

**Q. 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.

Q1

Ans: Globalisation can be defined as "The Process by which the people of different societies are united and treated as one society. This Unification of the world can be economically, politically, or would be based on culture". Globalisation is all about the strengthening of the global ties among the nations. It can play a Pivotal role in the development and internationalisation of the products of all countries of the world.

Q2:-

Ans:- Electronic mass communication is the advancement in information technology sector. With the development of this, the people beyond the borders are now able to communicate each other through electronic devices. This concept of advancement is referred as Electronic Mass Communication. Due to this, the world has now adopted the shape of global village where it became easy for every nation to remain in touch and aware about the other parts of the world.

Q3:-

Ans:- The third world countries are the developing countries of the world. All those countries which are struggling for the upheaval of their national economies are referred as third world countries. In such states, the private sectors grab the important positions and assume the important roles in the economic development. And the public institutions of these countries are unable to save the economy of the respective states.

Q4:-

Ans:- Privatisation is the handing over of public institutions of the countries to the private firms. It also refers to the transferring of state owned institutions to the private companies or sectors on the basis of their lapse performance. It is also about the public-private Partnership. In Privatisation, a government, for the sake of economic uplift, handsover the ownership of a specific sectors to any private firms.

Q5:-

Ans:- Liberalism is actually the free trade among the countries. It is the economic policy and modernization strategy for economy. In order to achieve economic stability, all the developing countries adopt the strategy of liberalism - which become a cause of globalisation. This also paves the way for privatisation of state owned institutions.