

# A Short Overview of Globalism vs. Nationalism



Special Labor Day Presentation

by Chares Paidock for the College of Complexes

Globalization a process where companies from different nations interact and integrate through international trade

attributed to major changes in the telecommunications and transportation industries

companies can operate where production costs are the cheapest

A multinational corporation owns or controls the production of goods or services in one or more countries - other than their home country

## Effects of Globalization

countries and companies have access to a bigger consumer base

### Provides Cheaper Goods for Consumers

companies are moving to areas where their cost of production is low

reducing prices will have a negative effect on profits which in turn may lead to actions like laying off workers

### Causes Environmental Damage

Globalization has led to increased production for businesses in order to meet global demand.

Increased production means more natural resources are used

## Globalization

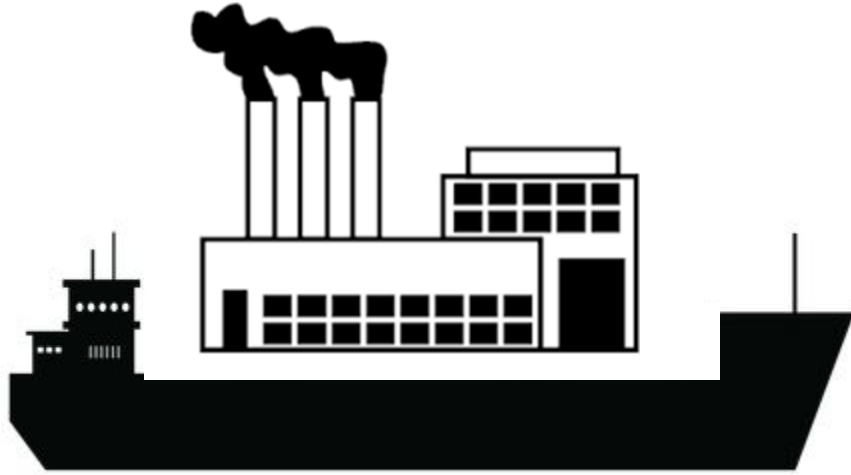
takes jobs from one country and provides them to another.



This can be negative or positive depending on what part of the world you are in.

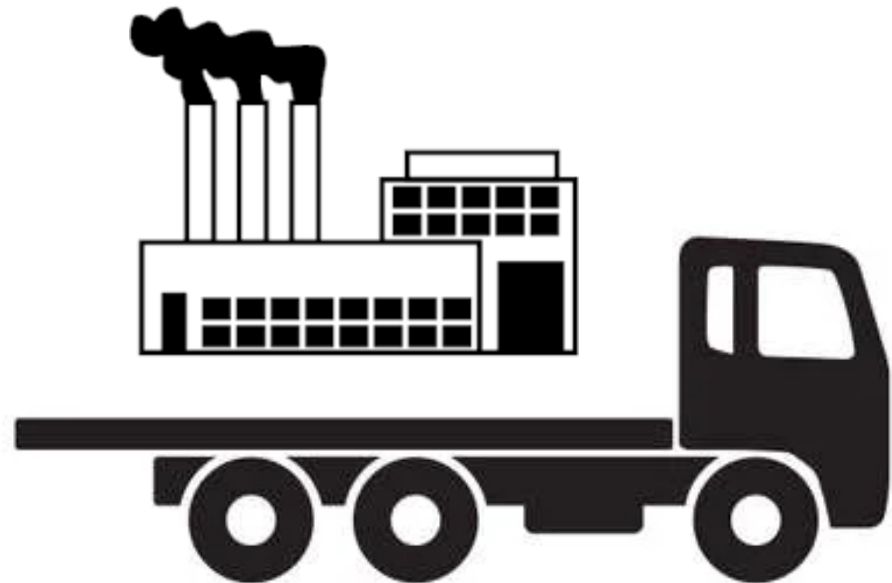
Trade within a country vs. trade between countries

The biggest multinational companies in the world aren't the biggest companies in the world - this is true for Chinese companies which are state-owned, and there are also health companies in the US which are counted among the biggest companies in the world



Factories  
can move  
whenever  
they want

Employees  
cannot





# Instability is an Inherent Feature monopoly control of an industry

According to the U.S. Bureau of Labor Statistics, more than 20% of small businesses in the U.S. end up failing within a year

After five years, around 50% fail  
and after 10 years, only 30% are still running

Once you pass the 15 year mark in business you still only have a 25% chance of surviving

Globalism does not always result in prosperity, such as higher income levels or eliminates poverty

“A false attack and media stunt from the unions,” a Wal-Mart spokesman responded in a statement. “



# Decline in Foreign Direct Investment

(whereby residents of one country invest long-term  
in another country's economy)

“Designed by Apple in California Assembled in China”





# Biggest Multinational Companies in the World

1. Amazon.com
2. Saudi Aramco
3. Berkshire Hathaway
4. Volkswagen Group
5. Apple
6. Walmart
7. Toyota Motor Corporation
8. Sinopec Group - oil and gas
9. Alphabet - Google, YouTube
10. Samsung Electronics
11. Shell
12. Exxon Mobil Corporation
13. Hon Hai Industry - electronics
14. McKesson Corp - pharmaceuticals
15. Trafigura Group - metals



**11. Shell** - headquarters in the United Kingdom. One of the biggest greenhouse gas producers in the world, operates more than 44,000 service stations globally

**12. Exxon Mobil Corporation** - Exxon Mobil Corporation - among the biggest companies in the world in terms of revenue.

**13. Hon Hai Precision Industry** - Taiwanese electronics is the largest private employer in China and with more than 800,000 employees, it is also one of the biggest employers in the world.

**14. McKesson Corporation** - a pharmaceutical distributor

**15. Trafigura Group** - Singaporean commodity trader is the biggest private trader in metals



**7. Toyota Motor Corporation** - a Japanese company which produces around 10 million cars every year.

**8. Sinopec Group** - Chinese oil and gas company with 51 projects in more than 25 countries.



**9. Alphabet Inc** - parent company of Google, is one of the biggest tech companies in the world. And among the most valuable companies in the world and among the highest in terms of revenue - also owns YouTube in

**10. Samsung Electronics** - South Korean company which the largest television manufacturer in the world and the largest manufacturer of smartphones in the world

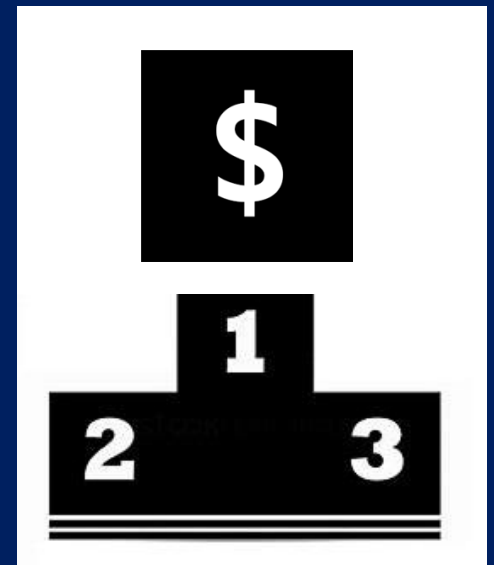


4. **Volkswagen Group** - The biggest automotive manufacturer in the world, has operations in more than 150 countries while maintaining at least 100 production facilities in more than two dozen countries.

5. **Apple Inc** - The most valuable company in the world, is the only company to have reached a valuation of \$3 trillion.

6. **Walmart Inc.** - has more than 10,000 stores across two dozen countries and is the biggest employer in the world with 2.3 million employees.

**1. Amazon.com, Inc.** - is the biggest online retailer, cloud computing services provider, an internet company and even live-streaming company, its subscription service known as Amazon Prime has more than 200 million subscribers globally.



**2. Saudi Aramco** - The biggest oil company and the most profitable company in the world, the only multinational with profits in excess of \$100 billion, has the largest daily oil production in the world.

**3. Berkshire Hathaway Inc.** - The biggest financial services company in the world, is led by the legendary investor Warren Buffett. has the most expensive shares in the world with the Class A share price reaching more than \$500,000 in March 2022.

# Government

world-wide trade standards, control of monopolies,  
protection of developing countries from exploitation



# USPS Expansion of a “Insourcing Initiative”



**USPS Expansion of a “Insourcing Initiative”  
opening the possibility of bringing back  
thousands of jobs that are currently contracted  
out**



There are 591,720  
manufacturing businesses  
in the U.S.

expected to grow over the next few years

Some of the cities with the biggest manufacturing presence  
include Houston, Texas, New York, New York, Chicago, Illinois,  
St. Louis, Missouri, and Fort Worth, Texas

about 12% of the total U.S. GDP

there are over 11 million people employed in a manufacturing  
role in this country (< health care, food, retail sales)

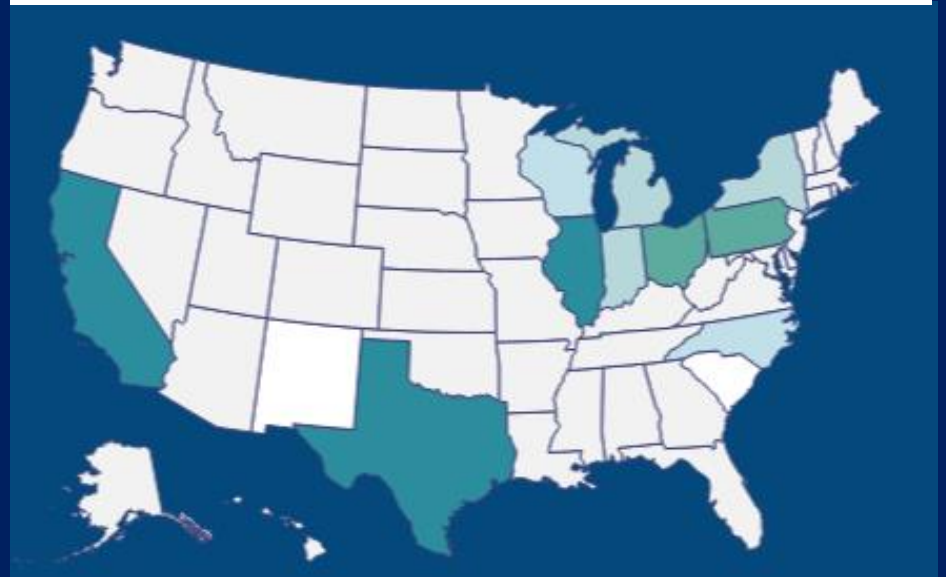
nearly one-quarter of manufacturer workers are aged 55 and  
over

average salary for a factory worker is \$36,500 per year,  
and can vary from \$17,500 to \$67,000



## Top 10 U.S. Manufacturing States Number of Factory Jobs

California	1,385,974
Texas	1,088,582
Ohio	864,867
Illinois	735,084
Michigan	711,807
Pennsylvania	710,372
New York	378,345
Indiana	585,789
Wisconsin	574,469
North Carolina	554,784



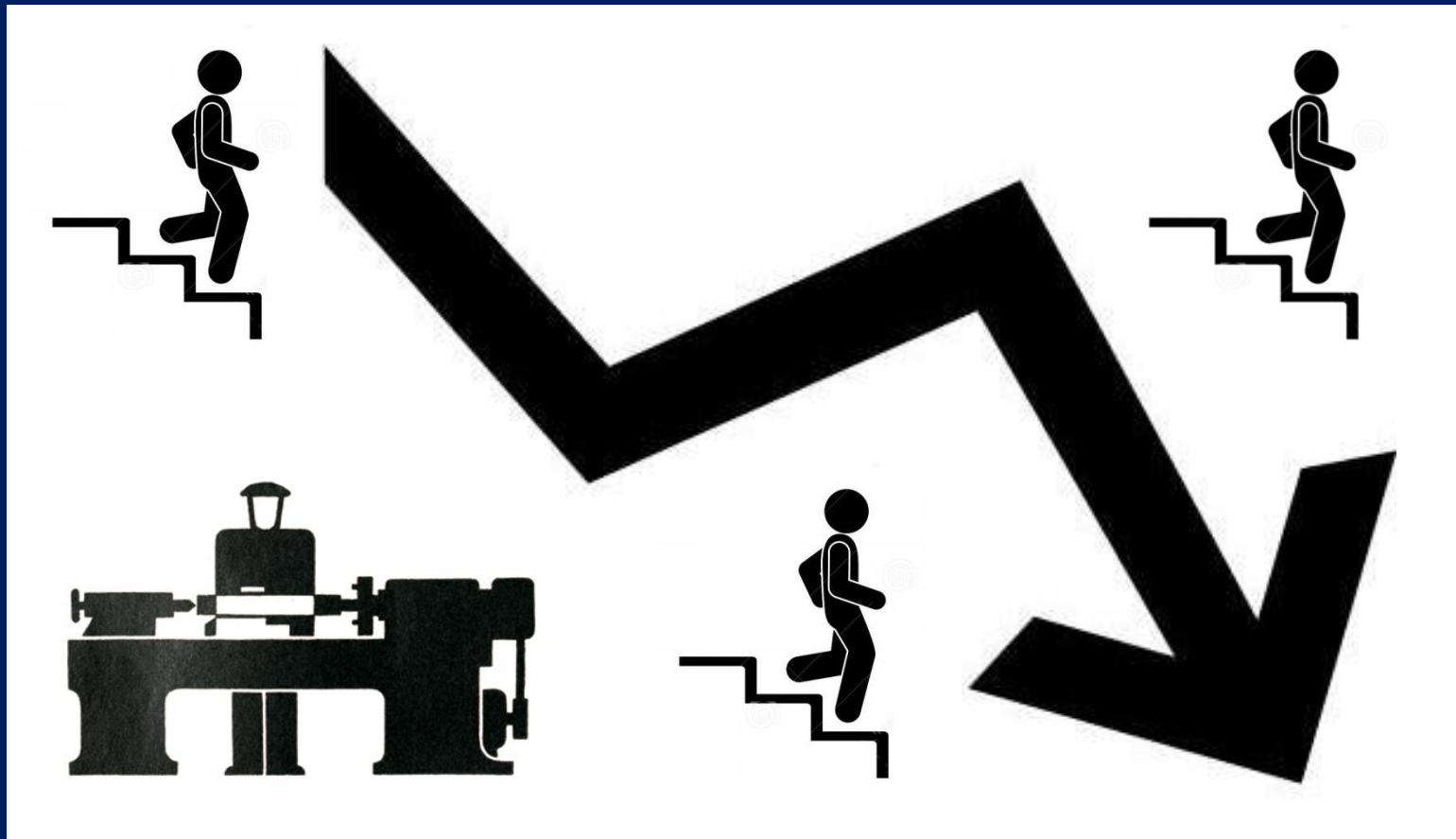
# The Salaries of One-Third of US Jobs are tied to Global Rates of Pay



Former Maytag Plant 2

Totaling more than 1.3 million square feet, the building hasn't been used for close to a decade

# International Race to the Bottom?





Photos of Some  
Effects of  
Globalization  
in Diverse Parts  
of the World









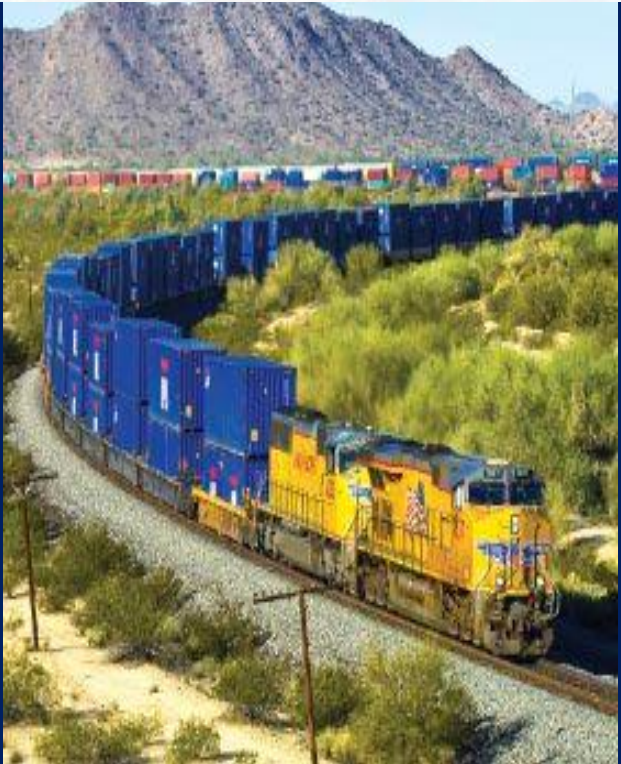




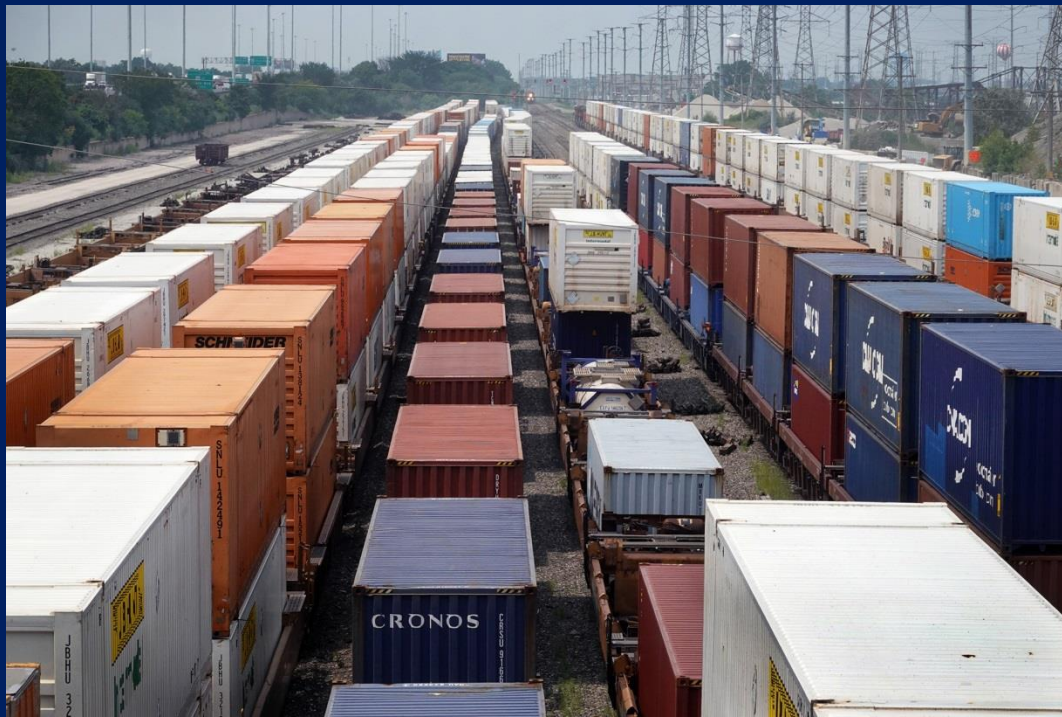












The CenterPoint Intermodal Center located in Joliet, Illinois, considered to be the largest inland port in North America

8 ft wide  
8.5 to 9.5 high  
10 to 50 ft long











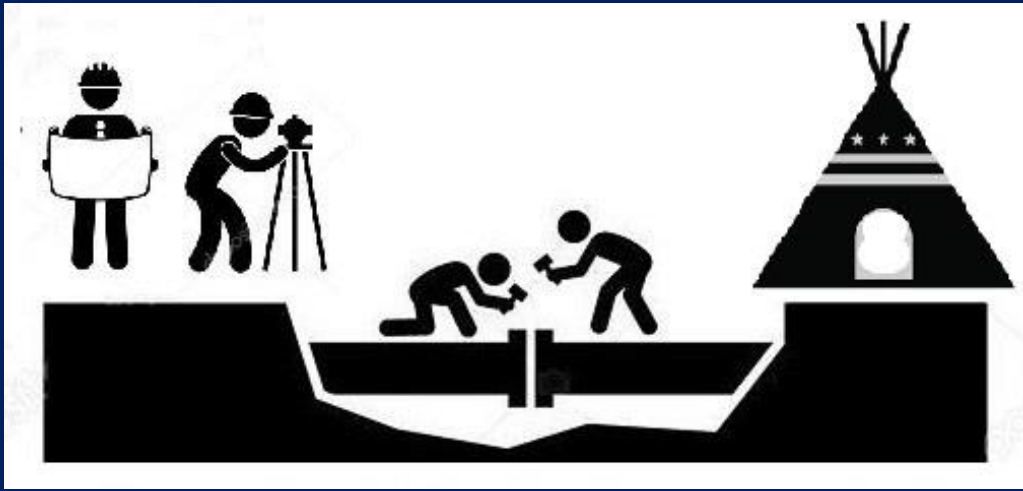
# Environmental Degradation

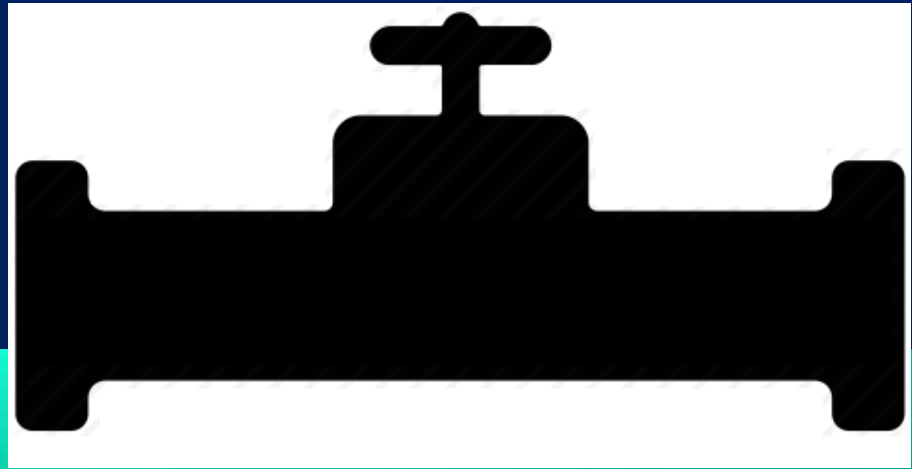
extraction of minerals,  
fosters reliance on fossil fuels and greenhouse gases





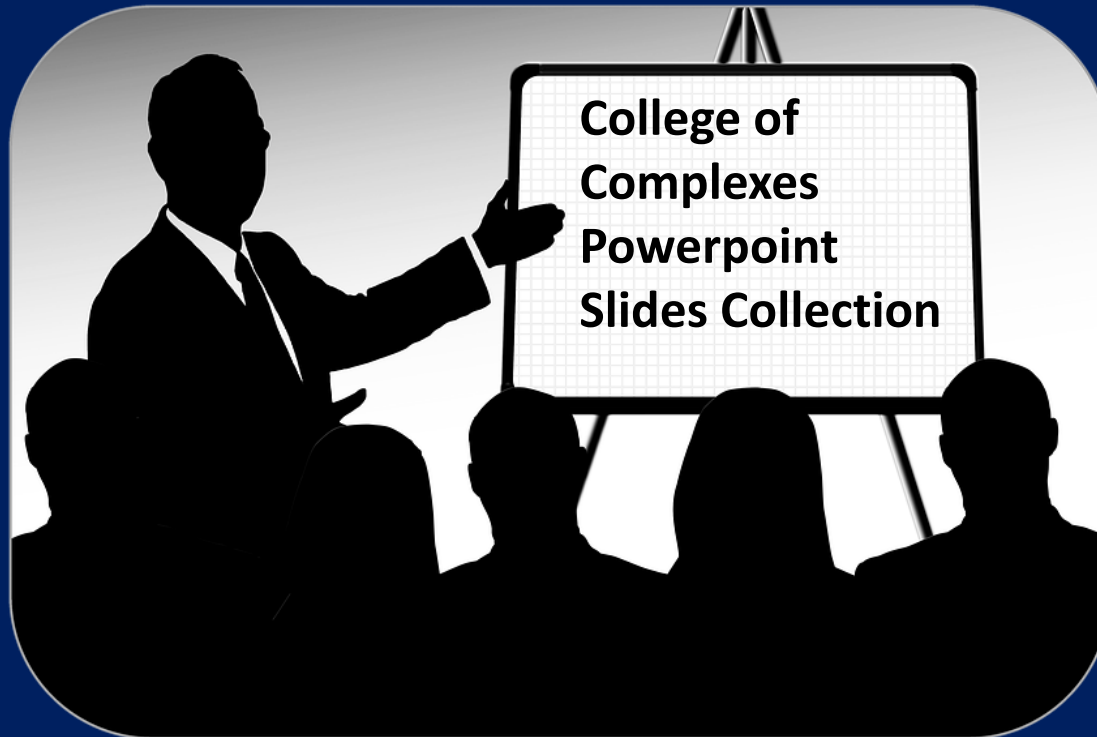


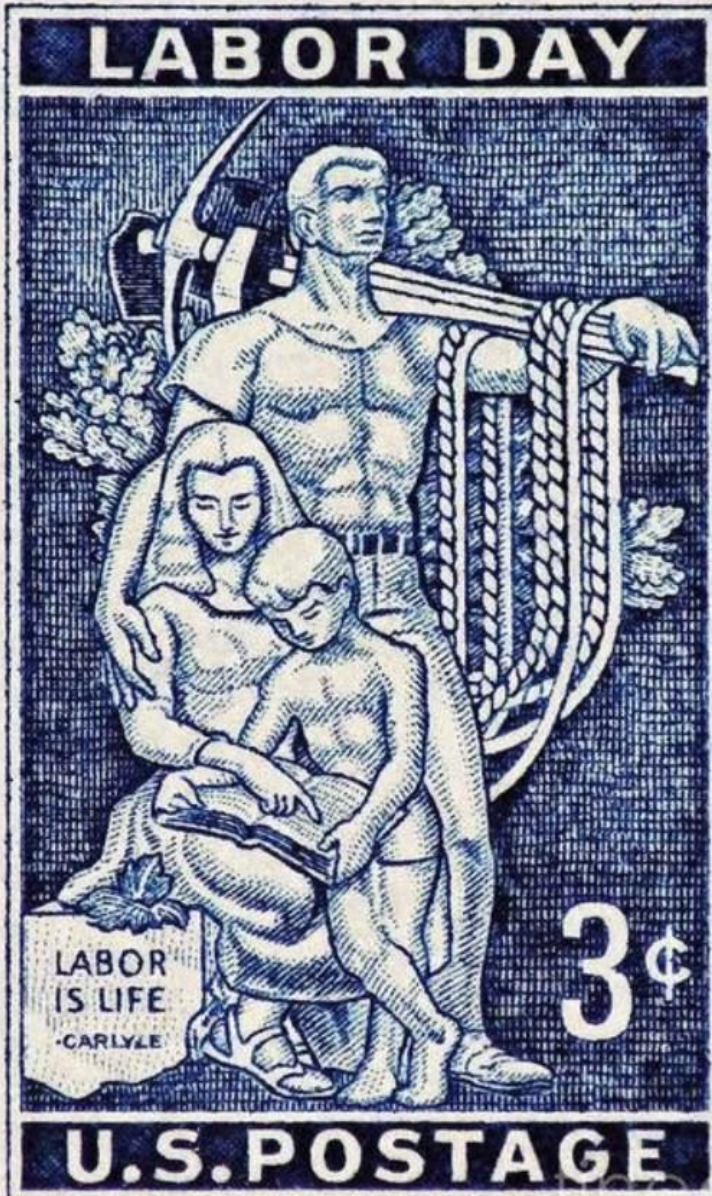




# The History of the Factory - how we came to live in a factory made world (powerpoint slides)

Meeting # 3,682 – September 3, 2022 - Charles Paidock, IAMAW,  
AFL-CIO





Thank You for  
Coming!

Charles  
Paidock





## Essay Questions on a “free market”

1. It’s ok for global companies to open and operate sweatshops in countries with emerging economies?
2. CEO decisions to move production facilities overseas, or out-sourcing, are ok since this will increase profits and make products more affordable?