos, I had to learn a lot about Taiwanese culture. People there have very different ideas about pop music and celebrities than we do here in Canada."



**Figure 14-7** Jin Ting Zhao was born in Shanghai, China, in 1985 and immigrated to Canada with her family when she was three years old. While living in Canada, she has used the opportunities provided by global communication technologies to develop a career as a singer in Taiwan.

## Women in Government

One goal of groups that focus on gender equality is to encourage women to play a greater role in politics. The first woman to sit in a national legislature was elected to the Finnish parliament in 1907. In Canada, the first woman to sit in the House of Commons was elected in 1921.

Since then, more women have entered politics, but by 2007, no national legislature included 50 per cent women — even though women make up roughly half the population of most countries. Rwanda had the highest proportion of women parliamentarians: 48.8 per cent. If women form roughly 50 per cent of the population, why do you suppose they do not hold half the elected positions in governments?

Examine the information in Figure 14-9. If this graph were your only source of information about the status of women in Canada, what conclusion(s) might you reach? What information would you need to develop a more complete picture of the status of women in this country?

## Women and Employment

Employment equity in Canada and other countries continues to be a concern. In 1967, Canadian women who worked full-time outside the home earned only 58.4 per cent as much as men. Since then, the gap has been reduced by campaigns to correct this inequity and laws requiring women to receive equal pay for work of equal value. But a gap continues to exist. In 2003, women earned 71.2 per cent as much as men, a figure that had remained largely unchanged since 1990.

Women are also striving to rise to leadership positions. In 2006, only 5.4 per cent of the top earners at Canada's 500 top corporations were women, and only 15.1 per cent of top corporate positions were filled by women. "Overall, women remain largely excluded from the key jobs that signal corporate power and influence, despite comprising nearly half of the Canadian labour force and more than one-third of all management roles," said Deborah Gillis, executive director of Catalyst Canada, the research organization that studied the situation.

The need to balance paid and unpaid work has contributed to women's struggle to achieve economic equality. Statistics suggest that women in Canada spend an average of 4.3 hours a day doing unpaid work, such as housework and caring for children, compared to 2.8 hours spent by men. How might this unpaid work affect women's earnings and their ability to forge a career?

### REFLECT AND RESPOND

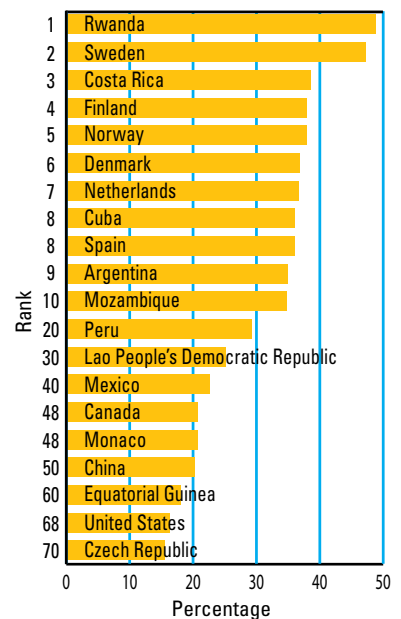
Examine the cartoon. What is the cartoonist's message? What techniques has the cartoonist used to communicate this message? Suggest a change that would make the message more powerful.

Create a cartoon commenting on the fact that women hold only 20.8 per cent of the seats in Canada's House of Commons, even though they make up 51 per cent of the population.

Figure 14-8 First Women Parliamentarians in Selected Countries

Year	Country
1907	Finland
1911	Norway
1917	United States, Sweden
1921	Canada
1945	France
1946	Japan
1952	Mexico, India
1957	Egypt
1973	Bangladesh
1993	Russia

Figure 14-9 Percentage of Women in National Parliaments in Selected Countries, 2007





# INITIATING CONFLICT RESOLUTION STRATEGIES

In February 2007, Asmahan Mansour, an 11-year-old soccer player from Ottawa, was given a choice — remove her hijab or forfeit her chance to play in a tournament in Laval, Québec. Mansour is Muslim and, in keeping with religious tradition, wears a hijab to cover her hair. The referee said that the hijab violated a no-headgear rule that was in place to ensure players' safety. The Québec Soccer Federation supported him. Mansour's team, and three others from the Ottawa area, quit the tournament in protest.

This incident sparked a lively debate in Québec and the rest of Canada about what "reasonable accommodations" should be made for ethnic, cultural, and religious minorities. Québec soccer officials held firm to their decision, citing international rules that prohibit jewelry and articles of clothing that may be a safety hazard. Meanwhile, Ontario soccer officials said that they allow players to wear a hijab as long as it is safely tucked in and secured.

This incident shows that when people hold strong views on an issue, conflicts can arise. When this happens, it helps to be aware of strategies that can be used to resolve differences. The goal is to help all sides understand the views of the others and to work toward making accommodations that will allow everyone to get along peacefully.

Form a group and select an issue that students at your school feel strongly about (e.g., a rule banning cellphone use during school hours). Divide the group in half. One half will argue one position, and the other will argue another. Follow these steps to arrive at a peaceful resolution. The same steps can help you resolve conflicts in other situations.

## Steps to Initiating Conflict Resolution Strategies

### Step 1: Clarify each person's position on the issue

Begin by giving the members of each group an opportunity to clearly set out their position on the issue. This should include a description of how the conflict has affected them.

As you explain your position, practise positive speaking.

- Make no accusations.
- Assign no blame.
- Use no degrading or abusive language.

As you listen to the other party's position, practise positive listening.

- Listen actively.
- Allow all voices to be heard.
- Ask questions when you need clarification.

### Step 2: Check understanding

Listening does not always ensure hearing. Avoid misunderstanding by

- echoing or repeating what you think you heard said
- rewording your position until the other parties are satisfied that they have understood (use different language rather than merely repeating what wasn't understood)

### Step 3: Identify points of agreement

Select one person to record ideas as they are presented. Allow everyone opportunities to suggest changes to what is recorded. Then brainstorm to find a middle ground or consensus. Part of this step might involve trying to identify other positions that people may have on the conflict. The goal is to find a course of action that will accommodate to a reasonable extent the differences in positions on the conflict. But realistically, people may not find an accommodation they can support. In this case, the resolution may be that the parties agree to disagree.

### Step 4: Share responsibilities

On the basis of the ideas that emerge and are accepted in Step 3, all parties to the conflict identify some actions that they could take to help resolve the conflict or solve the problem. These actions should be realistic and show a clear willingness to settle the dispute. A timeline for carrying out the actions should be discussed, and if necessary, a written agreement might be drafted and signed. The agreement might include statements about how future disagreements will be handled.

### PRINCIPLES OF CONFLICT RESOLUTION

#### Listen actively

You must hear what the other parties in a conflict are saying before you can understand their position. Listening actively helps you pay attention to what they are saying, both through their words and body language.

#### Think, then react

Reacting quickly to what others are saying often makes matters worse. Think about what is said, then consider the most effective response.

#### Attack the problem, not the person

Conflict brings out strong emotions. People often respond by focusing on the people on the other side of the conflict, rather than on what is causing the conflict.

#### Accept responsibility

Blaming others rarely helps resolve conflicts. Instead, it creates anger and resentment. Every conflict has many facets, and all parties must accept their share of the responsibility for the conflict.

#### Communicate directly

Use “I” messages to express your thoughts and concerns. Avoid “you” messages that blame or criticize the other person. It is more helpful to say, “I need more information,” than “You don’t give me enough information.”

#### Work to understand

Try to understand what is important to all sides, and what outcomes will work for everyone.

#### Focus on the future, learn from the past

For the conflict to be resolved, the problems that created it must be addressed. All sides must consider what must be changed to eliminate the problems. The future must be different from the past, or the conflict will continue.

### Summing up

Suppose you were asked to develop a conflict resolution process to help those involved in the situation with Asmahan Mansour. Draft a plan of action that includes a list of those you would invite to the conflict resolution session, how you might help them express their positions on the issue, and how you might proceed if the sides agreed to disagree. What do you think would be an appropriate resolution to the situation?



## CHECKBACK

In Chapter 2, you explored the banana trade and how it illustrates the forces of globalization.

## FYI

An estimated one-third of the world's labour force is either unemployed or underemployed. This means that they earn less than they need to keep their family out of poverty.

## Web Connection



To find out more about the goals of the International Trade Union Confederation, go to this web site and follow the links.

[www.ExploringGlobalization.ca](http://www.ExploringGlobalization.ca)

**Figure 14-10** Demonstrators representing the Québec Federation of Labour and the province's teachers blocked access to the port in Québec City in 2003. They were protesting against forthcoming provincial legislation that they believed would limit their collective-bargaining power.



# HOW HAS GLOBAL AWARENESS AFFECTED LABOUR AND EMPLOYMENT ISSUES?

Canadians enjoy cheap bananas because of trade connections between this country and banana-producing countries such as Ecuador. But the bananas that arrive in Canadian supermarkets are often produced at a high cost to workers in many banana-producing countries. More and more people are becoming aware of intricate connections and relationships like these — and some are uncomfortable with what they reveal.

## Unions and Collective Bargaining

In the era of globalization, unions have often been under attack. In many countries, the power of unions has been undermined by the perceived need for national economies to be lean and competitive. Unions are viewed as contributing to rising manufacturing costs and promoting “special interests” — those of their members — over the interests of consumers, corporations, and some governments.

Around the world, union membership has fallen sharply over the past several decades. In many countries, less than 20 per cent of workers are union members. In 2006, for example, only 12 per cent of American workers belonged to unions, down from 35 per cent in the 1950s. In Canada, the rate of union membership is higher, but it has also been declining. Nearly 36 per cent of the workforce — excluding agricultural workers — was unionized in 1990. By 2006, this figure stood at about 30 per cent.

In large measure, this loss of union jobs can be linked to outsourcing, the shifting of low-skill, low-paying jobs out of developed countries to developing countries. Despite their reduced membership, unions continue to exert power and influence at the national and international levels.

## International initiatives

Although unions at the international level remain fragmented and have yet to gain real power, efforts are focused on changing this situation. Some unions are moving to create super-unions that cut across national borders and include larger populations. In 2006, for example, unions around the world united to form the International Trade Union Confederation to ensure that globalization does not erode workers' rights — and more.

In an effort to define a vision of society that is different from that now experienced by many workers, international unions are beginning to focus on campaigns geared toward safeguarding basic human rights and eradicating poverty. As long as major differences exist in wages and quality of life, unions say that all workers are vulnerable to the forces of globalization.

In what way does globalization present both challenges and opportunities for unions? How might the goals of international unions be different from those of the shareholders of transnational corporations? How might they be the same?

## Labour standards

Just about every meeting of the World Bank, the International Monetary Fund, or the G8 over the past decade has been accompanied by noisy and sometimes violent demonstrations. The protesters dislike globalization, but are particularly angry about how globalization threatens **labour standards**. Labour standards are measures that protect workers and the environment. Protesters say that international bodies such as the World Bank have done a great deal to protect investors but little to protect workers.

The protesters represent non-governmental organizations, activists, and unions. They have no policy-making authority — but their efforts to raise public awareness of labour issues have led to changes. They have pressured organizations to place labour standards on their agendas.

The IMF, for example, has made eradicating poverty one of its main goals, and transnational corporations have begun to develop codes of conduct to guide their actions. For its part, the International Labour Organization identified four “fundamental principles and rights at work,” which every country is expected to respect and promote. These principles and rights include

- freedom from forced labour
- freedom from discrimination in the workplace
- a ban on child labour
- the right to organize and bargain collectively

Despite these developments, the battle over labour standards continues, especially in developing countries. Governments and corporations continue to argue that setting high labour standards will reduce a country’s competitiveness. They believe that encouraging trade and investment will naturally lead to economic growth, which will be accompanied by improvements in working conditions.

Opponents of globalization counter by arguing that without labour standards, the “race to the bottom” increases inequality and suffering. They continue to demand that measures to encourage labour standards be tied to trade agreements and enforced with the same rigour as standards of commercial conduct.



**VOICES** 

While activists are commonly labeled anti-trade or anti-globalization, the vast majority actually protest current rules and practices. Rather than being anti-globalization, their movements are themselves global. Most seek a kinder, gentler globalization, one that spreads economic benefits to more people and protects the environment.

— J. Michael Adams and Angelo Carfagna, in *Coming of Age in a Globalized World*, 2006

**Figure 14-11** This banner on a Shell station in Managua, Nicaragua says, “Trademark seized by the law on behalf of 4200 banana plantation workers . . . victims of Nemagon.” A Nicaraguan court had ordered Shell to pay \$550 million (U.S.) to banana workers who were harmed in the 1970s by Nemagon, an insecticide manufactured by Shell and other companies. When Shell ignored the court order, a judge ordered the transnational’s Nicaraguan trademark seized as punishment. How is pesticide use connected to labour standards? Who — or what — else would be affected by this use of a toxic pesticide?

# THE FAIR-TRADE MOVEMENT

When you pay \$1.50 for a medium coffee at your local coffee shop, many people share in the proceeds. The retailer takes a substantial portion, the coffee importer gets something, a share goes to transportation companies, and the grower is also paid a small amount. But the market is set up so that very little of your money — only about 15 cents — ends up in the pockets of the growers or producers.

This situation is now changing. A rapidly growing movement is trying to create a fair price system so that farmers and producers will receive a return that reflects the value they add. Under fair trade, coffee producers are paid 28 cents of every dollar, and less money goes to the people who handle the product between the farm and the store. With this additional share of the revenues, producers can afford to live and work in a sustainable manner and invest in their businesses and communities. Many consumers have welcomed this development, and globally, purchases of fair-trade products are growing by about 20 per cent a year.

Started in 1964, the fair-trade movement has focused on raising consumer awareness of their relationship with producers. This movement has expanded to 20 developed countries and now includes more than 20 products, with coffee generating the largest sales. Products that meet fair trade standards carry a label like the one shown here. It identifies them as fair-trade-certified.



Figure 14-12 Fair Trade by the Numbers

Number of certified producer organizations	548
Number of countries with producer organizations	51
Number of registered traders	464
Number of companies licensed to sell fair trade products	550
Number of families benefiting from fair trade	1 000 000+

Source: Fair Trade Labelling Organizations International

## FAIR-TRADE PRINCIPLES AND PRACTICES



Figure 14-13 In 2006, Rica Lewis, a French clothing manufacturer, introduced fair-trade jeans. The jeans are made from cotton bought from African growers at prices well above current market prices. Would you be willing to pay more for your jeans because of fair-trade agreements? What criteria would you consider when making this decision?

The fair trade movement is based on the following ideas:

- **Fair price** — Member producers are paid a guaranteed minimum price and can receive credit based on harvest returns.
- **Fair working conditions** — Forced and child labour are prohibited and safe working conditions are promoted.
- **Democratic decision making** — Producers and workers democratically decide how to invest their fair-trade revenues.
- **Community development** — Producers and workers are encouraged to invest in community development projects, such as scholarships and training programs.
- **Direct trade** — Producers trade directly with importers as much as possible, reducing the number of handlers who take a share of the profits.
- **Safe environment practices** — Producers are encouraged to use environmentally sustainable methods that protect natural systems.

### A Growing Movement

For years, coffee was the main product sold through fair-trade organizations, and its share of the market remained small. Canadians, for example, drink about 40 million cups of coffee a day, or about 2.6 cups for every coffee drinker. But only about 2 per cent of coffee sold in Canada is fair-trade-certified. Still, as Figure 14-16 shows, this is changing as Canadians become increasingly aware of fair-trade products and make an effort to buy them. Have you purchased fair-trade coffee or other fair-trade products?

Ellen L. Lutz, executive director of Cultural Survival, an NGO focused on Indigenous peoples, said, “Of all the purposes of fair trade, perhaps the most important is educating consumers who have stopped asking questions. Free-market capitalism may be the dominant economic model in today’s world, but that does not guarantee that it is the only model, or even the best model.”

Figure 14-14 Estimated Retail Sales of Fair-Trade Products in Canada (Thousands of Dollars)

Product	2000	2001	2002	2003	2004	2005	2006 (Est.)
Cocoa products			485	1558	2175	3131	6557
Roasted coffee	4762	8320	12 750	19 913	28 164	41 046	66 000
Sugar		5	98	152	363	513	1520
Tea		192	431	590	909	1364	1700
Fresh fruit					419	568	NA
Sport balls					37	68	88
Cereals (rice, etc.)						93	160
Cut flowers						33	796
Total	4762	8517	13764	22 213	32 067	46 816	76 821

Source: Transfair Canada

The range of fair-trade products available in Canada is growing, as are their sales. And the number of companies licensed to use the fair-trade logo on their products is also growing. Some of the country’s large coffee chains are among the companies that are fair-trade-certified. They offer fair-trade coffee as an option for customers.

Figure 14-15 Number of Fair-Trade-Licensed Companies in Canada

Year	Number	Year	Number
1997	5	2002	97
1998	13	2003	110
1999	30	2004	124
2000	65	2005	155
2001	77	2006	185

Source: Transfair Canada

Figure 14-16 Awareness of Fair-Trade Coffee in Canada, 2001–2005

Year	2001	2003	2005
Aware of fair-trade coffee	11%	17%	27%
Purchased fair-trade coffee	4%	8%	16%
Purchased organic coffee	7%	8%	Unknown

Source: Coffee Association of Canada

### Explorations

- Analyze the statistical data in Figure 14-14. Identify and describe three trends. Predict the figures for the year 2015.
- List three new items you think could become products bought and sold under fair-trade agreements. Indicate how this would affect your purchasing power — the amount of a commodity you can buy for each dollar you spend.
- To what extent should you, as a consumer, be concerned about the way a product reaches the marketplace? Explain your position.
- Create a mind map showing the direct and indirect connections between the fair-trade movement and the globalization of the marketplace.

## The Knowledge Economy

The shift in the world's workforce as a result of globalization has created a division between workers who can use knowledge to generate ideas and those who cannot. The knowledge economy needs workers who can come up with innovative ideas and transform them into commercial products and services that consumers want. Traditional methods of organizing industries and businesses made manufacturing very effective, but often discouraged innovation. In today's globalizing world, there is a growing gap between societies that have knowledge and entrepreneurial attitudes and skills and those that are tied to older methods.

Some observers predict that workers who possess the skills and attitudes demanded by the knowledge economy will experience the greatest success in the coming years. They say that jobs in the knowledge economy will

be closely tied to information technologies, and most new growth opportunities will take place in service sectors, such as health care and education. These are sectors that emphasize the application of technologies.

But in many parts of the world, workers have few opportunities to acquire or apply these skills and attitudes.

In a short paragraph, respond to this statement: "Instead of money, developed countries should be sending teachers and entrepreneurs to underdeveloped countries."

**Figure 14-17** In 2007, Microsoft launched a tour to show off its new Windows Vista computer operating system, an example of a product that evolved as a result of the knowledge economy. This show in Seattle was one of dozens across North America. Consumers were eager to try this new system.



**Figure 14-18** Comparing the Old Industrial Economy and the New Knowledge Economy

Element	Old Industrial Economy	New Knowledge Economy
Economic progress	Steady, predictable	Volatile, unpredictable
Key economic drivers	Large industrial firms	Entrepreneurial, knowledge-based firms
Life cycle of products and technologies	Long, investments returned over years	Short, investments returned over days or months
Competitive situation	Size is important (the big beat the small)	Speed is important (the fast beat the slow)
Decision making	Vertical, top-down	Distributed, based on knowledge
Organizational structures	Hierarchical, bureaucratic	Flexible, networked
Valued skills	Fit to expectations	Flexible, change expectations
Educational requirements	Skill or degree	Continuous learning
Attitude toward employees	A necessary expense	An investment in the future

### REFLECT AND RESPOND

Research a current example of a labour or employment issue in Canada. It may be a strike that is escalating, a demand to raise the minimum wage, a member of a First Nation spotlighting inequities in the education system, a protest against outsourcing, or another issue you find interesting.

Identify the stakeholders involved and note their points of view and perspectives. Think about how the issue is connected to expanding globalization. Develop a conflict resolution strategy that the parties could follow to resolve the issue and arrive at a reasonable outcome.

## HOW ARE GLOBAL AWARENESS AND QUALITY OF LIFE RELATED?

What kind of shoes are you wearing? You and many of your classmates may be wearing name-brand sports shoes, and you — or your parents — may have paid up to \$200 for those shoes, which are made in developing countries, using cheap labour.

Stephon Marbury, a point guard for the New York Knicks of the National Basketball Association, wears \$15 shoes. This NBA star is making a statement: people do not need to spend a lot of money to be cool. In 2007, he launched his Starbury line of basketball shoes that don't carry big price tags. When Marbury was young, his parents could not afford to buy him the top labels, and he remembers the pressure he felt to fit in by wearing what was popular. Now, he wants to help change attitudes and reduce the pressure on young people to become consumers of expensive products.

Becoming aware of unfair or inequitable conditions is the first step on the path toward change. Canadians are becoming aware of some of the challenges of globalization and its effects on quality of life, and many people are working to change conditions. What do you do to try to change conditions that you think are unfair?



Figure 14-19 Basketball star Stephon Marbury is marketing a line of basketball shoes that cost \$15 a pair. Marbury plans to donate a pair to every high school basketball player in New York.

### Social Clauses

Being aware of inequities created by global trade has led some organizations to push to include a “social clause” in all trade agreements. A social clause would require countries to take measures to stop the most extreme forms of labour exploitation, such as forced labour, very low wages, and child labour. If countries fail to abide by this rule, other parties to the agreement could impose trade sanctions. Advocates of this strategy view social clauses as a way of establishing minimum labour standards on a global scale.

### Effective Governance

When people are governed effectively, their quality of life improves. Effective governance includes

- respect for human rights
- efficient and effective institutions, such as courts, that protect citizens
- police forces that do not use their powers for their own benefit
- parliaments that reflect the goals and aspirations of the citizens of a country

Many international organizations and NGOs promote effective governance by exposing corrupt and unfair practices and by offering to help governments improve their standards. Amnesty International, for example, runs campaigns to make the public aware of governments that abuse human rights.



Figure 14-20 To help improve governance in Haiti, a country torn apart by poverty, corruption, and internal conflict, RCMP help train local police. In this photograph, a Canadian staff sergeant offers advice to a Haitian officer. What might be the biggest challenge facing a Haitian police officer who wants to effect change?



## Foreign Debt

### CHECKBACK

You explored structural-adjustment loans in Chapter 9.

Foreign debt can dramatically reduce the quality of life in a country. Foreign debt builds up when a country borrows from other countries or international lending agencies, such as the World Bank, to fund projects or make up budget shortfalls.

In some cases, the money was borrowed for questionable reasons, such as to build lavish government buildings. In other cases, the money was wasted through corruption. But in many cases, the money was used to try to make the country more competitive on a global scale by, for example, improving transportation facilities or developing power grids. Many developing countries have found repaying these debts more difficult than expected, and the debts have limited the country's economic and social development.

On a personal level, how might being burdened with a large debt narrow the range of choices available to you? What similar problems might occur when a country incurs a high debt?

### International funding agencies

The World Bank and the International Monetary Fund are key players in the debt situation. When countries borrow money from these bodies, both

require them to make structural adjustments to improve their ability to repay the loan. Structural adjustments focus on reducing government spending and improving earnings — and strategies for achieving these goals often include eliminating government subsidies on food, reducing spending on health care and education, and removing investment barriers, such as strict labour and environmental standards.

As a result, many developing countries have found that structural-adjustment programs have reduced people's quality of life. Lower spending on social programs means less access to health care and education. Ending food subsidies results in more hunger. And because efforts to increase foreign investment often rely on offering very low wages, poverty increases. In addition, high debt payments have undermined the ability of many developing countries to modernize.

As churches and NGOs have become aware of the situation, they have begun pressing developed countries to forgive these loans. These groups argue that the generation that is suffering to repay the debt did not incur it, that innocent citizens should not be required to repay debts incurred by corrupt leaders, and that the lenders should bear some responsibility for the situation.

In 2006, Canada's national debt stood at about \$481 billion, or about \$16 000 a person. What is one important reason this huge debt has not negatively affected the quality of life of Canadians?

Figure 14-21 Foreign Debt in Selected Countries, 2005

Country	Total Debt (Billions of U.S. Dollars)	Per-Person Debt (U.S. Dollars)
Brazil	214.9	1154
China	197.8	151
Mexico	159.8	1568
India	101.7	94
Philippines	58.0	660
Chile	43.1	2700
Pakistan	33.5	206
Egypt	30.0	391
Bangladesh	18.1	125
Ecuador	15.7	1174

Source: CIA World Factbook

How does globalization affect quality of life? Here is how three writers have tried to answer this question.



**INDUR GOKLANY** is an American writer and researcher and the author of *The Improving State of the World*. This is an excerpt from a 1999 article titled “The Future of the Industrial State.”

Despite the massive increase in human numbers during this millennium, the state of humanity – as measured by broad aggregate indicators of quality of life – has never been better. The average person is better fed, healthier and lives longer. He is better educated and wealthier. She is freer to choose her rulers and express her views . . . Not only is work less physically demanding, he works fewer hours, and has more leisure time and money to devote to optional pursuits. The majority of these improvements have occurred over the last two centuries, coinciding with global industrialization and the tremendous increases in global population and energy usage.



**NAOMI KLEIN** is a Canadian activist and journalist. This is an excerpt from her book *Fences and Windows*, a critical examination of globalization.

Globalization is now on trial because on the other side of all these virtual fences are real people, shut out of schools, hospitals, workplaces, their own farms, homes and communities. Mass privatization and deregulation have bred armies of locked-out people, whose services are no longer needed, whose lifestyles are written off as “backward,” whose basic needs go unmet. These fences of social exclusion can discard an entire industry, and they can also write off an entire country, as has happened to Argentina. In the case of Africa, essentially an entire continent can find itself exiled to the global shadow world, off the map and off the news, appearing only during wartime when its citizens are looked on with suspicion as potential militia members, would-be terrorists or anti-American fanatics.



**PAUL HELLYER** is a former Canadian cabinet minister and author of *The Evil Empire: Globalization's Darker Side*. This quotation is from a 1999 speech.

I can give you a fairly accurate picture of what globalization is accomplishing. Universal access to health care is being cut back in Canada and around the world. I don't think there is a single exception. Universal access to education is being cut back in Canada and all around the world. Concern for the environment is being cut back in Canada and all around the world. Unemployment has been high in Canada . . . It's absolutely, totally immoral and it's the same all around the world – 350 million people are employed and a total of about one billion people are either unemployed or underemployed. It's a genuine tragedy.

## Explorations

1. Write a short summary of the message of each writer. Share your summary with a partner. Discuss the similarities and differences in your interpretations. Did your understandings change as a result of your discussion? Explain why or why not.
2. In a small group, use the three excerpts as the starting point of a brainstorming session to develop ideas connected to this question: To what extent does global awareness affect quality of life?
2. Based on the ideas generated in response to Question 2, write one sentence stating your current position on whether globalization is a positive or negative force on the quality of life of most people on Earth.

1. Draw on your expanded awareness and understanding of globalization to identify three points you would make to support or oppose the statements people are making in the following situations:

- a) A young woman who is just starting out in business says, "Women have no reason to be concerned about equality with men. The women's movement has improved conditions for women around the world."
- b) A senior executive of a transnational corporation says, "Workers in developing countries shouldn't complain about low wages. After all, North American spending on imported goods means that they have jobs. Now they can work hard and make good careers for themselves."
- c) A Grade 10 student in Canada says, "The quality of life that people in developing countries have is not connected to me here in Canada. People make their own quality of life by using their resources and talents. If they have bad governments or poor economies, it's not my fault."

2. In *Coming of Age in a Globalized World*, J. Michael Adams and Angelo Carfagna wrote:

Consider what globalization has done. Only a century ago, the vast and overwhelming majority of the planet's citizens were born and died in the same local region, without (or rarely) making contact with those from different areas. Technology now rapidly carries us across the planet and enables us to communicate regularly with those halfway around the world. Our family, friends, and colleagues, no matter where they live, can be reached in seconds.

Our increasing contact with others sometimes confronts us with serious challenges, but it also leads to tremendous satisfaction, widespread benefits, and new ways of thinking. It also starkly reveals our common interests and shared fates. Often, technology and that realization can combine to form a greater, global form of civil society.

In this passage, the authors state that increasing contact among people and countries reveal "our common interests and shared fates."

- a) In your own words, explain the meaning of "our common interest and shared fates."

- b) Choose a global issue that could become a shared fate. Explain your choice.

- c) List three things that you think are common interests across cultures and nations. Explain your choices.

3. In a small group, decide on one serious challenge you face because of globalization. Explain how this challenge could escalate into a major disagreement or conflict.

With your group, develop a plan of action that will head off the problem before it escalates. State the actions required by all parties. Create a flow chart to indicate the connections between the people and issues involved and to show how your plan defuses the issue.

4. You are a member of a group that has just finished a fundraising campaign that has raised a substantial amount of money to help AIDS orphans in Africa. About half of the members propose donating the money to a religious organization that is already running an orphanage in Africa. Most of the rest want the money to go to an organization, such as UNICEF or the Red Cross, that is not linked to a specific religion.

The discussion becomes quite heated. You decide that you are in a position to help the club resolve the disagreement by initiating a conflict resolution process.

- a) Describe the process you would use to help group members through a conflict resolution session.
- b) Identify several outcomes that you think would be appropriate. In your opinion, which would resolve the issue most effectively?
- c) Think about the conflict resolution approach you practised earlier in this chapter. Identify a major strength and how this might help lead to a successful resolution. Identify a major stumbling block that could stand in the way of success. In each case, explain the reasons for your response.

5. Donella Meadows, an environmental scientist, estimated that if the world were a village of 1000 people, it would be made up of
- 584 Asians
  - 123 Africans
  - 95 Europeans
  - 84 Latin Americans
  - 55 Soviets (based on the old Soviet Union)
  - 52 North Americans
  - 6 Australians and New Zealanders
- a) What implications for Canada do these data reveal?
  - b) On the basis of the data, suggest two required subjects that should be added to the curriculum in your school system. Explain your reasons.
  - c) Choose one country from each region on Meadows's list. Conduct research to find out
    - the average annual income
    - the GDP
    - the literacy rate
    - the life expectancy at birth
    - a major issue that could become global in nature
  - d) Based on the information gathered from your research, suggest one country that Canada should help. Recommend the kind of assistance and how it should be delivered. Prepare to answer this question: Why should Canadians be helping there and not spending the money at home?
6. Predicting the future is not an exact science. The Scottish mathematician William Thomson Kelvin once said that radio had no future. When computers were first being developed, the president of IBM assured an audience that the world would never need nor want more than two or three computers. A record-company executive refused to sign the Beatles because he predicted that guitar groups were nothing but a passing fad.
- a) Think about technologies, events, and ideas that are emerging today. Select one new technology, event, or idea that you believe will either change the way people view the world or change the quality of life of a significant number of people. Explain the reasons behind your selection and how the changes will come about.
  - b) Prepare a flow chart or mind map to illustrate your explanation.
  - c) On a scale of 1 to 5 (1 = very negative; 5 = very positive), rate the effect on the world of the item you selected. Explain your rating.
7. On an outline map of the world, locate each major event you hear or see reported over the next week.
- a) Near each event, add a symbol that indicates your assessment of its significance. Add a legend that explains the symbols and provide the criteria you used to make your assessment.
  - b) At the end of the week, tabulate the number of times each event was reported on, the level of significance of the reports, and the potential effects on Canada.
  - c) To what extent is this kind of awareness of global events valuable to you?

### Think about Your Challenge

Review your journal or blog entries so far, as well as the criteria you have developed and the comments your classmates or teacher may have added in response to what you have written. If necessary, revise your criteria, and note these revisions — and your reasons for making them — in an entry.

In your journal or blog, predict which criteria will be most important when the time comes to take a final position on the related-issue question: To what extent should I, as a citizen, respond to globalization? In addition, predict whether the positions you have taken so far are likely to change as you progress through the final two chapters of this related issue. Explain the reasons for your predictions.