

Impact of Globalisation on India

Chapter 21: Globalisation and the Indian Economy · Topic 2

Key Concept

Economic liberalisation since 1991 opened India's economy to foreign investment and trade, leading to significant growth in sectors like information technology and services.

Globalisation has created job opportunities, especially in IT, business process outsourcing (BPO), and service industries, contributing to India's economic growth and rising middle class.

However, some traditional industries, like small-scale manufacturing, have faced challenges from competition with cheaper imported goods and larger multinational companies.

Globalisation has also increased cultural exchange, changing consumption patterns, lifestyles, and exposure to global ideas, while raising ongoing debates about its overall benefits and costs.

Quick Revision Notes

- India's economic liberalisation began in 1991.
- This opened India's economy to foreign investment and trade.
- IT and services sectors saw significant growth.
- Globalisation created jobs in IT and BPO industries.
- It contributed to India's economic growth and middle class.
- Some traditional industries faced challenges from competition.
- Small-scale manufacturing faced pressure from imports and MNCs.
- Globalisation increased cultural exchange and changed lifestyles.

Practice Questions

- 1 Research India's 1991 economic liberalisation.
- 2 Discuss how IT industry growth relates to globalisation.
- 3 Explain a challenge faced by traditional Indian industries.
- 4 Research a multinational company operating in India.
- 5 Discuss how globalisation has changed lifestyles in India.
- 6 Debate whether globalisation has benefited India overall.