

Q15. Economic Impacts

Benefits	Costs
<ul style="list-style-type: none">• Access to foreign markets and lowered costs of production• Opportunities for employment and higher wages• Easier access to capital (lower interest rates for loans)• Greater variety of goods and services and lower prices• Technology and skill transfers	<ul style="list-style-type: none">• Disruption and change caused by outsourcing and competition• Increased market volatility and vulnerability to shocks/crises• Widening inequality within and between countries due to uneven distribution of benefits• Resource depletion and environmental degradation

Q15. Cultural Impacts

Benefits	Costs
<ul style="list-style-type: none">• Global spread of cultures has people around the world more aware of various cultures• Hybridisation creates new cultural products that increases the diversity of cultures• Resistance to cultural convergence can rejuvenate traditions and “lost” cultures	<ul style="list-style-type: none">• Traditions and practices gradually diminish as locals adopt foreign cultural counterparts e.g. languages, religions, clothing• Resistance and opposition can result in tensions between local and foreign (e.g. xenophobia) that may escalate into outright violence

Q15. Political Impacts

Benefits	Costs
<ul style="list-style-type: none">• IGOs give small states a voice on issues of concern (e.g. SIDS on climate change)• International law also protects smaller states and helps advance their interests (e.g. Pedra Branca ICJ ruling)• States better able to project soft power through economic and cultural flows	<ul style="list-style-type: none">• State sovereignty undermined as decision-making is influenced by external pressures (from IGOs, INGOs and MNCs)• New security threats: violent extremism, cybercrime• Identity politics (ethnic, religious, issues-based) can affect sense of loyalty to state