**Chapter Ten Questions - Self Check**

Read portions of [Chapter Ten](http://staff.gsacrd.ab.ca/~cmadill%40gsacrd.ab.ca/FOV2-00065971/FOV2-00065974/FOV2-00065975/FOV2-000659A2/Exploring%20Globalization%2C%20Chapter%2010.pdf) pages 242 - 245 and 250 - 253 and answer the following questions:
(note: terms and factors may be located in other parts of the chapter but are not difficult to locate)

   1. Read the cartoons located on page 236 and explain the common message being relayed by all three.

Student answers may vary....

All three cartoons express concern about the growing trend of corporations attempting to reduce production costs by outsourcing or buying supplies and services in other countries. The drawback to this practice is the quality of the 'product' or 'service' may not meet the needs of the customer.

2. What is a Maquiladoras? What are the pros and cons of Maquiladoras?

Maquiladoras - Foreign owned (often American) factories located along the Mexican border. These factories employ more than a million Mexicans at a rate much lower than would be required to pay in America. Unfortunately, many of these employees are women who work very long hours, in difficult conditions and earn very low wages.

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|  **Pros** | **Cons** |
| Employ 17% of Mexican workforceAccounts for 25% of Mexico's GDPAccounts for 45% of Mexico's exports       | Low wagesHarsh working conditionsEnvironmental guidelines are ignoredRemoves higher paying jobs that would otherwise be available to American workers.  |

3. What is a transnational corporation and are they beneficial to the world economy or detrimental. Explain your answer.

A company that is based in one country while developing and manufacturing its products in more than one country. Also known as multinational corporation.
Transnationals dominate some main parts of the world economy. They control most of the world's energy and extract most of its mineral resources. They also manufacture a large share of the world's chemicals, medicines, cars, aircrafts, communication satellites and home and offices electronics.
Essentially, major resources are controlled by a few companies.

Transnational corporations are very wealthy and mobile. The threat that a transnational might leave a community forces governments to make concessions to ensure they stay. These concessions include reducing taxes, selling natural resources at lower prices, etc. This reduces the decision making power of the governments.