

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.

Q1 Define globalization.

Globalization can be defined as the process of strengthening economic, cultural and political relations between the peoples of different countries around the world. It is integration of economies of developed and developing countries through internationalization of labour and production.

Q2 What is electronic mass communication?

Electronic mass communication is the medium for bridging the communication gap between people of different countries across the world through technological means.

Q3 Explain 'liberalism' in the above context.

In the given context, liberalism refers to the liberty of cross-border trade with minimal intervention by authorities and provision of an environment conducive to free market trade.

Q3 What does the term Third World denote?

The term 'Third World' denotes the developing countries of the world. It often refers to countries with lower economic growth and poor infrastructure.

Q4 What is privatization?

Privatization can be defined as the shrinkage of public sector to make room for private sector to contribute to the economic development of the developing countries.