

Understanding Globalisation

Chapter 21: Globalisation and the Indian Economy · Topic 1

Key Concept

Globalisation has been driven by improvements in transportation and communication technology, making it easier and cheaper to move goods, services, and information across borders.

Trade liberalisation, reducing barriers like tariffs and quotas, has facilitated increased international trade, allowing companies to source materials and sell products globally.

Multinational corporations (MNCs) play a significant role in globalisation, often setting up production facilities in multiple countries to take advantage of lower costs or new markets.

While globalisation has increased economic growth and cultural exchange, it has also raised concerns about job displacement, cultural homogenisation, and inequality between and within countries.

Quick Revision Notes

- Globalisation means increasing interconnection between countries.
- It involves trade, investment, technology and cultural exchange.
- Improved transportation and communication technology drove globalisation.
- Trade liberalisation reduced barriers like tariffs.
- Multinational corporations (MNCs) play a major role.
- MNCs set up production in multiple countries.
- Globalisation has increased growth and cultural exchange.
- It has also raised concerns about inequality and job displacement.

Practice Questions

- 1 Discuss examples of globalisation in your daily life.
- 2 Research a multinational corporation and its global operations.
- 3 Explain what trade liberalisation means.
- 4 Discuss a benefit of globalisation.
- 5 Discuss a concern raised by globalisation.
- 6 Debate whether globalisation has been more positive or negative.