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Read TEXT 1 carefully and answer the questions from 1 to 10 by choosing the correct option (A,B,C,D) OR writing the answer based on information in the text. All answers must be written on the answer sheet.

### THE EFFECTS OF GLOBALIZATION

1. Globalization has affected every aspect of life almost everywhere. This widespread exchange of goods, services and ideas has enabled economic, social, and cultural changes around the world. Today, everyone knows American companies such as Nike, Burger King and McDonald's. The question is will globalization make everything the same in every country of the world? Or will the different cultures actually become stronger?
2. Because the images of American popular culture are everywhere, some people think that all cultural differences will disappear and some sort of cultural sameness may be established with the help of huge powerful international media bodies. Francis de Sales, in his recent report, talked about how Indonesian youths generally prefer clothes with the name of Adidas and Nike and try to copy the lifestyles and mannerisms of their role models like Michael Jordan or Shaquille O'Neal. These teenagers saw their heroes together with those brand names on TV. As a result, young Indonesians today prefer to put on shorts or torn jeans to imitate American youths whom they often watch on the television or in movies. Thus, unique cultural characteristics are under the threat of Americanism, or cultural globalization.
3. Is America wholly responsible for this? Dr. Henry Kissinger, a former secretary of state for the USA, thinks so. In 1999, he said: "What is called 'globalization' is really another name for the dominant role of the United States." He went on to say how the USA had created great wealth and economic power. As a country becomes powerful and dominant economically, it tends to impose its own cultural values on other countries. Especially younger people accept and copy these cultural ideas quickly.
4. How has this standardization affected different cultures? Some people welcome what globalization brings and enjoy the variety of products and services that become available in the remotest parts of the world. They believe globalization has made life easier and brought more variety to their lives. Others, on the other hand, see the changes as a threat to their own distinct culture, to the way of life that has been established for centuries. Besides, the opponents state that globalization only serves the benefits of huge global companies; small or medium-sized local businesses cannot compete with these global giants. The opponents see companies like McDonald's as a representation of globalization and thus hold **them** responsible for negative results that it brings. In 1999, for example, José Bové, a French farmer who supplied milk for French Roquefort cheese, destroyed a McDonald's outlet in the South of France. What he did was a reaction to the US restrictions on the importation of Roquefort cheese. Because of the restrictions imposed by the USA, a lot of French farmers could not sell their milk, and thus, their businesses were affected badly.
5. However, although globalization leads to an apparent standardization of world cultures and threatens local businesses, some people hold the opinion that distinctive cultural identities will not die out. A report by the UN Educational, Scientific and Cultural Organization (UNESCO) showed that the world trade of cultural goods, such as African drums, went up almost 3 times between 1980 and 1991: from 67 billion dollars to 200 billion dollars. It is also possible to find Chinese, Italian, or Mexican food almost anywhere in the world. Therefore, supporters of cultural globalization argue that globalization has enabled us to learn about different cultures. If people are

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more aware of other cultures, those cultures are more likely to stay the same way no matter how powerful Westernism is.

6. It is the first time in human history that nearly every individual at every level of society consciously or unconsciously feels the impact of globalization. We find it in the media, taste it in our food, and sense it in the goods that we buy. At the same time, we feel that our traditional cultures and identities are under threat. However, to some people, globalization does imply some integration of culture and this may not be bad. It enables us to be aware of very different and unique cultures on the other end of the world.

### QUESTIONS

1. According to paragraph 2, which of the following has the main responsibility for cultural sameness?
  - A. Lifestyles and mannerisms
  - B. International media bodies
  - C. Famous basketball players
  - D. Brand names on television
2. According to Henry Kissinger, the power of the USA is felt everywhere because...
  - A. globalization created great wealth and economic power.
  - B. cultural sameness is imposed on other cultures by young Americans.
  - C. America has a has a huge economic impact on other countries.
  - D. young people are so quick to pick up new cultural values.
3. In paragraph 4, find a **noun** that is closest in meaning to “**people who are against an idea**”: \_\_\_\_\_.
4. In paragraph 4, “**them**” refers to \_\_\_\_\_.
5. José Bové is given as an example to explain...
  - A. how small and medium-sized businesses are affected by globalization.
  - B. the violent reactions of anti-globalist groups around the world.
  - C. why the USA imposed restrictions on the importation of Roquefort cheese.
  - D. the importance of Roquefort cheese to the French culture.
6. In paragraph5, find an **adjective** that is closest in meaning to “**unique**”: \_\_\_\_\_.
7. Which of the following ideas is **NOT** discussed in the text?
  - A. How young people are influenced by cultural globalization
  - B. The destructive effects of globalization on small businesses
  - C. How unique cultural values disappear with globalization
  - D. The ways in which the effects of globalization can be prevented

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Match the paragraph number on the left with the best MAIN IDEA on the right. There are TWO EXTRA main ideas. Write the letters on your answer sheet.

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| 8. ____ Paragraph 2  | A. Some people believe cultural globalization will be the end of cultural differences.                                   |
| 9. ____ Paragraph 3  | B. Attitudes of people towards globalization differ.   |
| 10. ____ Paragraph 5 | C. Globalization has raised people's awareness of unique cultures of the world.  |
|                      | D. Despite the spread of Westernism, some cultures oppose the effects of globalization and refuse to buy American goods. |
|                      | E. The spread of Americanism around the world is the result of the USA's dominant role as a global economic power.       |

**TEXT 2:**

Read text 2 carefully and answer the questions from 11 to 25 by choosing the correct option (A,B,C,D) OR writing the answer based on information in the text. All answers must be written on the answer sheet.

**THE ECONOMY AND GLOBALIZATION**

1. Globalization is the process of interaction and integration among the people, companies, and governments of different nations. It has affected the world's economies dramatically for the last 40 years. During this period, technology, communication and transport have advanced very quickly. Together with the recent idea of free markets, in which any country can trade with another country, these advances mean goods, services and capital (money) have become much more mobile than ever. Businesses are able to sell their goods with the help of technology more easily. Huge ships and large air carriers that transport goods over oceans ensure quick and safe delivery of goods to any corner of the planet.
2. Since the 1970s globalization has had a double aim: changing the existing markets so that they are much freer and more accessible and creating completely new markets. Various trade agreements between countries and the world's financial institutions, such as the World Bank, have forced poor countries to integrate with rich countries. Countries in the northern hemisphere, such as North America, want to open up markets for their products everywhere. One way of doing that is through reducing taxes on rich countries' exports. The World Bank has helped to do this on occasions and has given tax advantages to rich exporters. With less tax to pay, exporters are able to send more goods to more countries. Another way is to bring new and emerging economies, such as Korea and Taiwan, into the international trade markets. Back in the 1960s, the big business leaders of those countries were forced into exporting their goods. If they failed to export them, the electricity to their factories was cut by the government. Thus, exporting became a must rather than a choice.
3. Rich countries of the northern hemisphere also want to continue taking advantage of the cheap workforce in southern areas of the world like South East Asia. Southern political elites, or controlling groups, often help rich countries exploit the cheap workforce in their developing/ underdeveloped country. Such exploitation has resulted in globally linking the rich and poor countries together. Rich countries gained advantages not just because of tax advantages given to them but also because they exploited the laws in poorer countries. Ideally, labour laws, such as the minimum wage, the minimum age for working children, maximum amount of working hours, and occupational safety and health standards at work, are designed to protect workers. **They** should be applied universally so that all

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employees work under good conditions. However, these legal labour standards were lowered by rich employers so that workers became overworked, were underpaid and were obliged to work in places that were sometimes unsafe and unhealthy. The rich were exploiting the poor so the rich became richer and the poor became poorer.

4. One country which has played a large part in globalization is the USA, and the results of its actions can clearly be seen in Asia today. In the 1980s, the USA wanted to decrease its debt to Tokyo, so it forced the revaluation of the Japanese yen to the dollar and other currencies. This meant that the yen became more expensive to buy compared to other currencies. This caused a problem for Japan. It made Japan's exports more expensive to buy for other countries. As a result, the Japanese manufacturers decided to change their factory locations to cheap workforce areas, mainly China and Southeast Asia between 1985 and 1990. In the 1980's there was a global 'credit crisis' when the governments of the world limited the amount of credit in the economy. The 'newly industrializing' countries like China escaped the credit problems during this crisis period. This looks surprising as every other country had credit problems, but China and South East Asia had Japanese money, the expensive yen, going into them. As they were hardly affected by the crisis, they were able to grow at a high speed. Thailand, for example, received 24 billion dollars' worth of investment from capital-rich Japan, Korea and Taiwan and hardly felt the impact of the global economic crisis.
5. Big corporations like Toyota and Matsushita, as well as small and medium sized firms, spread to different countries so that their goods could be exported to other countries. China, because of its reserve of cheap workforce, unmatched by any country in the world, became the '**workshop of the world**'. It drew in 50 billion dollars' worth of investment annually by the first half of this decade. In order to survive, international companies had no choice but to move their businesses to China to get cheap Chinese workers. This caused a huge crisis in the labour force of the advanced capitalist countries.
6. All of this depended on the US. If American consumers spent money on the products made in East Asia, the export economies in East Asia could continue to operate speedily. In order to make sure that this could happen, China and other Asian countries lent money to US financial institutions. These institutions then lent money to American consumers so that **they** would keep buying Chinese made goods and support the economy. But because the US economy collapsed, the USA cannot buy at the same level and won't be able to do so for a long time.
7. As a result of this collapse in the USA, Asia's exports are now stuck in Asia and are not being sent out to America. China's growth rate fell from 11% to 9% in 2008, and South Korea's currency has collapsed by 30% compared to the dollar. Experts have predicted that Southeast Asia's growth will be half of what it was in 2008. It has been predicted that 200 million more workers and their families will fall into extreme poverty as a result of the global economic problem. Even if globalization can temporarily help economies, the majority of people miss that opportunity and only a tiny few at the top benefit.

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QUESTIONS

11. In paragraph 1, find a **verb** that means “**guarantee**”: \_\_\_\_\_.
12. Which of the following statement is **NOT** true? Globalization has been centred on...
- A. making current markets more accessible.
  - B. making new markets in new and different locations.
  - C. changing markets that are already in place.
  - D. making banks more accessible.
13. From paragraph 2, we learn that in Taiwan and Korea...
- A. if successful businessmen didn't export, the power to their factories was cut.
  - B. the government supported the business leaders by reducing taxes.
  - C. workers of state businesses earned a fortune as a result of exporting their goods.
  - D. exporting was not supported by the government, but it was a choice of investors.
14. Lowering legal labour standards causes....
- A. links between new owners of public services and workers.
  - B. young workers to work less in jobs requiring physical power.
  - C. poor working conditions and pay for workers.
  - D. rich people to use financial institutions more than before.
15. In paragraph 3, “**they**” refers to \_\_\_\_\_.
16. Thailand's economy didn't suffer the economic crisis in the 1980s because...
- A. small markets were supported by the World Bank.
  - B. it grew at a high speed.
  - C. some rich countries gave Thailand money.
  - D. Thailand had invested money in Japan.
17. According to paragraph 5, China became the ‘workshop of the world’ because...
- A. there was a huge crisis in Western workforce.
  - B. Chinese employees worked for much lower wages.
  - C. China got 50 billion dollars of investment.
  - D. big and small firms spread out to different countries.
18. From paragraph 6, we can understand that...
- A. export economies in East Asia will grow faster due to the collapse in the USA.
  - B. the export economies in East Asia depended on a healthy American economy.
  - C. the American economy collapsed because of the Asian countries.
  - D. US consumers will borrow money from Asian banks because of the crisis.
19. In paragraph 6, “**they**” refers to \_\_\_\_\_.

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20. Which of the following is **NOT** true about the results of the economic crisis in the USA?
- A. the growth rates of Southeast Asia affect many workers negatively.
  - B. Southeast Asia's growth will probably be 50% less than in 2008.
  - C. South Korea's currency went down by nearly a third.
  - D. Asia's exports are being bought by the USA now.
21. What is the MAIN IDEA of this text?
- A. Globalization has good and bad sides affecting rich and poor countries differently.
  - B. Globalization caused the currencies and growth rates of Southeast Asia to fall.
  - C. Globalization will not continue because Asia's goods are not bought by the USA.
  - D. Globalization has linked countries so they can work and produce more together.

**Match the items in column A with the items in column B. There are TWO EXTRA items in column B. Write the letter on your answer sheet.**

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|-------------------------|---|
| 22. ____ Poverty        | A. likes to start new businesses all over the world.  |
| 23. ____ The World Bank | B. helped South East Asia get out of credit problems. |
| 24. ____ Japan          | C. has attracted businesses due to low wages.         |
| 25. ____ North America  | D. has made poor countries link with the rich.        |
|                         | E. was encouraged to trade internationally.           |
|                         | F. became an issue due to relaxed labour laws.        |