

3. Read the following passage carefully and answer the questions given at the end. (20)

Globalization is viewed by its proponents as a process of cementing economic, cultural and political bonds between peoples of different countries of the world. One may regard it as a process by which they are welded into a single world society, to be termed as global society. It means internationalization of production and labour leading to integration of economies of developing and developed countries into global economy. To quote Rosabeth M.Kanter, "The world is becoming a global shopping mall in which ideas and products are available everywhere at the same time."

Globalization is a natural outcome of computer networking and electronic mass communication. Information technology has made it possible for nations of the world to contact one another beyond their national borders. Besides, globalization is also promoted through the growth and proliferation of multinational companies and corporations that operate as transporter networks. Anyhow the flow of capital technology and labour across the borders of countries has accentuated the process of globalization.

Deregulation, liberalism and privatization being assiduously pursued in the developing countries are some other manifestations of globalization. These countries are opening their economies to follow these trends. The size of the public sector is shrinking for the private sector to assume an increasingly important role in the economic development of the Third World countries. The downsizing of the public sector is in line with the spirit of market economy. This is suggested as a measure to cover up their fiscal deficit.

Questions: (4 marks each)

1. Define globalization.
2. What is electronic mass communication?
3. What does the term Third World denote?
4. What is privatization?
5. Explain 'liberalism' in the above context.

Comprehension 2020

1) Globalisation is the socioeconomic, political and cultural interaction among different people or nations irrespective of boundaries. Due to globalization, whole world is transformed into a global society, where anyone can communicate with everyone beyond borders.

2) Electronic mass communication is the way of maintaining interconnectedness along the long distances. It has made feasible to contact a person sitting at any corner of this globe. Electronic mass communication played a significant role in globalizing the world.

3) Third world countries are those which are still struggling with GDP growth and economic development in 21st century. They are troubled with poverty, illiteracy, social crimes and gender inequality still, unlike developed countries who are excelled these matters and ^{making} progress in technology and research.

4) Privatization is the transformation of government-owned businesses from state to the private entities, when suffering from severe economic losses.

It takes off the burden from government and results in better economic growth

5) Liberalism in this context means that the relaxation of terms and conditions of its security concerns by developing countries. To open up their economies, they reduce the taxation which helps in inviting foreign investment in the country. This helps in boosting of economic growth.