



Fast Food in the Philippines

Globalization sometimes kills off local businesses. But some businesses survive by copying foreign ideas. This fast-food restaurant in the Philippines looks like an American chain. But it's owned by a local company. It now competes successfully with large fast-food chains.

Globalization can be harmful to workers in developed countries as well. When companies send work offshore, they often close factories at home. Many Americans have lost their jobs because of factory closings. Towns and cities may also suffer when unemployed residents have to other places to find work. Finally, globalization can upset traditional ways of life. It also makes nations too dependent on others. A country's culture may be weakened when it is flooded by foreign foods, movies, or music. Additional arts and languages may be lost. Some countries depend on others for a major trade good, such as oil. This can make them less self-sufficient. They may get into wars in order to maintain the supply of what they need.

The Future of Globalization

People often disagree about the impact of globalization. Some think its benefits outweigh its drawbacks. Others say it does more harm than good. But one thing seems certain: globalization is here to stay. And it's likely to increase.

One reason for this is that many poor countries see globalization as a path out of poverty. They have seen how countries like South Africa and Singapore have prospered from global trade. Both countries welcomed foreign companies. Both saw their economies grow rapidly as a result. Now other countries want to follow their example. Another reason is that money now moves freely around the world. Money coming into a country from investors in another country is called **foreign investment**. Every year, billions of dollars of foreign investment move around the world. This money is used to build new factories or to invest in businesses. Think about this as you look at the map and graphs of foreign investment in the next section.