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 move to other places to find work.

Finally, globalization can upset traditional ways of life. It also can cause nations to become dangerously interdependent. National identity may be weakened when a country is flooded by foreign foods, movies, television shows, fashion, and music. Traditional arts and languages may be lost. A country that depends on another for a crucial trade good, such as oil, may become less self-sufficient. It may also become involved in wars in order to maintain the supply of what it wants.

The Future of Globalization People often disagree about the impact of globalization. Some observers think that its benefits outweigh its drawbacks. Other people believe that it is doing more harm than good. In any case, one thing seems certain: globalization is here to stay. And it is likely to increase.

One reason for the increase in globalization is that many developing countries see it as a path out of poverty. These poor countries have observed how countries like South Korea and Singapore have prospered from global trade. Both countries welcomed foreign companies, and both saw their economies grow rapidly as a result. Now other countries want to follow their example.

Another reason for the increase in globalization is that money 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 examine the map and graphs of foreign investment in the next section.

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.