

## PAPER 3: UNIT 3 Global Interdependence

### Recommended Prior Knowledge:

Some basic information and terminology on the role of trade in economic development should have been covered when considering development indices and the link between population and development in the Human Core section 1.1. Students of IGCSE Economics, Business Studies or Development Studies may also have a more detailed background understanding of the topics covered.

### Context:

This unit could follow on effectively from Unit 1, *Production, Location and Change*.

### Outline:

Developments in transport and mass communication have led to the World becoming a “Global Village”. This has had a big effect on trade and other interactions between nations; specifically the development of trading blocs and the increasing importance of the global tourism industry to the economies of both LEDCs and MEDCs. Countries are becoming increasingly interdependent, but also vulnerable to short-term trends as the emphasis shifts from primary/secondary sectors of the economy to tertiary/quaternary sectors, which are more susceptible to shifts in opinion or to world events. Tourism, as the fastest growing sector of the global economy, is having increasing social, cultural, economic and environmental impacts.

	Content	Objectives	Terminology	Suggested Teaching Activities	Online Resources	Other resources
3.1	<b>Trade Flows and trading patterns</b>	To examine the nature of global patterns of import and export trade	Imports Exports Flows Patterns of trade	This topic could be introduced by reference to an atlas and the use of world outline maps. Cook, 286, has useful figures which could be developed for comparison/analysis	<a href="http://www.wto.org/index.htm">http://www.wto.org/index.htm</a>  <a href="http://www.wto.org/english/res_e/statistics_e/statistics_e.htm">http://www.wto.org/english/res_e/statistics_e/statistics_e.htm</a> the World Trade Organisation site gives access to data on trade for most countries of the world.	Cook, Hordern et al 281-286 is very useful for an introduction to trade and trading patterns  Also Guinness & Nagle 120
		To acquire knowledge of the different aspects of trade	Trading blocs Cartels Visible imports/exports	World trade is organised into trading blocs, based mainly on economic or historical associations.		Cook et al 287-289

			Invisible imports/exports Product life-cycle Protectionism Free Trade	This topic could be introduced by using a matching exercise with the various acronyms and their definitions.		
		To understand why current trade patterns have been influenced by past events	Resource endowment Locational advantage Trade agreement	The different trading blocs could be studied, but place the emphasis on regional trading blocs – map in Waugh 560	<a href="http://www.wto.org/index.htm">http://www.wto.org/index.htm</a>	Guinness & Nagle 120-125 Waugh 559-563 The North American free Trade Agreement (NAFTA) (Geo Factsheet 117 Sept 2001)
		To appreciate the nature of recent and current changes in global patterns of trade	Tiger Economies Pacific Rim economies NICs	Case Study – NAFTA The World trade Organisation (WTO) should be referred to Global trade has been influenced strongly by the rise of the NICs and of the Pacific Rim countries. Waugh gives figures 562	<a href="http://www.news24.com/News24/Africa/News">http://www.news24.com/News24/Africa/News</a>	Waugh 561 Brazil – Changing Pattern of Trade: LEDC to NIC (Geo Factsheet 136, Sept 2002)
		To understand the role of innovation in changing trading practices Free ports		Case Study – Brazil  Free ports encourage trade to develop e.g. Manaus, Brazil.		Geo Factsheet 158 Free trade or fair Trade – why is this issue important?  Waugh 548- Singapore

3.2	<b>The management of international trade</b>	<p>To understand the international trading patterns of a specific country since 1960</p> <p>To examine the issues involved in the development of a trading strategy of an individual country</p>		<p>If possible, use the home area.</p> <p>This can be done effectively by using world maps to draw flow lines to/from trading partners of the country concerned</p> <p>Other material which might be of use:</p> <p>Brazil</p> <p>UK trade</p>	<p><a href="http://www.wto.org/english/res_e/status_e/status_e.htm">http://www.wto.org/english/res_e/status_e/status_e.htm</a> gives data for many countries for the period 1998 – 2003</p> <p><a href="http://www.cia.gov/cia/publications/factbook/geos/sn.html">http://www.cia.gov/cia/publications/factbook/geos/sn.html</a> also gives information on trade partners and products traded. Use of the Google search engine under (<i>name of country</i>), <i>trade policy</i> brings up several useful reference sites. Embassy sites for individual countries are also useful for trade policy information e.g. <a href="http://www.embassyofindia.com/in_trade.htm">http://www.embassyofindia.com/in_trade.htm</a> also try <a href="http://www.state.gov/www/issues/economic/trade_reports">http://www.state.gov/www/issues/economic/trade_reports</a> for southern states: <a href="http://www.the-global-south.org">http://www.the-global-south.org</a> looks at global interdependence</p>	<p>Geo Factsheet 136 Brazil – changing pattern of trade: LEDC to NIC</p> <p>Cook, Hordern et al 287-289</p>
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3.3	<b>The development of international tourism</b>	<p>To understand the nature of tourism</p> <p>To examine the nature of the growth of tourism</p>	<p>Tourism</p> <p>Charter flights Package holidays Economy flights Theme Parks</p>	<p>It is useful to reach a consensus as to what tourism is – this could be done by a brainstorm session, from which it should emerge that there are many kinds of activity which could be classed as tourism</p> <p>Reference to a thematic atlas map of tourist origins and destinations could form the basis for a discussion on global patterns of tourism</p>		<p>Nagle (Development &amp; Underdevelopment) is an extremely useful source for the whole of section 3.3 Also Cook, Hordern et al</p> <p>International Tourism (Geo Factsheet 1 Sept 1996) Prosser (Leisure, Recreation &amp; Tourism) ch1 covers the theory; ch 6 looks at growth.</p>
		<p>To study the changes in the patterns of origin and destination of international tourists</p>		<p>Use figures for tourism destinations for different years to analyse the rate of growth in international tourism and to find out the patterns</p>		<p>Guinness &amp; Nagle 196 – 197 has graphs and figures to compare 1990 and 1997 Cook, Hordern et al 289-295 look at tourism trends in the UK and the World Waugh 537-539</p> <p>Prosser (R,L&amp;T) 117-120, useful statistics on supply and demand</p>

			<p>The Butler life-cycle model of tourism</p>	<p>Many students will have personal experience of living in major tourist destinations: others may have travelled to other areas/countries as tourists.</p> <p>Discuss their perceptions of tourism and its effects, compared to impressions gathered from the mass media and other sources.</p> <p>The intention is to lead into the idea of the life-cycle model.</p>		<p>Nagle 92, 95 Prosser 191-196 applies the Butler model to the Spanish tourism industry</p> <p>Prosser (L,R &amp; T) 132-136 uses Antarctica as an example of the product cycle in action</p>
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		<p>To examine the economic, social and environmental impacts of tourism on tourist destinations</p>		<p>Wherever possible, the home country's tourism industry should form the bulk of study in this section, as first-hand experience has more immediate relevance to the students.</p> <p>The following case studies could be used to set the issues in a wider context if required.</p> <p>Environmental impact of leisure and tourism in the UK</p> <p>Bali</p> <p>Alternatively, the life-cycle model could be presented and appropriate case study examples could be used to demonstrate its predictions</p>		<p>Prosser (L, R &amp; T) 135-6 examines impact of tourism.</p> <p>Nagle 101-2</p> <p>Guinness &amp; Nagle 199- 205 Prosser 184-190</p> <p>Nagle 92-94</p>
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		To understand that tourism is an unstable industry, subject to rapid change		<p>Reference could be made to the many new forms tourism takes e.g. Ecotourism Students should be able to contribute experience of this from their own home areas.</p> <p>Use could be made of news reports about the impacts of terrorist acts on tourism (e.g. Bali, Cairo)</p> <p>News report –effects of terrorism on tourist trade in Egypt – there could be discussion of the different angles taken by local and national/foreign papers on such events.</p> <p>Fashion also plays a part</p> <p>Additional sources include:</p> <p>Recent growth of tourism in Australia</p>	<p><a href="http://www.news.bbc.co.uk">http://www.news.bbc.co.uk</a></p> <p><a href="http://www.guardian.co.uk">http://www.guardian.co.uk</a></p> <p><a href="http://www.tourismconcern.org.uk">http://www.tourismconcern.org.uk</a></p> <p>is an excellent source for purchasing material on tourism issues. It covers all aspects of global tourism</p>	<p>Nagle 94-96</p> <p>Prosser (L,R &amp; T) 128-132</p> <p>Tourism in Southern France (Geo Factsheet 81, January 2000)</p> <p>Guinness &amp; Nagle 202-203</p>
		To examine the nature of recent developments in types of tourism	<p>Carrying Capacity</p> <p>Eco-tourism</p> <p>Green tourism</p> <p>Heritage tourism</p> <p>Cultural tourism</p>	The tourism industry is dynamic and constantly redefining what tourism is.		<p>Can Ecotourism work? (Geo Factsheet 112, April 2001)</p>

		To appreciate the role and importance of tourism in national economic planning	<p>Sustainable tourism</p> <p>Wherever possible, reference should be made to the home country's tourist industry. The following case studies may give some wider insights:</p> <p>Nature Tourism in Costa Rica</p> <p>Tourism in Thailand</p> <p>Tourism in Kenya</p> <p>Multiplier Effects</p> <p>Multiplier effects are the benefits from the money circulating through the destination country.</p> <p>Leakage</p> <p>Leakage is the proportion of income that is lost from the destination and from which it does not benefit e.g. transnational hotel chains may take their profit out of the country.</p>		<p>Hill (Advanced Geography Case Studies) 125-131</p> <p>Cook, Hordern et al 295-6</p> <p>Prosser (L,R &amp; T) ch7</p> <p>Nagle 99 – 100</p> <p>Nagle 92-93</p> <p>Nagle 103-5</p> <p>Cook, Hordern et al 301-2</p> <p>Prosser (L,R &amp; T) 126 - 128</p>
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3.4	<b>The management of a tourist destination</b>	To examine and evaluate the complex nature of the impacts of tourism on a specific location, area or resort to illustrate the theories already covered	Environmental, social, economic impacts Sustainability	Examples from the home area are most relevant to the candidates. The following may be used as supporting material if needed:  The CAMPFIRE Programme, Zimbabwe		Prosser (L, R & T) 151.
				Adventure Tourism in Africa (Livingstone, Zambia)  Focus on: <ul style="list-style-type: none"> <li>• Growth</li> <li>• Development of the destination</li> <li>• Locational detail – simple sketch maps which could be annotated</li> </ul>		Geography (GA Journal) April 2004 183-187
				A large number of case studies from both LEDC and MEDC contexts is available if further examples are needed to illustrate general principles:  Tourism in South Africa  Malham Yorkshire Dales National Park Management plans in National Parks –Local management at Dovedale		Tourism in Nepal (Geo Factsheet 93, April 2000)  Nagle 103-106  Cook, Hordern et al 298-9 Hart et al 149 Hart et al 150-153

			<p>The need to protect the areas - Canada Antarctica</p> <p>Tourism in Brazil – Iguacu</p> <p>Tourism Management in USA National Parks</p>	<p>Guinness &amp; Nagle 206, also Hart et al 144-146</p> <p>Guinness &amp; Nagle 210-211</p> <p>Guinness &amp; Nagle 212-223</p> <p>Managing US National Parks (Geo Factsheet 103, January 2001)</p>
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