

1. Answer the following questions in detail :

(1) What is the meaning of liberalization? Mention its benefits.

- Liberalization means relaxation in restrictions and regulations from economic interactions of people.
- Government reduces the restrictions from the private sector by introducing the industrial policy to encourage development is called Liberalization.
- Policy of liberalization is the free trade policy where consumer, producer and tradesman enjoy freedom in decision making.
- Following are the benefits of Liberalization :
 - (1) As a result of liberalization, private sector has got an opportunity to make unconstrained development which led to increase in production.
 - (2) Because of accepting policy of liberalization, global trade started getting an impetus and there has been increase in global trade.
 - (3) Because of the increase in foreign trade there has been increase in reserve of foreign exchange.
 - (4) Internal infrastructural facilities increased due to liberalization.

(2) Mention the benefits and limitations of privatization.

- Privatization means to submit the ownership or management of public sector industries to the private sector.
- Following are the advantages of privatization :
 - (1) There is increase in number of production units in industrial sector.
 - (2) Production has been increased in capital intensive and consumable commodities due to privatization.
 - (3) Working capacity of public sector has improved due to privatization of public sector enterprise.
- The disadvantages of Privatization :
 - (1) Economic power has centralized as a result of privatization. Because of which evil of monopoly has increased.

- (2) Cottage industries have not developed properly due to privatization. Only large industries have been benefitted.
- (3) Prices have not remained under control due to privatization this has led to problem of price rise.

(3) Which steps have been taken to conserve environment ?

- For the first time "Earth Conference" was organized in 1972 at Stockholm in Sweden.
- There after from time to time convention and camps have been organized for protection of environment at the global level.
- India is also involved in these global efforts. Government is also making different efforts at the national level e.g.
 - (1) Information about pollution condition of different cities of nations is presented.
 - (2] Central and state pollution control boards have been established to control pollution.
 - (3] 5 June has been declared as "Environment day" in the world.
 - (4) In India, government passed "Air Pollution Control Act" in 1981.
 - (5) International agreements have been signed for deteriorating level of ozone, disposal of nuclear waste and maintainance of bio-diversity.

(4) Explain the strategy of sustainable development.

- Sustainable development is the development which meets the needs of present generation without compromising with the ability of future generations to meet their own needs.
- (1) The renewable natural resources like cultivable farm, forests, water resources etc. should be used in such a way that their quality is maintained and non-renewable natural resources like coal, petroleum, minerals etc. should be used judiciously.
- (2] Industrial location should be decided on this basis of lesser transportation cost. A sincere attempt should be made to achieve "Eco-friendly development".
- (3) Those resources which can be used in more than one way should be utilized in different ways such as different irrigation systems are utilized for more than one purpose. e.g. producing electricity, flood control. transportation etc.
- (4) Natural resources should not be wasted. Control should be laid on unplanned disposal of industrial waste, posionous chemicals, increasing slums etc.

- (5) Stress should be laid on use of non-conventional energy resources such as solar and wind energy.

2. Answer the following questions pointwise :

(1) Explain the benefits of globalization.

- The following economic reforms were introduced to feed economic development in 1991.
- 1] Liberalization
- 2] Privatization
- 3] Globalization
- Under globalization, the nation's economy is connected with the global economy and nation has received the following benefits.
- 1] Foreign Direct Investment (FDI) is encouraged due to globalization.
- 2] Goods produced in the developed countries can easily be obtained due to Globalization.
- 3] Developing countries like India can withstand competition at international level due to Globalization.

(2) Mention the objectives of World Trade Organization.

- The WTO was formed on 1 January 1995 on the base of following goals.
- (1) To remove obstacles in influencing global trading.
- (2) To remove protection policy given to industries of country for foreign trade.
- (3) To co-ordinate with global trade policy and economic policy.
- (4] To solve the trade related disputes arising in the world.

(3) Mention the ways (methods) of privatization.

- Privatization means to hand over the ownership of state owned industries to the private sector.
- There are two ways to implement privatization.
- (1] Firstly, those areas which are reserved for public sector, are opened for the private sector.
- (2) State keeps the ownership of state owned companies under its control and gives the charge

- of management to the private companies or state keeps management in its own hand and
- gives ownership to the private company.

3. Answer the following questions in short :

(1) Explain the concept of globalization.

- The process of connecting the national economy with the world economy is called globalization.
- Following improvements have taken place due to globalization :
 - 1) Obstacles of trade between two nations have been removed.
 - 2) Such a condition has been created so that capital exchange can easily take place between two nations.
 - 3] Obstacles in the way of exchange of technology have been removed.
 - 4] Free exchange of labour may be there among different nations of the world.

(2) When did economic reforms start in India ?

- The economic reforms in India started in 1991.

(3) When was the World Trade Organization established?

- The World Trade Organization was established on 1st January 1995.

(4) Explain the concept of sustainable development.

- Sustainable development is the development which meets the needs of present generation
- without compromising with the ability of future generations to meet their own needs."
- Thus, the idea of sustainable development developed because of extreme effects on nature near human habitation and man-created cover i.e. environment.

4. Answer the following questions by choosing the correct alternative :

(1) Where is headquarter of the World Trade Organization ?

- (A) Stockholm (B) Geneva (C) London (D) Kolkata

(2) When was “Earth conference” organized to bring awareness about environment?

- (A) 1972 (B) 1951 (C) 1992 (D) 2014

(3) When is “World Environment Day” being celebrated ?

- (A) 8 March (B) 11 June (C) 5 June (D) 12 March

(4) The process of connecting the economy of the country with the world economy is

- (A) Privatization (B) Globalization (C) Liberalization (D) None of these