

Assignment 2 (TMA02)

Question 1

- A What are the issues involved in the development of a global market?
(approximately 850 words)
- B What feedback did you get from your tutor about TMA1 and how did you use it?
(approximately 75 words)

Guidance on Question 1

Task 1

You will find the bulk of the material you will need in chapter 4 of the book.

The question asks you to do two things: first to describe the development of the global market, and second to describe its main effects. In your first paragraph, you will need to set the scene by describing briefly what the global market is. You should include some comment on the process of globalisation, and some reference to the changes that it has brought about in trade between areas of the world. Then spend some time describing the effects of the global market before coming to a conclusion in which you sum up what you have said. Your main task in the essay is to tell the 'story' of the chapter and put it in your own words. To do this you will need to select from the material in the chapter – you cannot include everything. There isn't a 'right' answer for you to find; use your own judgement about which parts of the chapter to include.

Task 2

This question is about learning from feedback, a very important part of the learning process. You do not need to include everything your tutor said in your answer. Just pick two or three points which you found particularly helpful (from either the PT3 form or the comments on your script of TMA1) and show how you made use of them in this assignment.

Task 1

The global market is a term used to describe international trading of goods between countries throughout the world. The global market is often associated with the concept of globalisation, which is a term used to describe modern trade relations of goods such as food, materials and currency between countries. People across the world have been involved in trading goods for many centuries, even as far back as the Stone Age. But it was only until recently that the trading of goods was transformed from local and regional levels to becoming a burgeoning international infrastructure. It would appear that there are high levels of connectedness between countries because of the global market; even countries which in the past may have been considered as culturally, economically or even geographically out of touch with the rest of the developing world have now entered the trading environment. If we peruse the labels of many household items, we may find it was manufactured in countries as far away as Taiwan, Thailand or even China. This would appear to give a good indication of the level of diversity in people's lives.

A long time ago, trading mostly consisted of markets where people gathered to buy such things as clothes and vegetables. But markets in which traders conducted their business have always influenced trading. And as time progressed, so did the way trading was conducted and rules and regulations were brought into the fold as a means of making things more organised. "Medieval fairs in England were regulated by 'Laws Merchant', a code setting out common practice for contracts, bills of sale, letters of credit, bills of exchange and the like. The global market is now highly complex, with international treaties to regulate it, and financial markets and stock exchanges as a means its means of organisation" (Sherratt et al 2004 p56)

Many social scientists have begun using the term globalisation as a means of describing how the global market works and also as a way of describing how globalisation is regulated. The globalisation concept has one main theme, which is interdependency of national economies. Many decisions made by a

Tutor's comments

I t's good to define terms in an introduction although your definition of globalisation is a bit weak – it's about more than just trade. Also, you can use an introduction to tell the reader how you are going to answer the question.

I think you should start a new paragraph at "People" because this is all about the history of trade.

This bit is more like a definition of globalisation.

I t's good to use the course themes. Well done.

OK – this is a fair attempt to talk about the history of markets.

This is a useful quote and is correctly referenced. Well done.

This first sentence is a bit confused.

Good point!

government or company to export their goods to another country will undoubtedly affect that nation's own growth of their home-grown products and this, in turn, will harm sales. Even relatively rich nations, such as the UK, aren't safe from these effects. "For instance, the UK production of farmed salmon was threatened in 2003 by the import of cheaply produced farmed salmon from Norway" (Sherratt et al 2004 p60). Globalisation can be seen in many nations and companies throughout the world rather than in just one country. For example, a company headquarters based in Japan may sell their product in America from parts made in China. Many large companies are operating in this way because they can take full advantage of cheap and skilled labour in less economically wealthy countries. "The movement of jobs from Britain and the US to call centres in Karnataka, Kerala and the periphery of Delhi has been on a grand scale: more than half the world's top 500 companies now outsource either IT or business processes to India" (Seabrook 2003 cited in Sherratt et al 2004 p60).

There have been studies of the globalisation process in which two main themes were identified. The first theme was concerned with companies flourishing in their home land and expanding in a global sense (ie – setting up shop abroad). They established themselves nationally and internationally so much that it's been remarked that it is rare for a large company not to have established themselves abroad. Companies of this magnitude, such as the Mitsubishi Corporation from Japan, are multinational and rich in the extreme. "For instance, in 1998 the total revenue of the Mitsubishi Corporation (\$129 billion) equalled the value of all the goods and services produced in South Africa" (Stopford 1998 cited in Sherratt et al 2004 p61). It could be said that this is a good indicator of the magnitude of the globalisation process. The second theme is the emergence of the financial market. Before the advancement of electronic communications equipment, the stock exchanges of each country conducted business on local time and closed at night, which meant that all of the stock exchanges weren't open at the same time. Now there is 24-hour trading between the three major exchanges in London, Tokyo and New York even though they still effectively close at the end of each day.

Certainly the effects of international trade are increasing because of globalisation, although this sort of problem has always been there.

Good. This is a major effect of the global market.

Try not to use slang expressions like this.

The existence of global companies is certainly a good indicator that there is now a global market rather than just international trade.

As is the existence of a global financial market.

In summing up, this essay has examined the development of what is now called the global market. It has also looked at the globalisation process and the effect it has on nations throughout the world. It has given a basic definition of the globalisation concept and focused on how companies grow nationally and internationally. Having focused on these issues and weighed up the pros and cons, it could be said that much of global trading isn't equal and it is much of the strongest and wealthiest countries that gain the majority of the spoils whilst the smaller nations stay poor because they cannot compete in the market as effectively as their bigger counterparts.

(865 words)

References

Sherratt N, Darkes T, Pearson C, Williams C and Woodward K (2004) Understanding Society Open University

This is a good conclusion except that you should try not to introduce new material – the inequality of global trade perhaps deserves a paragraph or two on its own.

Good – you stuck to the word limit and provided a list of references.

Task 2

The main negative aspect referred to from TMA1 was my word count which exceeded the maximum recommended. This is something I have often had a struggle with. My tutor advised me to write to the word count rather than edit my final version to fit. This was sound advice which I have used throughout TMA2. I put a word count in as soon as my introductory paragraph was completed and updated it regularly.

Good, although you could have tried to include more than one point – we also discussed paragraphing and sentence construction.