

Economics - Globalisation And The Indian Economy

1. Since independence, our economy has been opened for foreign investments and foreign trade. Is the statement true or false?

1. True
2. False

2. Explain the concept of Multinational Corporation.

3. What is a foreign investment? How much did Ford Motors invest in India?

4. By setting up their production plants in India, MNCs such as Ford Motors tap the advantage not only of the large markets that countries such as India provide but also the lower costs of production. Explain the statement.

5. Explain what will happen if the Government of India puts a heavy tax on the import of Chinese toys. Give three points.

6. Nearly all major multinationals are American, Japanese or European, such as Nike, Coca-Cola, Pepsi, Honda, Nokia. Can you guess why?

7. What was the main channel connecting countries in the past? How is it different now?

8. Foreign trade v/s Foreign investments. Give the differences.

9. How will the import of steel from India into the Chinese markets lead to the integration of markets for steel in the two countries? Explain.

10. 4. Explain how will the import of steel from India into the Chinese markets lead to the integration of markets for steel in the two countries. Give examples.

11. What is the role of MNCs in the globalisation process?

12. What are the benefits of Globalisation?

13. How is information technology connected with globalisation? Would globalisation have been possible without expansion of IT?
14. What do you understand by the liberalisation of foreign trade?
15. Tax on imports is one type of trade barrier. The government could also place a limit on the number of goods that can be imported. This is known as quotas. Can you explain, using the example of Chinese toys, how quotas can be used as trade barriers? Do you think this should be used? Discuss.
16. What do you think can be done so that trade between countries is fairer?
17. In the last twenty years, the globalisation of the Indian economy has come a long way. What has been its effect on the lives of people?
18. How has competition benefited people in India?
19. Should more Indian companies emerge as MNCs? How would it benefit the people in the country?
20. How would flexibility in labour laws help companies?
21. 'Information and communication technology has played a major role in spreading out products and services across countries'. Justify the statement.
22. Why do developed countries want developing countries to liberalise their trade and investment? What do you think should the developing countries demand in return?
23. Define the World Trade Organisation.
24. "The impact of globalisation has not been uniform." Explain this statement.
25. How does foreign trade lead to the integration of markets across countries? Explain with an example other than those given here.
26. Describe the major problems created by the globalisation for a large number of small producers and workers.

27. Which organization lays stress on liberalization of foreign trade and foreign investment?

28. 'Barriers on foreign trade and foreign investment were removed to a large extent in India since 1991.' Justify the statement.

29. Give one characteristic feature of a 'Special Economic Zone'?