


a-level exam questions & answers:

global systems & global governance (section a) >

mark scheme | 20-mark question #2



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Q.:	Sp. Ref.:	Information For Markers:	B'down:	Marks:
5)	3.2.1.1 & 3.2.1.2 & 3.2.1.3 & 3.2.1.6 	<p>‘Transnational corporations (TNCs) are the most significant factor in creating unequal flows of people and money within global systems.’ With reference to a named TNC, evaluate this statement.</p> <p>AO1 – Knowledge and understanding of the nature, role and impacts of a specified TNC. Knowledge and understanding of global systems and reasons for unequal flows of people and money.</p> <p>AO2 – Application of knowledge and understanding to analyse and evaluate the extent to which a TNC contributes to unequal flows of money and people.</p> <p>Notes for answers</p> <p>The question requires links to be made between distinct elements of Global systems and international trade, specifically between the role of TNCs and unequal flows of money and people.</p> <p>Allow credit for >1 TNC.</p> <p>AO1</p> <ul style="list-style-type: none"> • The concept of the global system and the flows of people and money within the system. • The causes of inequalities between and within countries as a result of globalisation. Unequal flows of people and money at different scales – global, regional and local. • Unequal flows of money lead to an increasing gap in wealth. Evidence suggests that this gap is decreasing between rich and poor countries but the gap within countries is widening as the wealthier residents are able to take more advantage of changes in education, technology and labour demands. • Workers are able to move more freely due to globalisation. However this movement is mainly from poor to richer countries. This creates an unequal flow of people. • Benefits of flows of people include the transfer of skills and new ideas. Labour shortages are addressed and it reduces unemployment in host countries. Negatives include the ‘brain drain’ as the most talented individuals are attracted by higher wages and improved working conditions. Outsourcing causes unemployment in original country. • Knowledge of the nature of TNCs and their contribution to a global system. TNCs are found across all sectors of industry and many are truly global in the sense that they 	AO1=10 AO2=10	20

produce global brands which are sold across the globe for example Coca-Cola.

- TNCs are hierarchical and operate on a top-down basis from a HQ in a developed country. This means that branches are vulnerable to change as they are not part of the decision-making process for example there may be sudden factory closures or relocation resulting in sever job-losses.
- Knowledge of the nature of a specific TNC. For example Apple Inc. based in San Francisco, California (in Silicon Valley - a cluster of high value start-ups and TNCs.) It was the first trillion dollar \$ company and is globally renowned for its products, iPhone, Mac/MacBook, Apple Watch etc... Whilst having thousands of global staff, Apple outsources... most of the actual product manufacture process to companies such as Foxconn in China, Vietnam and India.
- Changes in the TNC operations over time for example Apple's presence in China grew in the 90s and 00s to capitalise on the labour force, whilst new factories are being opened now in even more lower wage countries as part of a 'race to the bottom' as salaries in China are rising quickly.

AO2

- Evaluation of the social and economic impacts of a specific TNC on the host country. For example, outsourcing has created considerable employment in former periphery nations such as China. However, there have also been concerns about poor working conditions and exploitation. This has led to a spate of suicides and attempted suicides at the Shenzhen factory leading for Foxconn and Apple to instigate internal investigation.
- Evaluation of the social and economic impacts on country of origin. For example, the increased tax revenue for the USA and local taxes in Cupertino. Most jobs are highly skilled and highly paid in this area.
- Analysis of the role of TNCs in creating unequal flows of people. In the host country, there is increased rural-urban migration as farm workers seek out higher wages in TNC factories or call centres. This creates a greater level of inequality between urban centres and rural areas. In the country of origin, there is a movement in of highly qualified individuals who are paid the highest wages for creativity in design and marketing. Conversely in inner city areas there is high unemployment due to the indirect loss of jobs through manufacturing plants moving to areas of lower wage costs.
- Analysis of the role of TNCs in creating unequal flows of money. Majority of the profits are returned to the country of origin. Many TNCs take advantage of tax breaks and don't contribute to the host country, for example the recent controversy in the UK over TNCs such as Starbucks. In the host country, contrary to popular beliefs TNCs often pay higher wages – average wage is 40% higher than that paid by local firms this can result in local firms having to close due to lack of workers. On the other hand, many TNCs use local firms to complete part of the production process increasing investment in the local area.

	<ul style="list-style-type: none"> • Analysis of other factors creating unequal flows of people. For example, evidence of forced labour found in Qatar where migrants building the World Cup stadiums have their documentation held and have few rights. The Qatari government is exploiting some of the poorest migrants from poor countries such as Nepal. Higher wages in richer countries encourage a 'brain-drain' from poorer countries. For example, the UK government actively encouraged the migration of Filipino nurses leaving a lack of trained nurses in the Philippines. • Analysis of other factors creating unequal flows of money. These are varied and wide-ranging. Credit any factors which might be responsible. For example Colonialism, trade agreements, exploitation of resources. • Evaluation of the extent of the link between TNCs and unequal flows of money and people. TNCs can reduce inequality in flows of people by stemming flow of migrants for example Adidas operates many factories in Eastern Europe reducing the flow to western Europe. • Overall conclusion should seek to consider the extent to which TNCs are responsible in creating unequal flows of people and money. Any conclusion is valid as long as it is supported by evidence in the response. 		
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Marking Level Criteria:

This grid is used by teachers and examiners to decide first your working level, then narrow down to a mark out of 20 for all long answer questions, and the kinds of things they are looking to see in each of these answers.

Level/Mark Range	Criteria/Destructor
TOP LEVEL 4 (16-20 marks – 80+% - typically an A* answer)	<ul style="list-style-type: none"> • Detailed evaluative conclusion that is rational and firmly based on knowledge and understanding which is applied to the context of the question. Interpretations are comprehensive, sound and coherent (AO2). • Detailed, coherent and relevant analysis and evaluation in the application of knowledge and understanding throughout (AO2). • Full evidence of links between knowledge and understanding to the application of knowledge and understanding in different contexts (AO2). • Detailed, highly relevant and appropriate knowledge and understanding of place(s) and environments used throughout (AO1). • Full and accurate knowledge and understanding of key concepts, processes and interactions and change throughout (AO1).
HIGH LEVEL 3 (11-15 marks – 55-75% - B to A grade answer)	<ul style="list-style-type: none"> • Clear evaluative conclusion that is based on knowledge and understanding which is applied to the context of the question. Interpretations are generally clear and support the response in most aspects (AO2). • Generally clear, coherent and relevant analysis and evaluation in the application of knowledge and understanding (AO2). • Generally clear evidence of links between knowledge and understanding to the application of knowledge and understanding in different contexts (AO2). • Generally clear and relevant knowledge and understanding of place(s) and environments (AO1). • Generally clear and accurate knowledge and understanding of key concepts, processes and interactions and change (AO1)

<p>LOWER LEVEL 2 (6-10 marks – 30-50% - D-C grade answer)</p>	<ul style="list-style-type: none"> • Some sense of an evaluative conclusion partially based upon knowledge and understanding which is applied to the context of the question (AO2). Interpretations are partial but do support the response in places. • Some partially relevant analysis and evaluation in the application of knowledge and understanding (AO2). • Some evidence of links between knowledge and understanding to the application of knowledge and understanding in different contexts (AO2). • Some relevant knowledge and understanding of place(s) and environments which is partially relevant (AO1). • Some knowledge and understanding of key concepts, processes and interactions and change. There may be a few inaccuracies (AO1).
<p>LOW LEVEL 1 (1-5 marks) - <25% - E or below answer</p>	<ul style="list-style-type: none"> • Very limited and/or unsupported evaluative conclusion that is loosely based upon knowledge and understanding which is applied to the context of the question (AO2). Interpretation is basic. • Very limited analysis and evaluation in the application of knowledge and understanding. This lacks clarity and coherence (AO2). • Very limited and rarely logical evidence of links between knowledge and understanding to the application of knowledge and understanding in different contexts (AO2). • Very limited relevant knowledge and understanding of place(s) and environments (AO1). • Isolated knowledge and understanding of key concepts, processes and interactions and change. There may be a number of inaccuracies (AO1)
<p>LEVEL 0 (0 marks) – no answer provided</p>	<ul style="list-style-type: none"> • Nothing worthy of credit (something has gone ridiculously wrong if you're here!)