

# Unit Activities

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## ~~Before You Begin 15 minutes~~

~~Use your textbook and background knowledge to create a list of what you think the most important communication and transportation technologies were in the twentieth century. Be sure to include the radio, television, fax, email, automobile, airplane, and motorcycle. Looking at your list, what conclusions can you draw about the relationship between communication and transportation technologies and the movement toward a more integrated global economy after 1945? What positive and negative effects do you know twentieth-century communication and transportation technologies have had on national and regional economies as well as the global economy?~~

## Watch the Video for “Unit 24: Globalization and Economics” —30 minutes

As you watch the video, consider the choice of the three case studies: the economic disintegration of the Soviet Union, the development of commercial forestry in Chile, and the increase in factory jobs for women in Sri Lanka. How do these case studies help historians study the economic forces of global integration in the twentieth century? What other case studies might you include as examples of global economic integration?

## Activity 1: Twentieth-Century Global Economic Integration— 45 minutes

In small groups, investigate the case studies of the video in more detail, and explore several other examples of the positive and negative effects of twentieth-century global economic integration. Use the following questions to guide your small group discussions.

- What were the major economic effects?
- What were the major political effects?
- What were the major environmental effects?
- In what ways did global economic integration lead to increasing inequalities in the world?
- In what ways did global economic integration lead to decreasing inequalities in the world?
- To what extent do historians have enough information and distance from the changes to assess the effects?

## Activity 2: Differing Views on Globalization—65 minutes

- In your small group, develop an agenda for international conferences on globalization convened by several different groups: International Manufacturers Association, International Labor Organization of the United Nations, a non-governmental organization led by Save the Children, United Cities and Local Governments, and Council of Catholic Bishops.
- Hold one session of one organization’s conference. Then, write a press release to let the world know what your conference decided were the major benefits and negative effects of global economic integration in the second half of the twentieth century.

Each group should consider the press releases that show the points of view from the other conferences. Write another press release that responds to the issues raised by the other groups.

# Unit Activities, cont'd.

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## Resources for Conferences on Increasing Global Economic Integration

### Information on the Collapse of the Soviet Union

- Rigid political agenda demanded adherence to the centralized planning developed by Stalin in the 1920s and '30s to turn the Soviet Union into a great industrial power.
- Pattern developed of diverting resources from the peasant population into industrial production; consumer items were neglected.
- Education and health care provided for all, but more than 52% of the country's GNP went toward military development including nuclear weapons and space travel.
- Soviet government borrowed over \$58 billion from Western European and U.S. banks in 1981, making USSR a large debtor nation.
- The perestroika and glasnost policies of the new secretary general, Mikhail Gorbachev, attempted to reform the economy in 1985.
- Freedom of expression allowed Soviet consumers to protest and criticize the government.
- In 1989, the USSR separated into 15 separate countries, whose economies remained linked to each other but also open to international investment.

### Information on Expanding Factory Work in Sri Lanka

- In 1977, the government of Sri Lanka attempted to revitalize its economy by removing state controls on imports and creating free trade zones in urban areas to encourage the development of industrial production for export.
- Many new textile factories hired hundreds of thousands of unmarried women to produce garments for European and U.S. markets.
- Some of the factories specialized in the manufacture of women's underwear. One factory alone employed more than four thousand workers and produced more than four million bras annually.
- Anthropologist Caitrin Lynch, in her 1995-96 study of the Sri Lankan garment industry, learned that underwear had a sexual connotation and was generally associated with uncleanness in Sri Lankan society. Most Sri Lankans didn't talk about undergarments, nor did they buy them in stores. Instead, most sewed them at home.
- The unmarried women workers in the underwear factories were often called "Juki Girls," a name derived from the brand name of the Japanese sewing machines used in the factories. The name indicated something shameful about the work they did.
- Women that have traditionally not gotten factory jobs, although they're from the middle classes primarily, now suddenly have access to these new kinds of opportunities. One advantage includes working with other educated women.
- The Sri Lankan government established additional export-oriented garment factories in villages, where unmarried women also were teased and insulted traveling to and from work. Some women became afraid to work in the factories. Others who continued their jobs enjoyed certain aspects of their work, but they often hid their occupation.

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## Information on Commercial Forestry in Chile

- Tree plantings of fast-growing Oregon pine were begun early in the twentieth century by private coal companies looking for fuel and timber. Starting in the 1930s, Chilean governments also began to promote tree plantations that favored reforestation and the sustainable exploitation of the remaining rain forest.
- General Augusto Pinochet's dictatorship in the 1970s promoted an export economy by opening Chile's economy to multinational corporations interested in pulpwood and wood chips. He also encouraged anti-labor codes to offer cheap labor to foreign companies.
- Corporations from Japan, the U.S., Canada, and New Zealand obtained access to Chile's forests at very low costs. They built chipping plants, sawmills, pulp and paper mills, and port facilities to generate two billion dollars a year in wood products. They also employed thousands of Chileans.
- Native rainforests were cleared for the creation of monoculture commercial forests.
- By 1990, 80 percent of the forest industry in Chile was based on "artificial forests." Former residents of the rainforests in Chile became landless migrant labor for the foreign companies.
- By the end of the 1990s, the Chilean government acknowledged global concerns about a sustainable environment by initiating regulations of the wood products industry and setting aside more preservation land and parks.

## Information on the Maquiladoras in Mexico

- After the Canadian, Mexican, and U.S. governments approved NAFTA in the mid 1990s, factories along the border between the U.S. and Mexico—known as "maquiladoras"—increased.
- A majority of the more than one million workers were young, uneducated females.
- These women were prohibited from forming unions, so they worked 10 to 12 hours a day, six days a week, for wages of about one dollar an hour. The Mexican government was dependent on the foreign investment, so complaints about working conditions and harassment of female workers by supervisors were mostly ignored.
- Many of the factory owners were Asian, and they demanded high production rates.
- The maquiladoras were developed specifically in low tax zones, so the local governments did not have enough tax revenue to develop sewage systems and other types of basic services for inhabitants of those areas.

## Information on the Effects of Global Advertising for Consumer Products

Go to Web sites for products marketed globally such as soft drinks, sports shoes, or fast food in order to collect statistics about the increase in global consumption of these products.

## Information About Foreign Investment in the People's Republic of China

Growing amounts of private investment are flowing from the industrialized countries of the Organization for Economic Cooperation and Development (OECD) to the 'Big Five' non-OECD countries of Brazil, China, India, Indonesia, and Russia. The Chinese government has been particularly active in seeking foreign investment as part of its modernization strategy. By October 1997, pledged foreign investment in China had reached U.S. \$510 billion, while actual foreign investment has risen to US \$212.2 billion. By 1994, China was the destination for 17 percent of the worldwide foreign direct investment (FDI) and one third of the total FDI for developing countries. Among the most important channels for international capital are foreign-invested enterprises (FIEs). By the end of 1996, 140,000 FIEs existed in China and employed 17 million people.

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It would be inaccurate, though, to view FIEs as one homogenous group. They often vary greatly in size, location, business activity, capitalization, and ownership. These differences in turn affect the FIE's relationships to regulatory authorities, employees and the communities in which they operate. One key distinction between FIEs is the differentiation between the origin of their owners. Western Foreign Invested Enterprises (WFIEs) are owned by Western business entities, while Taiwan/Hong Kong Invested Enterprises (THK FIEs) are owned by business entities from Taiwan and Hong Kong.

This essay examines the differences between these two groups of FIEs with reference to their adherence to Chinese labor regulations, especially those concerning trade unions and worker safety at FIEs. Although a legal framework for FIE labor-management relations exists, the implementation of labor law under this framework is not consistent. One reason for this inconsistency is the acute competition among localities for foreign investment, which encourages local authorities to relax enforcement of labor standards. Moreover, the competitive business environment at the local level favors ethnic Chinese from Taiwan and Hong Kong who use regional ties to certain localities, as well as insider knowledge of unique Chinese business practices, to influence labor law enforcement in their favor. (Ying Zhang-White, "An Unsafe Playing Field: Labor Relations in Foreign Enterprises in China," *Harvard Asia Quarterly* [Summer 1999]. <http://www.fas.harvard.edu/~asiactr/haq/199903/9903a009.htm>)

## Information on Child Labor: Focus on Cocoa Farms in Cote D'Ivoire

- Coffee first crop, then shift to cocoa in 1970s when Cote D'Ivoire government supported cocoa with price incentives to the point that one-third of the economy was devoted to cocoa exports; almost half of the world's cocoa came from Cote D'Ivoire in 2000.
- Fluctuating prices for cocoa encouraged farmers to lower labor costs.
- Poverty in Mali led child workers to Cote D'Ivoire; child labor was accepted in many parts of West Africa, and Cote D'Ivoire was a destination for older children searching for new skills.
- Labor recruiters lied to children and their families; up to fifteen thousand child cocoa workers were forced to work and live in substandard conditions, receiving brutal punishments when they resisted or tried to run away.
- The Cote D'Ivoire government stopped illegal slavery whenever it was notified and signed an agreement with the government of Mali in 2000 to stop the trafficking of child slave laborers to cocoa farms in Cote D'Ivoire.
- Both the U.S. Chocolate Manufacturer's Association and the United Nations Global Program Against Trafficking in Humans worked toward establishing a mechanism to put into stronger effect the U.N.'s International Labor Organization's Convention 182 against child labor.

(Samlanthith Chanthavong, "Chocolate and Slavery: Child Labor in Cote D'Ivoire," *Trade Environment Data Base Projects*, no. 664 [2002]. <http://www.american.edu/TED/chocolate-slave.htm>)