

Global Perspectives: Exercises/ Research: Global Issues/Concerns

Directions: Please read the scenarios and information below. Then, research the issues and answer the questions addressed. Both issues are generated from perspectives related to the UK.

1. Recently I bought a pair of jeans: £6. To replace the zipper: £9. Why is the assembly and manufacture of the jeans so much cheaper than the replacement of a zipper? The jeans are made overseas – in China, Indonesia, Malaysia, possibly Latin America. If the Chinese keep developing African infrastructure, one day they may be manufactured in an African country. The zipper, probably manufactured overseas, nevertheless has to be sewn in by a local tailor. His or her labor, here in the United Kingdom, costs many times more than it would in some other parts of the world.

It is cheaper to buy a new pair of jeans than to fix a pair. Cheaper to buy a new watch than repair it. Cheaper to buy a new computer or TV.

But is this sensible? Is it fair? Do we have to accept that workers in some parts of the world earn a tiny percentage of what workers in the UK expect? What about justice? Or is the issue of justice irrelevant here?

If it is also cheaper for me to throw away a computer, watch or jeans than to repair them, is that good for the environment? Does wealth inevitable create a wasteful attitude? Should I care?

2. My daughter almost has enough money to buy her first house. But in the last year the cost of mortgages has risen dramatically in England and they are much harder to obtain. Why? Because the banks are charging higher interest rates on loans. Why? Because they are convinced that, world-wide, institutions have been lending money too easily. Why? Because several financial institutions that lend money in America have suddenly run into difficulties over bad loans. Why? Because they have been lending money to high-risk clients who are now unable to pay back what they owe. Why did they do that? Because the financial institutions thought they could make their businesses grow more quickly by taking on a lot of high-risk loans, especially to people desperate to buy a house (so-called sub-prime loans) and to entrepreneurs eager to create wealth.

So my daughter cannot now buy a house because of something that happened in America. The world of banks and other financial institutions is international. What happens in one part of the world is directly tied to what happens elsewhere. People in Europe suffer, people in Africa will suffer, people in Asia will suffer. There is almost no hiding from this. But shouldn't we be able to control those global institutions that both make enormous wealth and toss it away? Is it bad news that banks are almost too big for countries to control? Or is that premised wrongly: that is, are countries just not interested in killing a goose that lays a golden egg, even if it sometimes causes trouble?