

Long Answer Questions

Q.1. Explain any three advantages of Globalisation with examples.

[CBSE Delhi 2014]

Ans. Three advantages of Globalisation are as follows:

1. Political Advantages: State also gains political benefit due to globalisation. State can work efficiently by collecting information about its citizen by technology. Globalisation intensifies closeness between countries. Event occurs in one part of the world and also affects other parts of the world. States become more powerful than they were earlier as a result of globalisation. The primary of the state continues to be the unchallenged basis of political community. The state continues to discharge its essential functions (Law and order, national security) and consciously withdraws from certain domains from which it wishes. With enhanced technologies available at the disposal of the state, they can collect information about its citizens. With this information, the state is able to rule better, not less able. Thus, state becomes more powerful.

2. Economic Advantages: Globalisation has involved greater trade in commodities across the globe; the restrictions imposed by different countries on allowing the imports of the other countries have been reduced. Similarly, the restrictions on the movement of Capital across countries have also been reduced. Now the investor can invest his money anywhere in the world. Advocates of economic globalisation argue that it generates greater economic growth and well being for larger sections of the population when there is de-regulation. Greater trade among countries allows each economy to do what it does the best. This would benefit the whole world.

3. Cultural Advantages: Globalisation leads to the rise of a uniform culture. Cultures are not static things. All culture accept outside influences all the time. Sometimes external influences simply enlarge our choices, and sometimes they modify our cultures without overwhelming the traditional. The burger is no substitute for a Sambhar Vada and, therefore, does not pose any real challenge. It is simply added on to our food choices. Blue jeans, on the other hand, can go well with a homespun khadi kurta. It is interesting that this unique combination has been exported back to the country that gave us blue jeans. Globalisation lead to each culture becoming more different and distinctive.

Q.2. What initiatives did India take for globalisation?

Ans. India took the following initiatives for Globalisation:

1. Reforms in trade policy: These reforms in trade policy by India were carried out.

- Eliminated existing import licencing system

- Reduced excise duty on import
- Resolved import barriers in a chronicle order.

2. Reforms in industrial policy: Following were the reforms done by India in its industrial policy:

- Ended licence system except some industries
- Only some regions were restricted for public regions
- End of investment related barriers from big industrial houses
- Disinvestment was stopped in a chronological order for private ownership in units of public sector
- Preference to Foreign Direct Investment was given
- Special permissions of investment to NRIs were given
- Indian industries were permitted to invest in foreign countries.

3. Improvement in exchange rate: Following are the reforms done by India in

- Devaluation of 'rupee' in 1991
- Partial convertibility of 'rupee' in 1992-93
- Mobility of current accounts in 1994.

4. Improvement in Capital market: Establishment of Security and Exchange Board of India was done for regulation of capital market in India.

5. Financial reforms: Following reforms in finance were carried out by India:

- Permission for expansion of work area to united tool of foreign banks as well as private banks.
- New Policy for private non-banking financial companies was started.

6. Disinvestment: India has done disinvestment in units in public sectors. Insurance sector was one such sector which was left open for competition.

7. Effect of World Trade Organisation: World Trade Organisation came into existence in 1995. Excise duty (tariff) was removed from majority of the Indian goods.

8. End of concession: Indian government came into its right form by not favouring concession and by ending its role as a regulator.

Q.3. Explain any three bases that oppose globalisation in India.

[CBSE (AI) 2014]

Or

Explain any three reasons for resistance to globalisation.

[CBSE Delhi 2015]

Ans. The three bases that oppose globalisation in India are as follows:

(i) Globalisation represents a particular phase of global capitalism that makes the rich richer and the poor poorer. It should be kept in mind that always same results cannot be seen even after adopting the same policy. Different effects of it can be seen in the different parts of the world. Those who criticise globalisation have raised their voices that poor countries would lead to an extent of destruction.

(ii) Weakening of the state leads to a reduction in the capacity of state to protect the interest of its poor. Those who are concerned about social justice are worried about the extent of state withdrawal caused by processes of economic globalisation. They point out that it is likely to benefit only a small section of the population while impoverishing those who were dependent on the government for jobs and welfare (education, health, sanitation, etc.)

(iii) In political terms, they also fear the weakening of the state, economically they want a return to self-reliance and protectionism, at least in certain areas of the economy. Culturally, they are worried that traditional culture will be harmed and people will lose their age-old values and ways.

(iv) Culturally, critics are worried that traditional culture, i.e., music, dress and language, etc. will be harmed and people will lose their age-old values and ways.

Q.4. Describe any three effects of globalisation on the culture of a country.

[CBSE (AI) 2015]

Ans. The effects of globalisation:

(i) Globalisation has led to similar economic policies adopted by governments in different parts of the world that has generated vastly different outcomes in different parts of the world.

(ii) It has involved greater trade in commodities across the globe; the restrictions imposed by different countries on allowing the imports of other countries have been reduced. Similarly, the restrictions on movement of capital across countries have also been reduced.

(iii) Globalisation has led to the flow of ideas across national boundaries; spread of internet and computer related services is an example of that.

(iv) Economic globalisation has created an intense division of opinion all over the world. Those who are concerned about social justice are worried about the extent of state withdrawal caused by processes of economic globalisation.

(v) Globalisation generates greater economic growth and well being for larger sections of the population when there is deregulation. Greater trade among countries allows each economy to do what it does best.

Q.5. How has globalisation affected India and what has been India's response?

[CBSE Sample Paper 2015]

Ans. Impact of globalisation on India: Removal of trade barriers, reduction in taxes on goods have encouraged the investors to invest in India. Better services in the communication sector, many food processing units have entered the Indian market, foreign exchange reserves have increased due to FDI.

India's response to globalisation: Criticized by the leftists and the rightist wings or political parties, anti-globalisation movements government has made efforts to make globalisation more fairer so that it creates opportunities for all and also to ensure that benefits of globalisation are shared by all.