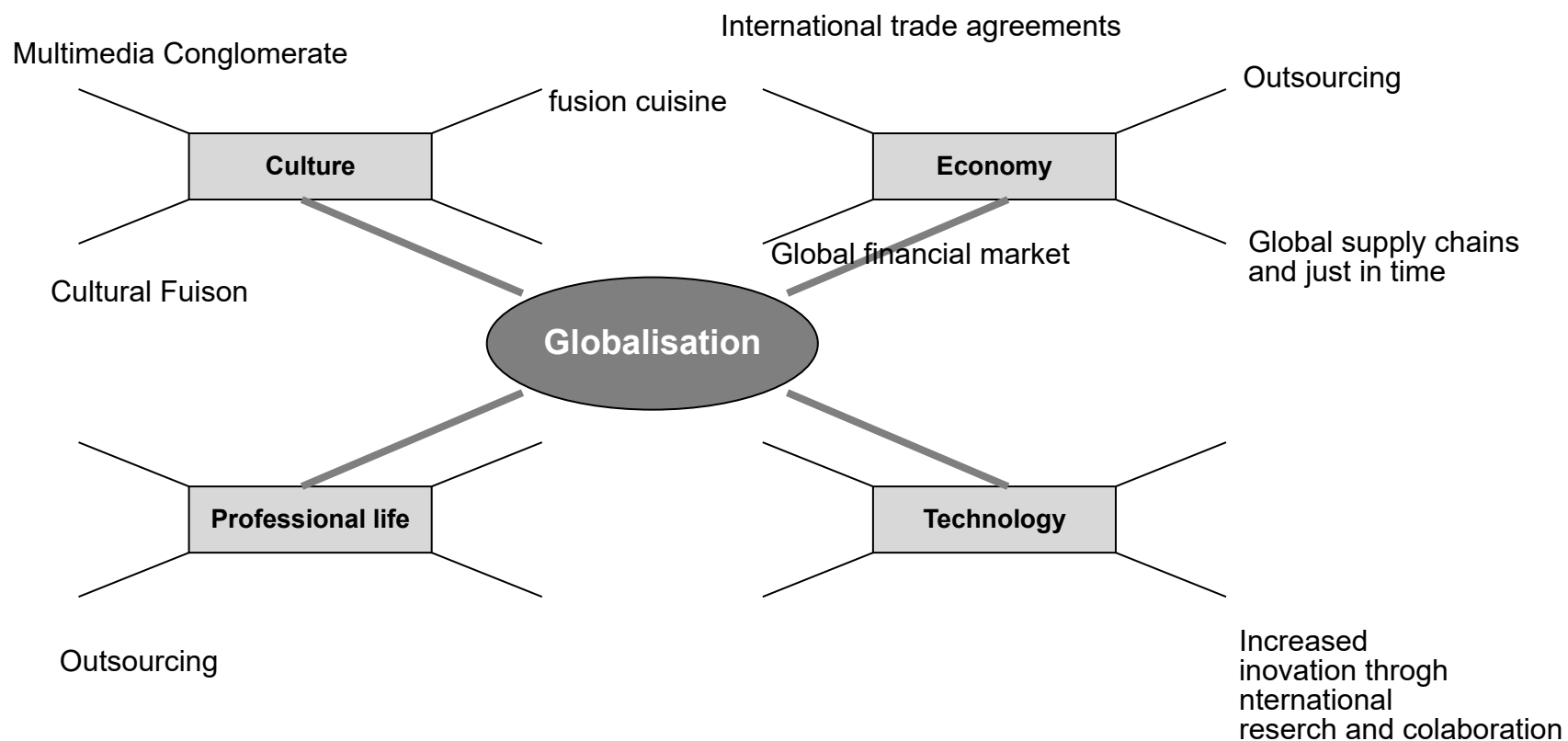


## M 5 Talking about globalisation – a mind map

*You have already collected a lot of facts about globalisation. This worksheet will help you to structure the new words and ideas.*

**Tasks:** 1. Work with a partner: fill in the mind map with ideas from your notes and texts and your own ideas. Look up words you don't know in the dictionary. 2. Exchange your results with another pair. Add more ideas to your mind map. 3. Present your results to the class.



## Globalisation shakes the world – reading a text M 4

Let's find out more about globalisation and its consequences.

### Globalisation shakes the world

Santosh, a tour guide in Bangalore, India, is feeling good. Because of the IT boom, he was able to found<sup>1</sup> his own online travel agency, and now sells holidays to IT workers. Dean, a skilled<sup>2</sup> car engineer near Detroit, is not feeling so good. He was fired<sup>3</sup> from his company when it was closed and hasn't worked since.

Globalisation is the cause for many of the problems of the modern world, but its advocates<sup>4</sup> argue that it increases wealth<sup>5</sup>. But what is globalisation, and what influences it? The speed of globalisation is having a very big effect on life in rich as well as in poor countries and it can transform a place such as Detroit to an area with serious economic problems or Bangalore to a booming region in only a few years.

Many economists believe that globalisation is probably the reason for new trends in the world economy such as a growth in profits of companies in the Western world, a reduction in workers' pay, as well as the movement of people to cities in poor countries and low inflation and low interest rates<sup>6</sup>.

Globalisation is not new, but comes from the time of the industrial revolution. Britain grew rich in the 19th century as the first global economic superpower, because it was ahead of the world in manufacturing<sup>7</sup> technology as well as having better ways of transporting its goods. But since World War II, and especially in the last 25 years the speed of globalisation has become faster and faster. The spread<sup>8</sup> of information technology (IT) and the Internet is also changing the way companies organise production, as well as making it easier to buy in services on a worldwide scale.

When India and China opened their economies to the world this helped stimulate globalisation even more and the global labour force<sup>9</sup> increased twofold overnight.

Source: <http://news.bbc.co.uk/go/pr/fr/-/2/hi/business/6279679.stm>



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**Vocabulary** 1 to found sth.: **etw. gründen** – 2 skilled: **ausgebildet** – 3 to fire sb.: **jmndn. hinauswerfen** – 4 advocate.: **der Befürworter, der Verfechter** – 5 wealth: **der Wohlstand** – 6 interest rate: **die Zinsrate** – 7 manufacturing: **die Herstellung, die Produktion** – 8 spread: **die Verbreitung** – 9 global labour force: **die globale Erwerbsbevölkerung** – 10 twofold: **zweifach**

### Tasks

1. Read the headline and comment on it. Why do you think “globalisation shakes the world”?
2. Read the text.
3. Read the text again and finish the statements from the text by ticking ☒ the correct box. Compare your results with a partner.

a) As a result of globalisation ... <input checked="" type="checkbox"/> Santosh successfully founded an online travel agency. <input type="checkbox"/> Dean became a successful engineer.	b) Globalisation affects ... <input type="checkbox"/> mainly rich countries. <input checked="" type="checkbox"/> poor and rich countries.
c) Globalisation is the reason for ... <input checked="" type="checkbox"/> higher profits in Western countries. <input type="checkbox"/> the flood of migrants to India.	d) The opening of China's and India's economy to the world ... <input type="checkbox"/> didn't have a major effect on Western countries. <input checked="" type="checkbox"/> doubled the global labour force.
4. Summarise the content of the text in one sentence.

## M 6 Taking part in a jigsaw – how does it work?

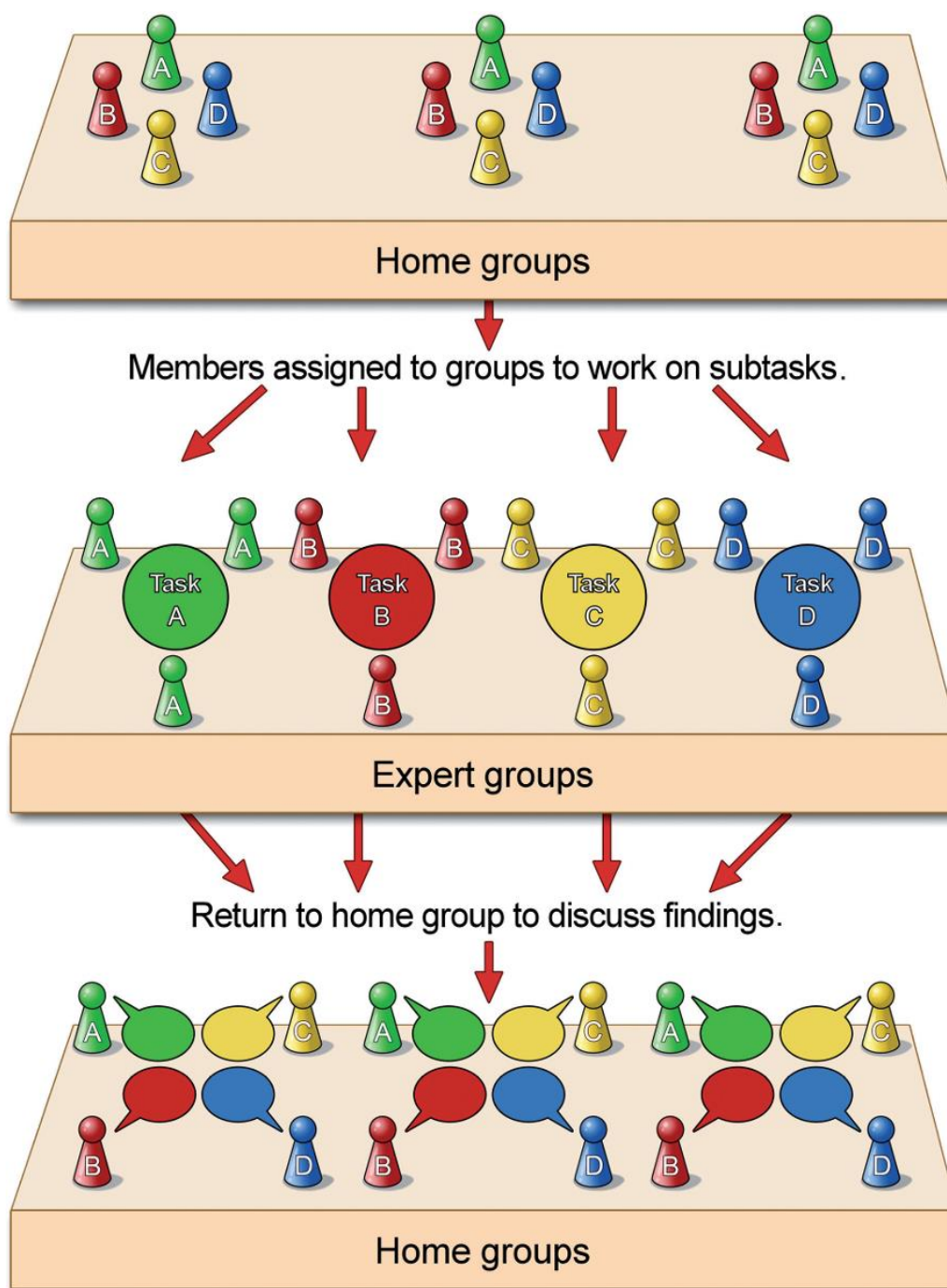


Illustration: Oliver Wetterauer

### How to take part in a jigsaw

1. **Home group:** Get together in groups of 4.
2. **Expert group:** Form new groups of 4. Individually read the material which is assigned to your group and work on the tasks.
3. Discuss your findings. Make sure that everybody understands everything.
4. Create a worksheet with a summary of the material you have worked on.
5. **Home Group:** Each student goes back to his/her home group. Take turns and present what you have learned in the expert group.

## Outsourcing – a jigsaw M 7

*In the jigsaw you'll discover some of the reasons, effects and consequences of outsourcing.*

### Expert group A – positive aspects of outsourcing

#### Tasks

1. Read the text. Describe what outsourcing is in one sentence.
2. Read the text again. Underline what the text says about the positive aspects of outsourcing for the news agency.
3. Write down the positive aspects.

#### Here is the US News from India

In an office in India, many employees are working on the night shift<sup>1</sup>. They are journalists employed by the world's biggest news agency<sup>2</sup> to report on<sup>3</sup> the very latest news in the US financial markets.

- 5 But why is Reuters covering Wall Street from Bangalore, India? The reason is the lower cost of employment. The Indian journalists can be employed by Reuters for considerably less than their counterparts<sup>4</sup> at their New York office. Reuters say that this decision means that they can report more on
- 10 US companies without having to pay high costs. Reuters was able to hire 100 new journalists in Bangalore but without reducing the size of their New York office. A Reuters spokesman<sup>5</sup> said "we can now send our journalists in New York out to do more interesting stories. This is good for our business and good for journalism". But the spokesman insists that this is not outsourcing<sup>6</sup>.
- 15 "Bangalore is a Reuters bureau like any other in the world. And Reuters journalists there work to the standards as Reuters journalists anywhere."



© www.Colourbox.com

This kind of arrangement has only recently become possible because of the Internet. Most US companies now release<sup>7</sup> their statements to the press<sup>8</sup> via the Internet. So Reuters journalists in Bangalore can access the same basic information as their colleagues in New York. The low cost of telecommunications links means that the news written in Bangalore can be sent around the world as quickly as the news written in New York.

What is happening at Reuters in Bangalore is only one example of a trend in outsourcing by media companies. Many US-American newspapers are under a lot of pressure to save costs and so outsource some of their key functions<sup>9</sup> to India.

Source: <http://news.bbc.co.uk/2/hi/business/6289521.stm>



#### Vocabulary

1 **night shift**: die Nachtschicht – 2 **news agency**: die Nachrichtenagentur – 3 **to report on**: hier: berichten – 4 **counterparts**: die Entsprechung, der Gegenüber – 5 **spokesman**: der Sprecher – 6 **outsourcing**: die Ausgliederung der Produktion oder Dienstleistungen an Externe – 7 **to release**: veröffentlichen – 8 **statement to the press**: die Pressemitteilung – 9 **key function**: die Schlüsselfunktion

## Expert group B – the two different sides of outsourcing

### Tasks

1. Read the text. Describe what outsourcing is in one sentence.
2. Read the text again. Underline what the text says about the positive and negative aspects of outsourcing. You can use two different colours.
3. Write down the positive and negative aspects of outsourcing in a table on an extra sheet of paper.

Positive aspects 	Negative aspects 
–	–
–	–
–	–

### The Case for Outsourcing Jobs

“When jobs move from a factory in the South of the USA to one in China, it certainly has a negative impact<sup>1</sup> on that community in the short run<sup>2</sup>,” said Jay Bryson, a global economist. “But in the long run it makes things more efficient.”

Supporters say that outsourcing<sup>3</sup> means cheaper prices for consumer goods<sup>4</sup>. In fact, many items such as clothing, toys and electronics are getting cheaper. But the result of these cost savings is not just lower prices; companies can use these savings to hire people in other parts of their business, says a financial services analyst. For example, if Apple can reduce the cost of producing the iPhone by \$100 by making it in China and not in the United States, the company is then able to spend that \$100 on hiring people in other parts of its businesses – such as sales, marketing or design.

A study found that even though some people lost jobs due to outsourcing, the money saved made it possible for the companies to hire even more people in the United States than were fired. These figures also include the workers in foreign countries who get the manufacturing jobs and then can enter the developing middle class, which in turn increases<sup>5</sup> demand<sup>6</sup> for goods produced in the United States.

Of course, not everyone agrees with this thinking. Businesses might not use their extra profits to hire new employees. Researchers<sup>7</sup> say that in another study, companies working in international trade – including manufacturing – were responsible for just 2% of the 27 million new jobs in the economy. This tells us that the manufacturing companies have outsourced far more jobs than they’ve created.

Losing manufacturing jobs is very dangerous for the economy because the manufacturing sector accounts for<sup>8</sup> 70% of US spending on research and development and it is not really sure if companies really spend savings from outsourcing on hiring other, non-manufacturing employees.

Source: <http://money.cnn.com/2012/09/14/news/economy/outsourcing-jobs>

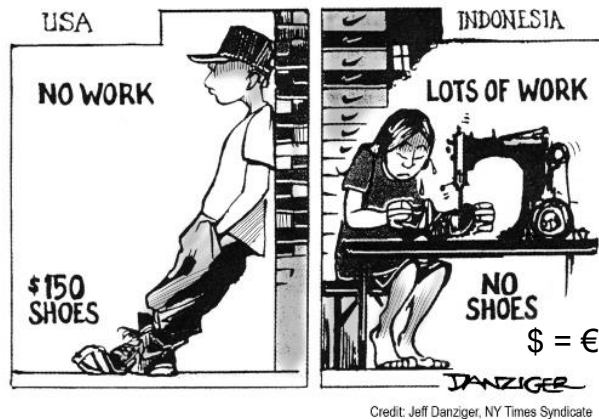
### Vocabulary

1 **impact**: der Einfluss, die Auswirkung – 2 **in the short run**: auf kurze Sicht – 3 **outsourcing**: die Ausgliederung der Produktion oder Dienstleistungen an Externe – 4 **consumer good**: das Gebrauchsgut – 5 **to increase**: vergrößern – 6 **demand**: die Nachfrage – 7 **researcher**: der wissenschaftliche Mitarbeiter in der Forschung – 8 **to account for sth.**: etw. ausmachen



## Expert group C – the impact of outsourcing on employees

①



### 1. Observe and describe

What do you see? What is in the cartoons? Name the items shown in the cartoons. Is there any text?

Two Panels, each showing a person.

The Panels are labeled with a country.

Left one shows a person with expensive shoes

who has no job and on the right one is a person with out shoes who has a lot of work

### 2. Explain

What symbols are used? What do they represent?

Nike representing the imbalance of the overworked

worker producing things for cheap with a unemployed person in another county can

buy for a lot of money. The person

### 3. Interpret

What is the message of the cartoons? What do the cartoonists want the viewer to think about?

What is your opinion?

1. Economic injustice; differences in standard and cost of living

2. Fear of losing jobs

②



"Look on the bright side, Herb —  
This job will never go overseas!"

Two people holding their hats to beg for money.

2.

© CartoonStock.com

Hat symbolizes poverty and begging; Unshaved faces allude to the missing hygiene followed by missing money for basic commodities

Helpful vocabulary for describing and interpreting cartoons	
Description	Interpretation
In the foreground/background/centre there is ... At the top/at the bottom/on the right-hand side/on the left-hand side ... can be seen. The figure/person on the right/left is facing the reader/is shown in profile/addresses the reader ...	The cartoon shows/describes/expresses ... The cartoonist makes fun of/criticises/draws attention to the fact that ... The message of the cartoon is ...

### Helpful vocabulary

**cap:** das Käppi – **trainers:** die Sportschuhe – **easy-going:** lässig – **sewing machine:** die Nähmaschine – **to sew:** nähen – **a pile of sth.:** ein Stapel ... – **brand logo:** das Markenzeichen – **outsourcing:** die Ausgliederung der Produktion oder Dienstleistungen an Externe – **homeless person:** der Obdachlose – **to beg:** betteln

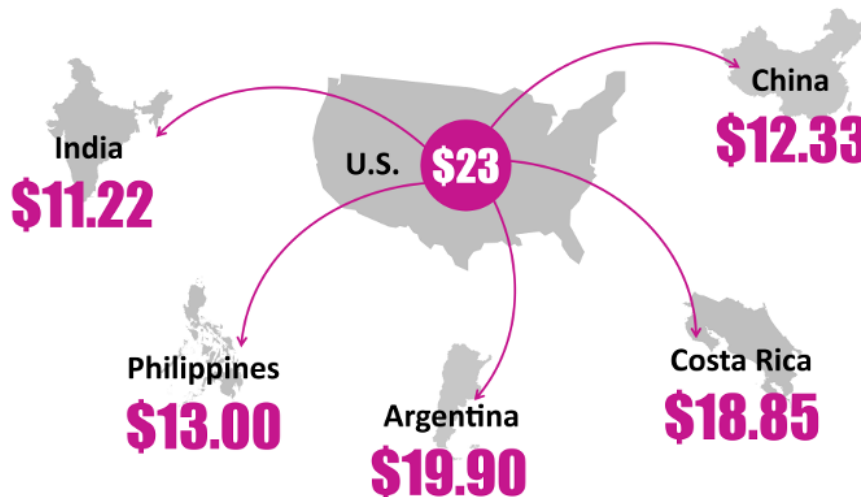
## Expert group D – reasons for outsourcing

### Tasks

1. Describe the diagrams.
2. What information do they give about reasons for outsourcing? Write down the results on an extra sheet of paper.

①

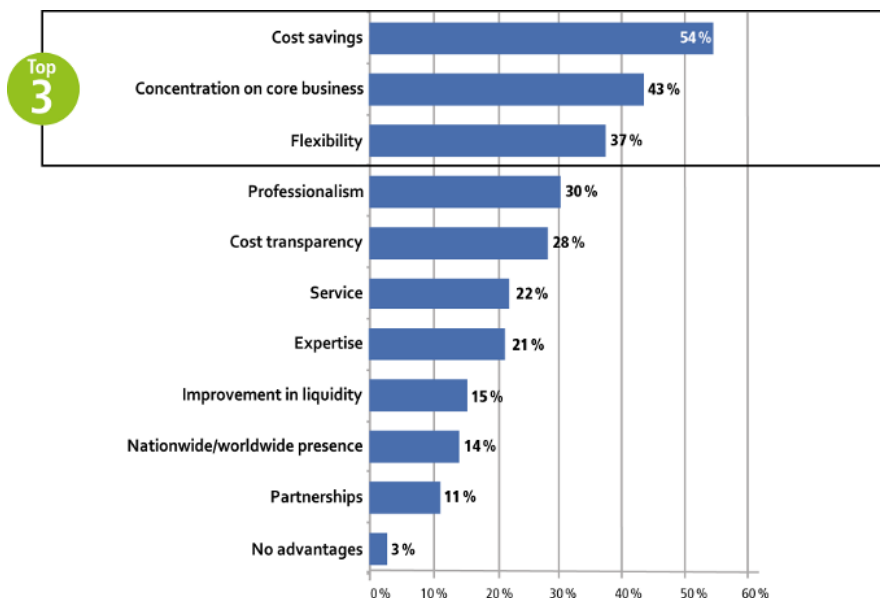
### Pay of outsourced entry-level accountants.



Source: [www.businessweek.com/articles/2012-03-15/outsourcing-a-passage-out-of-india](http://www.businessweek.com/articles/2012-03-15/outsourcing-a-passage-out-of-india)

**outsourced:** ausgegliederte Produktion oder Dienstleistungen an Externe – **accountant:** der Buchhalter **map:** die Landkarte – **arrow:** der Pfeil

②



© Stevia Mummert Consulting

**core business:** das Kerngeschäft – **liquidity:** die Zahlungsfähigkeit, die Liquidität

### Useful vocabulary for describing diagrams

**survey:** die Studie, die Befragung – **bar chart:** das Balkendiagramm – **axis:** die Achse – **figures:** die Zahlen – **share:** der Anteil – **to account for:** ausmachen, betragen

**Tip: to compare information use:**

bigger than – smaller than; higher than – lower than; as high as – as low as

## M 11 Vocabulary: Talking about globalisation in general

English expression	Phrase	German expression
integration	Globalisation means the growing economic integration of the world.	die Verflechtung, die Vernetzung
investment	The company planned an inflow of international investment.	die Investitionen
manufacturing	The manufacturing of the top-selling product was outsourced to Romania.	die Herstellung, die Produktion
to found sth.	He founded a successful IT company in India.	etw. gründen
economy	In many developing countries the economy is weak.	die Wirtschaft
goods	Goods can be produced for less money in developing countries.	die Ware
trade	Globalisation is the reason why there is a lot of trade between countries.	der Handel
competition	Because of the increased competition many small companies have to close.	der Wettbewerb
purchasing power	Higher salaries lead to more purchasing power in developing countries.	die Kaufkraft
living standard	In Germany people have a much higher living standard than people in poorer countries.	der Lebensstandard
diversity	The ethnic and cultural diversity of people working in this country shows how globalised our society is.	die Vielfalt
connectivity	Connectivity and globalisation also lead to job losses.	die Verbundenheit
to exploit sb.	Critics of globalisation say that workers in poor countries are exploited.	jmdn. ausnutzen, jmdn. ausbeuten
to benefit from sth.	Critics say that the only people benefiting from globalisation are the managers of the companies.	von etw. profitieren
demand	The demand for goods rises when the global labour force is bigger.	die Nachfrage



## Talking about outsourcing

English expression	Phrase	German expression
social responsibility	The companies outsourcing jobs have a social responsibility towards their employees in their own country and in the country they outsource to.	die soziale Verantwortung
bankruptcy	The boom of companies in developing countries like India can lead to the bankruptcy of some manufacturing companies in Western countries.	die Pleite
developing country	Rich countries move their production to developing countries.	das Entwicklungsland
human rights	Human rights are often violated in developing countries.	die Menschenrechte
to relocate sb./sth.	When a company outsources a department a lot of employees have to be relocated.	jmndn./etw. an einen anderen Ort verlegen
to fire sb.	All the workers in the production department were unemployed after they were fired.	jmndn. hinauswerfen
wage	The wages in India are lower than those in Germany.	der Lohn
salary	An hourly-paid worker gets a wage whereas an employee gets a salary.	das Gehalt
to outsource	A car manufacturer outsourced parts of their company from Germany to Romania.	auslagern
production department	The car manufacturer outsourced their production department to Romania.	die Produktionsabteilung
cost pressure	Many news agencies face cost pressure and have to think of ways to save money.	der Kostendruck
skilled	In India there are many skilled IT experts who work for less money than those in Germany.	ausgebildet
unskilled	People who haven't completed any job training belong to the group of unskilled workers.	ungelernt
prosperity	Growing prosperity is a dream of many developing countries.	der Wohlstand
inequality	Globalisation can lead to growing inequality between the rich and the poor countries, many critics say.	die Ungleichheit