



TEXTBOOK QUESTIONS SOLVED

1. Which of the statements are 'True' about globalisation?

- (a) Globalisation is purely an economic phenomenon.
- (b) Globalisation began in 1991.
- (c) Globalisation is the same thing as westernisation.
- (d) Globalisation is a multi-dimensional phenomenon.

Answer:

- (d) Globalisation is a multi-dimensional phenomenon.

2. Which of the statements are 'True' about the impact of globalisation?

- (a) Globalisation has been uneven in its impact on states and societies.
- (b) Globalisation has had a uniform impact on all states and societies.
- (c) The impact of globalisation has been confined to the political sphere.
- (d) Globalisation inevitably results in cultural homogeneity.

Answer:

- (a) Globalisation has been uneven in its impact on states and societies.
- (b) Globalisation inevitably results in cultural homogeneity.

3. Which of the statements are 'True' about causes of globalisation?

- (a) Technology is an important cause of globalisation.
- (b) Globalisation is caused by a particular community of people.
- (c) Globalisation originated in the US.
- (d) Economic interdependence alone causes globalisation.

Answer:

- (a) Technology is an important cause of globalisation.
- (b) It originated in the US.

4. Which statements are 'true' about globalisation?

- (a) Globalisation is only about movement of commodities.
- (b) Globalisation does not involve a conflict of values.
- (c) Services are an insignificant part of globalisation.
- (d) Globalisation is about worldwide interconnectedness.

Answer:

- (b) Globalisation does not involve a conflict of values.
- (d) Globalisation is about worldwide interconnectedness.

5. Which of the statements are False about globalisation?

- (a) Advocates of globalisation argue that it will result in greater economic growth.
- (b) Critics of globalisation argue that it will result in greater economic disparity.
- (c) Advocates of globalisation argue that it will result in cultural homogenisation.
- (d) Critics of globalisation argue that it will result in cultural homogenisation.

Answer: The statements (b) and (d) are false about globalisation.

6. What is worldwide interconnectedness? What are its components?

Answer: The worldwide interconnectedness implies to interlink the world through free flow of goods and services, technology, ideas and people across the globe to extend globalisation. This contains three components:

1. Capital Flow: It is the flow of resources through loans or business investments among the countries.
2. Trade Flows of Goods: It refers to exchange of goods among countries.
3. Labour Flow: It refers to 'Brain drain' by creating favourable conditions for employment.

7. How has technology contributed to globalisation?

Answer: Technical equipments as cell phone, internet, telephone and microchip have contributed to globalisation by exchanging ideas, capitals and people to make convenient to move from one place to another at a fast pace to stimulate the process of globalisation.

8. Critically evaluate the impact of the changing role of state in the developing countries in the light of globalisation?

Answer: The impact of changing role of state in the developing countries in the light of globalisation can be summed up as follows:

1. Globalisation reduces the state capacity i.e. the ability of governments to do what they do.
2. Market becomes the prime concern to set down economic and social priorities.
3. Multinational companies effect on the decisions taken by government because their own interest fulfillment also depends on government policies.
4. The old welfare state is now giving way to more minimalist state to perform certain core functions as maintenance of law and order and the security.
5. State also withdraws from many of its welfare functions taken place at the level of economic and social well-being.
6. To some extent developing countries have received a boost as a result of globalisation and became more strong and powerful due to emergence of new technology.

9. What are the economic implications of globalisation? How has globalisation impacted on India with regard to this particular dimension?

Answer:

(A) Economic Implications of Globalisation (Positive)

1. It involves greater economic flows among various countries.
2. It has enhanced trade in commodities among countries.
3. The restrictions on the imports and movement of capital have also been reduced.
4. This has spread internet and computer related services across national boundaries.

(B) Negative Economic Implications

1. Economic globalisation has created diverse opinion all over the world as to benefit only a small section of society.
2. It does not have equality at par the movement of people across the globe i.e. developed countries have carefully guarded their borders with visa policies to ensure job security to their own citizens.
3. It has created disparities among states also by making the rich more richer and the poor more poorer.

Impact of Globalisation on India:

1. More new jobs have been created in the MNCs like cell phones, fast food etc.
2. India is playing a crucial role among developing countries in trade and commerce by making some companies multinational themselves. i. e. Tata Motors, Ranbaxy etc.
3. Foreign Direct Investment have also been increased.
4. It has invited inflow of private foreign capital and export oriented

activities.

10. Do you agree with the argument that globalisation leads to cultural heterogeneity?

Answer: Cultural consequences do not assume to lead to cultural heterogeneity only. All cultures accept outside influences all the time. Some external influences may be negative even to reduce our choices. Sometime external influences enlarge the choices or modify our culture without overwhelming the traditions i. e. the burger is not a substitute for a masala dosa, blue jeans can go well with a homespun Khadi-Kurta (a nique new combination by external influences). Hence, it can be said that globalisation does not lead cultural heterogeneity every time but it is supportive to promote cultural outlook and cultural homogenisation.

11. How has globalisation impacted on India and how is India in turn impacting on globalisation?

Answer:

Impact of Globalisation on India:

1. More new jobs have been created in the MNCs like cell phones, fast food etc.
2. India is playing a crucial role among developing countries in trade and commerce by making some companies multinational themselves i. e. Tata Motors, Ranbaxy etc.
3. Foreign Direct Investments have also been increased.
4. It has invited inflow of private foreign capital and export oriented activities.

India in turn impacting:

1. Through responding to 1991 financial crisis, Indian economy was liberalised to attract foreign direct investment.
2. India introduced new trade policy reforms to remove tariffs and restrictions imposed on imports.
3. Under industries, it abolished licensing system exempting few specified industries only.
4. Banking operations by private sectors were permitted to expand in the country.
5. To promote globalisation, India has adopted an open economy.

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