

THE MAKING OF A GLOBAL WORLD

A. NCERT TEXTBOOK QUESTIONS

Q.1. Give two examples of different types of global exchanges which took place before the seventeenth century, choosing one example from Asia and one from the Americas.

Ans.

ASIA :

A) Caravans carried items such as

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1. precious stones and metals,
2. gold,
3. ivory, and
4. Glass ⇒ to China until around the fifth century C.E.

B) ⇐ From China, the Parthians and other merchants carried

sfcjoli

1. silk,
2. furs,
3. ceramics,
4. jade,
5. objects,
6. lacquer and
7. iron.

C) Silk was mostly demanded in Rome.

AMERICA :

1. In the **sixteenth century**,
2. Precious metals like **silver** from the mines of **Peru and Mexico** were taken to **Europe**.
3. This in turn financed **European trade with Asia**.

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Q.2. Explain how the global transfer of disease in the pre-modern world helped in the colonization of the Americas.

Ans.

- 1) A virus called **small pox**, which was brought from **Europe to the America**,
- 2) **decimated(ruin/damaged) much of the native communities** around the **mid-sixteenth century**.
- 3) The original inhabitants had **no immunity** against such diseases and they were **unable to resist the colonizer's superior weapons**.

Q.3. What happened when British government decided to abolish the Corn Laws? OR Write note to explain "The British government's decision to abolish the Corn laws".

Board Question short - Q.19. How was the food problem solved in Britain after the scrapping of Corn Laws? Explain. (2010)

Board question short - Q.23. Explain the effects of British government's decision to abolish the Corn Laws. [2010, 2011(T-1)]

Ans. The **immediate effect** of the British government's decision to abolish the Corn Laws was the inflow of **cheaper agricultural crops** from **America and Australia**.

- 1) British agriculture was unable to **compete with cheap imports** and **vast lands were left uncultivated**, rendering **thousands of men and women jobless**. They flocked to cities or migrated overseas to work in industries.

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- 2) This indirectly led to **global agriculture and rapid urbanization, a prerequisite of industrial growth.**

Q.4. Describe in a few words how Rinderpest affected Africa OR Write note to explain “The coming of Rinderpest to Africa”.

Board Question short Q.18. Describe briefly the effects of Rinderpest in Africa in the 1980s. [2010, 2011 (T-1)]

Board Question short - Q.32. What was Rinderpest? How did Rinderpest change the economy of the African society? [2011(T-1)]

Ans.

- 1) Rinderpest was a **cattle epidemic** that came to **Africa** with the **infected the meat imported from British Asia** to feed the **Italian soldiers invading Eritrea in East Africa.**
- 2) It killed more than **90 per cent of the livestock’s** in Africa,
- 3) The loss of cattle **destroyed African livelihoods. Planters, mine owners and colonial governments** now **monopolized(rule) remaining cattle resources. Africans were forced into the labour market. Control over the scarce resource of cattle** enabled **European colonizers to conquer and subdue Africa** making them **dependent on Europeans** for food and turned them subservient (like slaves).

Q.5. How did the death of men of working age in Europe during the World War affect Europe?OR Write note to explain “The death of men of working age in Europe because of the World War”.

Ans.

- 1) Most of the **victims** of world war belonged to **young generations** of working men.
- 2) As a result, it **reduced the workforce** in Europe, thereby **reducing household income.**
- 3) The **role of women increased** and led to **demand for more equality** of status.
- 4) It made the **feminist movement** stronger.

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- 5) Women started **working alongside men** in every field.
- 6) Women and youngsters became more **independent and free** with **long-term effects**.

Q.6. How did the **Great Depression affect agriculture in India? OR Write note to explain “the Great Depression of the Indian Economy”.**

LONG Q.11. Who profits from **jute cultivation according to the jute growers’ lament? Explain.**

Ans.

1. The **impact** of the Great Depression in India was felt especially in the **agricultural sector**.
2. It was evident that **Indian economy** was **closely** becoming **integrated** to **global economy**.
3. In the **nineteenth century** India was a **British colony** and it **exported** agricultural goods and **imported** manufactured goods.
4. Between **1928 and 1934** India’s **exports and imports** nearly halved and the **international prices crashed** India also plunged by 50%.
5. The fall in agricultural price led to **reduction of farmers’ income** and **agricultural export**.
6. The **government did not decrease their tax** and so, many farmers and landlords became more **indebted**(to be in debt) to **moneylenders and corrupt officials**.
7. It led to a great **rural unrest** in India.

Q.11. Who profits from **jute cultivation according to the jute growers’ lament? Explain.**

Write point 1 to 6 above plus below text

1. The **jute growers of Bengal** lamented (*cried*) that the **traders sitting at home benefitted from growing jute** while the **peasants suffered from rising cost of production and debts**.
2. Peasants and farmers involved in **cash crops were worst hit**.

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3. The **urban salaried class** and the **landlords benefitted** from the **falling prices** of agricultural products and the **value of rent increased**.
4. **Large scale migration from villages to towns and cities** also affected the urban life-styles.

EXTRA short

1!) What was the impact of industrialization in Britain on Indian Economy?

Ans.

- 1) **With industrialization**, the **British cotton manufacturers** began to **expand** and industrialist pressured the government **to restrict the cotton imports and protect the local industries**. **Tariffs were imposed** on imports into **Britain**. Consequently **the inflow of fine Indian cotton** began to **decline**.
- 2) From the **early nineteenth century**, **British manufacturers** also began to search the **overseas markets for their cloth**.
- 3) The British **machine made textile products** started giving a **tough competition** to the Indian textile industry at home.
- 4) So there was a **decline in the share of cotton textiles** from some **30 per cent** around 1800 to **15 percent** in 1815. By 1870 this proportion had dropped **below 3%**.

Q.7. Explain the three types of movements or flows within international economic exchange. Find one example of each type of flow, which involved India and Indians, and write a short account of it.

Previous year question - Q.12. Explain the three types of flows within the international economic exchanges during 1815-1914. (2010) OR Mention the three types movements of flows or within the international economy exchange in the 19th century. [2011 (T-1)]

Ans.

Economy of the nineteenth century are identified into three types or flows by the **economist**. They are based on the international exchange of goods and capital.

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They are:

- (i) **TRADE FLOW OF GOODS :**
e.g. **cloth or wheat**, in which goods are exchanged at **long and short distances**. Indians **traded** with the rest of the world as early as the **Indus Valley civilization**. For example, Indus people had **trade relations with Mesopotamia**.
- (ii) **LABOUR FLOW**, e.g. **the migration of people for employment**, in which **industrial countries** actively create conditions favourable for **employment and services**. Many **Indian labourers worked in plantations at South America and other colonies**.
- (iii) **MOVEMENT OF CAPITAL FOR SHORT-TERM OR LONG-TERM INVESTMENT**. In this, movement of **resources from one country** to another takes place through **loans or business investments**. The **British transferred a lot of capital** from India to England **before independence**.

All three are closely associated and affected the lives of people in the nineteenth century.

Q.8. Give two examples from history to show the **impact of technology on **food availability**.**

Short Question - Q.5. Describe some **technological developments** of the nineteenth century that affected **INDUSTRIAL GROWTH**. (2010) – **DO NOT WRITE about food** for technological developments (in red)

Board question short Q.17. Give two examples from history to show the impact of technology on food availability. [2010, 2011 (T-1)] OR Explain with examples how technology helped in solving problems of food availability throughout the world in the 19th century. (2010)

Board question short - Q.22. What was the impact of technology on food availability? Explain with the help of examples. [2011(T-1)]

Ans.

The nineteenth century witnessed a high rate of growth in **industrial and agricultural** products.

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- (i) The technological development was accelerated by the (1) **industrial growth** and (2) **increasing world trade**. Colonies also provided the resources and markets which **sustained the industrial growth**. Thus, railways were needed to link agricultural regions to the ports from where the goods were transported, **thereby increasing food availability to more destinations**.
- (ii) Shipbuilding also became an important industry and **countries competed** to control trade routes on seas.
- (iii) Technology helped in the larger social, political and economic factors. For example, steamships and railways helped in carrying large volume of trading materials between **long and inaccessible distance**.
- (iv) Then with the **invention of refrigerated ships and use of chemicals** which **preserved perishable items for longer period** lowered shipping costs and meat prices in Europe.

Q.9. Explain the causes or factors responsible for/of the Great Depression.

Board Questions - Q.15. Explain the two factors responsible for the Great Depression in the world in 1929. (2010)

LONG Q.25. Explain why economy of USA was strong in the early 1920s? Would you agree that the roots of the Great Depression lay in this 'boom'. Give reasons for your answer. [2011 (T-1)]

Ans.

The Great Depression was caused by several factors:

- (i) **SPECULATION:** The **First World War helped boost the U.S. economy**. The most important feature of U.S. economy in the 1920s was the mass production. Prosperity in the USA during the 1920s created a **cycle of higher employment**. It led to **rise in consumption and demands**. More **investment and more employment** created **tendencies of speculations and overstock** which led to the **Great Depression of 1929 upto the mid-1930s**.
- (ii) **WAR PRODUCTS :** The **American industry** had got a **great boost** during the First World War of 1914-1918. They continued **producing different articles even after the war**, which created a **glut (excess) in the market**. As a result, **exports fell and the home market** could not absorb all the products. It led to **catastrophic decline in production, employment, incomes and trade**.

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There was **unemployment** as **factories were closed, workers laid off, production went down** by half.

- (iii) **STOCK MARKET:** Stock market **crashed in 1929**. It created panic among **investors and depositors** who **stopped** investing and depositing. As a result, it created a **cycle of depreciation**.
- (iv) **FAILURE OF THE BANKS:** Some of the **banks closed down** when **people withdrew** all their **assets**, leaving them **unable to invest**. Some banks **called back loans** taken from them at the **same dollar rate** in spite of the falling value of dollar. It was **worsened by British change** in policy to value pound at the pre-war value.
- (v) **AGRICULTURE:** Many **agricultural economies** also suffered a crisis. During the **war** **Canada, America and Australia** had **expanded dramatically** as suppliers of **wheat** while **Europe had declined**. The glut in wheat led to **fall in grain prices**, rural incomes declined and **farmers fell into debt**.

Q.10. Explain what is referred to as the G-77 countries. In what ways can G-77 be seen as a reaction to the activities of the Bretton Woods twins?

Board Question short - Q.16. What is Group-77? Why did Group 77 countries demand a New International Economic Order? Explain. (2010) OR Explain what is referred to as the G-77. In what ways can G-77 be seen as a reaction to the activities of the Bretton Woods twins? [2011 (T-1)]

OR what is NIF.O?

OR Why did Group 77 countries demand a NEW International Economic Order? Explain

Ans.

1. The IMF and the World Bank or the Bretton Woods **twins served in the reconstruction of these nations**.
2. In the process, **large corporations of powerful nations** like the USA often managed to **secure economic and other extra-territorial rights** over **weaker nations**.

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3. The **economic advances** made by the **West and Japan in the 1950s and 1960s** did not benefit most of the developing countries.
4. As a reaction to the activities of the **Bretton Woods twins**, they organised themselves into a group known as the **Group of 77 or G-77** in order to demand a **New International Economic Order (NIEO)**.
5. The **NIEO stood for a system** that would give these nations real control over their **natural resources, more development assistance, fairer prices for raw materials, and better access for manufactured goods in their markets**.

Q.11. Discuss why the Multi National Corporations (MNCs) in recent years have tried to relocate production to Asian countries.

Ans.

US business expanded worldwide through the MNCs. In recent years, they have tried to relocate production to Asian countries for the following reasons:

- (i) Partly to locate their **manufacturing operations** and become domestic producers to avoid high tariff rates imposed by different countries.
- (ii) It is also because Asian countries are **attractive destinations for investment**, trying to **capture world markets** with its large population and globalization.
- (iii) The **economic transformation** of countries like **India, China and Brazil** also **stimulated world trade and capital flows**.

LONGQ.21. Discuss the factors that led to the end of Bretton Woods system and the beginning of globalization. [2010, 2011 (T-1)]

Ans

- (i) End of Bretton Woods came with the **US dollar no longer commanding confidence** in the world's principal currency. From **1960's the rising cost of overseas investment weakened the US's finances and competitive strength**. It could **not retain its value** in relation to **gold**. It led to the **collapse of the system of fixed exchange rates** and the introduction of **floating exchange rates**.

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- (ii) In **1970's international financial system** also changed. **Developing countries** were now **forced to borrow from western commercial banks and private lending institutions** instead of **international institutions**. This led to **periodic debt crisis** in the developing world, increased poverty in **Africa and Latin America**. By **1970sMNCs** also began to **shift production operations to low-wage Asian countries**.
- (iii) **China which had been cut off** from the **post-war world economy**, since its revolution in 1949, has now **come back into the fold of the world economy**. Its **new economic policies** and the **collapse of the Soviet Union** has led to it. **Low cost structure** of the Chinese economy, its low wages, **has flooded the world market with Chinese goods**.
- (iv) The **relocation of industry to low wage countries** has **stimulated world trade and capital flows**. The world's economic geography has been transformed as countries such as **India, China and Brazil** have undergone rapid economic transformation.

C. SHORT ANSWER TYPE QUESTIONS [3 MARKS]

Q.1. What role did silk route play between Chinese and the Romans?

Ans.

- (i) The Romans learned about the **silk route from the Parthians** around 53 B.C.E.
- (ii) They used the word "**Seres**" or the **silk people** to refer to the **Chinese**.
- (iii) Though there was **no direct evidence** of any Roman merchants or Chinese in both the civilizations, **silk was most coveted in Rome**.
- (iv) **Roman items** were popular in **China** too.

Q.2. Explain how food habits are good indicators of globalisation.

Ans.

- (i) The exchange of food crops and habits between **different regions** and its **adoption by different societies** was a good indicator of globalisation.
- (ii) For example, the Europeans benefitted from the introduction of potatoes and **started depending on its for its daily consumption** as it had lower rate of spoilage, its bulk (which easily satisfied hunger), good nutrients and health and it was cheap.

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(iii) In 1840, **late blight of potatoes and tomatoes**, the disease that was caused by a fungus called HERB-1 began to spread and it destroyed many crops. As a result thousands perished during the Irish Potato Famine.

Q.3. Describe in a few words how Europe changed at the end of the eighteenth century.

Ans.

1. **Scientific and revolutionary ideas** changed the outlook and conduct (behavior) of the European people by the end of the eighteenth century.
2. The **Industrial Revolution** took place in England and spread over to other European nations.
3. The **Reformation** led to the **Protestant movement** led by Martin Luther which further helped capitalism and scientific thinking.

Q.4. Who were the indentured labour? Which states of India produced the largest number of indentured labour? (2010)

Ans.

1. Indentured labours were **bonded labourers** who were transferable to any countries on contract mostly for a lump sum value (not monthly wage) and time and they could not change the terms and conditions.
2. Most of the labourers were from Uttar Pradesh, Bihar, Central India and certain districts of Tamil Nadu.

Q.6. What was the new system of slavery in the nineteenth century? (2010) OR Nineteenth Century indenture has been described as a new system of slavery. Explain any three points.

LONG :Q.15. Why was the nineteenth century indenture described as a 'New System of Slavery'? [2011 (T-1)]

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Ans. Indentured labours were **bonded labourers** who were **transferable to any countries** on contract for a **lump sum value or on very low wages** and for a **fixed period** and they could **not change the terms and conditions**. They were often **cheated by the agents and employers** alike.

- (i) Some were **forcibly taken**, while some were **not even told of their final destinations or told of false destination**.
- (ii) On arrival at the plantations, labourers **found conditions to be very different** from what they **were told**.
- (iii) **Indians and Chinese labourers** went to work on **plantations, in mines and roads and railway constructions projects** around the world.
- (iv) They were promised the **return to homeland** after they had worked for **5 years** in the plantations.
- (v) **Living and working conditions were harsh**, they had few legal rights.
- (vi) It was indeed a new system of slavery which was condemned by Indian nationalist leaders in 1900 as abusive and cruel. It **was abolished in 1921**.

Q.7. How was the USA able to recover from the post–World War economic crisis?

LONG:Q.17. Explain any four measures adopted by America for post-war recovery. [2010 (T-1)]

Ans. The USA was able to recover from the post-war crisis at a great speed. Its economy resumed its strong growth in the early 1920s.

1. An important factor was the **1-introduction of mass production**.
2. Henry Ford, owner of the Ford Company, was the first man to start using a new system of production, known as the **2- assembly line production** method for **faster and cheaper production**. Car production increased from **2 million in 1919 to more than five million units** in 1929.
3. Other **factors** included **3-large foreign investment** and **4-war-time loan** as well as **5-agricultural exports**.
4. Similarly, there was **boom in production of refrigerators, washing machines**, all purchased through a **“hire purchase’ system”** i.e. credit **repaid in weekly or monthly instalments**.

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5. There were **large investments in housing and household goods** which created a **cycle of higher employment and incomes, rising consumption demand, more investment**.
6. The **US resumed exporting capital** to the world in 1923. **US exports and imports boosted European recovery and world trade and income growth** over the next six years.

Q.8. Describe how the Great Depression **SPREAD from USA to other countries of the world.**

Ans.

1. The *Great Depression* was the **world-wide economic slump** which began in the **US** following the **WALL STREET CRASH** of **October 1929**.
2. The Great Depression spread rapidly from the **US to Europe** and **the rest of the world** as a result of the **close interconnection between the United States and European economies** after World War I.
3. The United States had emerged from the war as the **major creditor** (giving funds), to those **economies** had been **greatly weakened by the war**.
4. So when the US economy slumped/crashed, **credits and loans** were called in and US could **not provide** the much required loans to other countries.
5. Countries like Germany and Great Britain, which were the most deeply in debt to the US were hardest hit .

Q.9. Write a short note on the effects of the Second World War.

Ans.

- 1) The Second World War was **more devastating** than the first.
- 2) About **3 per cent** of the world's population **perished**, more so the **civilians** than the fighting soldiers.
- 3) Two crucial developments shaped the post-war scenario i.e.
- 4) The **emergence** of the USA and the USSR as **superpowers**.

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- 5) The **establishment of international organisations** like the UNO and others to **maintain peace and stability**.

Q.10. Briefly summarise the two lessons learned by the economists and politicians from the post-war economic experience.

Ans.

In post-war system, two lessons were learned by the economists and politicians.

1. One was to ensure **mass consumption** in an industrial society by **high and stable income**.
2. Another one was to ensure **full employment and government control** of flows of **goods, capital and labour**.
3. Therefore, they **aimed** to establish a **stable economy** and provide **full employment** in the industrial nations through **the Bretton Woods institutions, namely, the IMF and the World Bank**.

Q.11. How did silk routes link the world? Explain with three suitable examples. (2010) OR Explain any three characteristics of the Silk Route. [2011 (T-1)]

Ans.

Pre-modern trade and cultural links between distant places were established by the Silk Routes. For example:

- (i) The **silk route linked the West and China** as silk cargoes were carried along this route. Historians have mentioned and **identified several silk routes over land and by sea**, which brought together vast areas of **Asia with Europe and Northern Africa**.
- (ii) Chinese pottery travelled to India through these routes, even before the Christian era, and **textiles and spices from India** and **South-East Asia**; **precious metals, like gold and silver**, flowed from Europe to Asia.
- (iii) **Trade and cultural exchange** took place at the same time. **Buddhism** emerged from eastern India and spread in several directions through the silk route. **Christian missionaries** travelled through these routes to Asia, as did the early Muslim preachers a few centuries later.

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PREVIOUS YEARS' QUESTIONS

**Q.13. Define the term 'trade surplus'. How was the income received from trade surplus with India used by Britain? (2010) OR What is meant by, 'Trade Surplus'? Why did Britain have a trade surplus with India? OR How did Britain's trade surplus from India help her to balance its trade deficits?
OR "India played a crucial role in the 19th century world economy" Explain
OR What was the importance of Indian Trade for Britisher's?**

Ans.

1. Over the 19th century, **Food grain and raw material exports from India to Britain increased.**
2. **British manufactures flooded** the Indian market.
3. But the value of **British exports to India was much higher** than the value of British imports from India.
4. Thus, **Britain had a trade surplus with India.**
 - (i) Britain used this surplus to **balance its trade deficits** with other countries, that is, with countries from which **Britain was importing** more than it was selling to them.
 - (ii) Britain's trade surplus in India also helped **pay the so called "home charges"** that included **private remittances** sent home by British officials and traders, **interest payments on India's external debt and pensions** of British officials in India.

Q.14. How did the **First World War changed the **economic life** (affect the financial life of people) of the people in Britain? Explain. (2010)**

Ans. The First World War had a great impact on the economic life of the people of Britain.

DURING THE WAR

1. Industries were **restructured** to produce war-related goods.

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2. Entire **societies were reorganized** for war.
3. **Women** had to step in to **take up jobs** that earlier only men were expected to do. The men had gone to fight.

AFTER THE WAR

1. **Economic recovery** proved difficult for Britain.
2. **Employment:** The **war had led** to an economic boom due to a large increase in **demand, production and employment**. As the **war boom ended**, it resulted in less production and increased unemployment. In 1921, **one in every five British workers was out of work**. It created **anxiety and uncertainty** about work.
4. **Agriculture:** Many **agricultural economies** also suffered a crisis. During the **war Canada, America and Australia** had **expanded dramatically** as suppliers of **wheat while Europe had declined**. The glut in wheat led to **fall in grain prices**, rural incomes declined and **farmers fell into debt**.
5. **Borrowing from US:** Britain, which was a leading economic power, **had to borrow large sums of money from US banks**. This led to increased suffering of people.

Q.20. Explain how the First World War was so horrible as war like none other before. (2010) OR Explain the effect of the death of men of working age in Europe because of the First World War. OR the First World War was the First modern industrial war – Explain OR How far is it correct to say that “The First World War was the first modern industrial war”? Explain (CBSE Sept 2010)

LONGQ.8. Explain how the world was transformed after the World War (1914-1918).

LONG: Q.26. What was the impact of the First World War on the socio-economic conditions of the world. Describe any four points. [2011 (T-1)]

Ans. The First World War was a war, like no other before.

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1. The war involved the **world's leading industrial nations** which now **harnessed the vast powers** of modern industry **to inflict (to cause pain) the greatest possible destruction** on their enemies.
2. It was the first modern industrial war of saw **the use of machineguns, tanks, aircraft, chemical weapons, etc. on a massive scale.**
3. Millions of **soldiers were recruited** from around the **world** and **moved to the frontlines of large ships and trains.**
4. The **scale of death** — 9 million dead, 20 million injured — was unthinkable before the industrial age.
5. These deaths and injuries **reduced the able-bodied work force in Europe.**
6. **Household incomes declined** after the war.
7. **Entire societies were reorganized** for war — men went to battle, women stepped in to take up jobs that earlier only men were expected to do.
8. The war in Europe transformed the **US from being an international debtor to international creditor.**
9. **Russian revolution of 1917** also affected global relations when the first communist government was established under the **leadership of Vladimir Lenin.**
10. The war had led to an **economic boom**, that is, to a large increase in demand, production and employment. When the war boom ended, production contracted **and unemployment increased.**

**Q.21. What were the main reasons for the attraction of Europeans to Africa?
[2010(T-1)]**

Ans.

- (i) The Europeans were attracted to Africa due to its **vast resources of land and minerals.**
- (ii) **Europeans came to Africa to establish plantation and mines** to produce crops and minerals for export to Europe.
- (iii) The Europeans conquered African and **carved up the continent among themselves and became colonial powers.**

Q.24. Give three examples to show that the world changed with the discovery of new sea routes to America. [2010, 2011 (T-1)]

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Ans.

- 1) Before the discovery of new sea routes **America was cut off** from the rest of the world for millions of years. But from the **17th century** its **vast lands and abundant crops** and minerals began to **transform trade and lives** everywhere.
- 2) Precious metals, particularly silver from mines located in present day Peru and Mexico also enhanced Europe's wealth and financed its trade with Asia. Legends (stories) spread in 17th Century Europe about South America's fabled wealth **in gold and expedition set off in search of El Dorado, the city of gold.**
- 3) With the discovery of sea of routes **three types of movements** or flows became prominent i.e. flow of goods, labour and capital.

Q.25. Why did the European employers find it difficult to recruit labour in Africa? Give two methods they used to recruit and retain labour. [2010, 2011(T-1)]

OR why was there a shortage of labour willing to work for wages in Africa in the 1980s? how did Europeans try to recruit and retain labour? Explain any two methods (CBSE 2012)

OR what methods were used by the Europeans employers to recruit and retain the African labourers?

Ans.

1. European employers found it **difficult to recruit labour in Africa** because Africa had **abundant land and; (ii) a small population.**
2. For centuries **land and livestock** sustained African livelihoods. **People rarely worked for a wage.**

Methods to recruit and retain labour:

- (i) **HEAVY TAXES:**The colonial government started imposing heavy taxes, which could only be paid by working for wages on plantations and mines.

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- (ii) **NEW INHERITENCE LAWS:** Inheritance laws were changed so that peasants are displaced from land; only one member of a family was allowed to inherit land, others were pushed into labour market.
- (iii) **RESTRICTION ON MOVEMENT:** Miners were also enclosed in compounds and were not allowed to move.

Q.26. What was the Corn Law? Why was the Corn Law abolished? What was the result of the abolishing of Corn Law? [2010(T-1)] OR What were Corn Laws? How did the abolition of 'Corn Laws' affect the people of England?

Ans.

1. 'Corn Laws' were laws passed by the British government to restrict the import or export of corn. These laws were abolished (**WHY**):
 - a) Because **restriction on imports led to high food prices** because the **demand for food grains had gone up** in the **urban and industrial cities** (Demand more supply less price ↑).
 - b) These **laws restricted the free trade. Landlords, industrialists and urban dwellers** were against these laws.
2. **EFFECT :**
 - a) The result was that food could be **imported cheaply in Britain**.
 - b) Import of cheap food led to **vast areas of land being left uncultivated**, rendering thousands of **men and women without jobs**. People **migrated** to cities or overseas.

Q.27. The testimony of an indentured labourer : [2010(T-1)] Extract from the testimony of Ram Narain Tewary, an indentured labourer who spent ten years on Demerara in the early twentieth century. in spite of the best efforts, I could not properly do the works that were allotted to me in a few days I got my hands bruised all over and I could not go to work for a week for which I was prosecuted and sent to jail for 14 days new emigrants find the tasks allotted to them extremely heavy and cannot complete them in a day Deductions are also made from wages if the work is considered to have been done unsatisfactorily. Many people cannot therefore earn their full wages and are

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punished in various ways. In fact, the labourers have to spend their period of indenture in great trouble' (i) What happened to the worker in a few days of joining work? (ii) What happened to him when he was not able to complete the work allotted to him? (iii) How were the workers punished when the work was considered to have been done unsatisfactorily?

Ans.

1. On arrival, laborers found living and working conditions **very harsh**, very different from what they were told and they had **hardly any legal rights**.
2. In a few days, the worker found his **hands bruised and he could not work for a week**.
3. He was prosecuted and **sent to jail for 14 days**.
4. **Deductions** were made from their **salary** if their work was **considered unsatisfactory**.

Q.28. Why did thousands of people flee from Europe to America in the 19th century? Give any three reasons. [2010, 2011(T-1)]

Ans.

- (i) **Scrapping of Corn Laws**, led to inability of British agriculture to compete with imports.
- (ii) Thousands of people were left unemployed **due to agricultural land lying uncultivated**. So people migrated in thousands, crossed oceans to find employment and a better future.
- (iii) There was **demand for labour in America** as labour supply was short. So people migrated to America in the 19th century.

Q.29. Write any three factors responsible for indentured labour migration from India. [2010(T-1)]

Ans.

The three factors responsible for indentured labour migration from India were :

- (i) In mid-19th **century cottage industries had declined** in India and land rents had risen.

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- (ii) **Lands were cleared for mines and plantations.** This affected the poor who could not pay their rents.
- (iii) **Unemployment led to deep indebtedness** of the workers and in the end they were forced to migrate in search for work. To escape from **poverty or oppression** in their home villages, many Indians migrated to other lands.

Q.30. What is meant by the Bretton Woods System? Explain. [2010, 2011(T-1)]

Ans.

1. The Bretton Wood system was an **attempt to preserve economic sterility and full employment** in the industrial world.
2. It established the International Monetary Fund **to deal with external surpluses and deficits** of its member states.
3. The Bretton Wood system was **based on fixed exchange rates**. In this system, national currencies, for example, the Indian rupee, were pegged to the dollar at a fixed exchange rate.
4. The **dollar** itself was **anchored to gold** at a fixed price of \$ 35 per ounce of gold.
5. **It linked national currencies and monetary system.**

Q.31. Explain three major features of global agricultural economy that had taken shape towards the close of nineteenth century. [2010(T-1)]

Ans.

1. By 1890, a global agricultural economy had taken shape, accompanied by complex **changes in labour movement patterns, capital flows, ecologies and technology.**
 - (i) **Food** no longer **came from** a nearby village or town, but from **thousands of miles away.**
 - (ii) It was not grown by a peasant **tilling his own land**, but by a recently arrived **agricultural worker.**
 - (iii) **Food** was **transported** by **railways built** for that very purpose, and by **ships manned** by **low paid workers** from Southern Europe, Asia, Africa and the Caribbean.

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Q.33. “Food offers many examples of long distance cultural exchange.” Justify this statement. [2011(T-1)]

Ans.

- (i) **Traders and travellers** introduced **new crops** to the lands they travelled.
- (ii) Even **‘ready’ foodstuff** in distant parts of the world might **share common origins**.
- (iii) It is believed that **noodles** travelled **west** from **China** to become **spaghetti**.
- (iv) **Arab travellers/traders** took **Pasta** to fifth-century **Sicily**, an island in Italy.
- (v) **Similar foods** were also known in **India and Japan**.
- (vi) This suggests the possibilities of **long-distance cultural contact** even in the **pre-modern world**.
- (vii) Many of our common **foods such as potatoes, soya, groundnuts, maize, tomato, chilies** had their origin in the **Americas**.

Extra

Q1) “The pre-modern world shrank greatly in the 16th century”. Explain

Ans.

- 1) Because the **European sailors** found a **sea route to Asia** and successfully **crossed the western ocean to America**.
- 2) The **Portuguese and the Spanish conquest and colonization** of America were decisively under way **by the mid 16th century**.
- 3) **Precious metals, particularly silver from mines** located in presently **Peru and Mexico** enhanced Europe’s wealth and financed its trade with Asia.

Q2) Name the countries involved in the First World War?

Ans:

The war was the outcome of the **rivalry between two strong-armed camps** or the European powers. i.e. Triple Alliance and Triple Entente or the Central Powers.

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On the one side were the **Allies** – Britain, France and Russia (later joined by the US) and on the opposite side were the **Central Powers** – Germany, Austria-Hungary and the Ottoman Turkey.

Q3) What is the difference between fixed charge and floating exchange rate?

- (i) A fixed exchange rate denotes a **nominal exchange rate** that is **SET FIRMLY** by the **monetary authority** with respect to a **foreign currency or a basket of foreign currencies**.
- (ii) A floating **exchange rate** is determined in foreign exchange markets **depending on demand and supply**, and it **generally fluctuates constantly**.
- (iii) A fixed exchange rate regime **reduces the transaction costs** implied by exchange rate uncertainty, which might **discourage international trade and investment**, and **provides a credible anchor for low-inflationary monetary policy**. While floating rate increases **the transaction costs**, encourages international trade and investment, and has **high-inflationary monetary policy**.

D. LONG ANSWER TYPE QUESTIONS [4 MARKS]

Q.1. What is globalization? Explain. OR Why the world is shrinking?

Ans.

1. Globalization is generally **ASSOCIATED** with *economy* as the **free movement of capital, goods, technology, ideas and people across the globe**. **CTIP**
2. Globalization in a **BROADER SENSE** also **includes cultural exchanges** between **different countries** of the world.

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3. In **modern world**, globalization has acquired **SPECIAL SIGNIFICANCE** due to *development of Internet technology and tele-communication*.
4. Therefore, globalization involves the following **FEATURES**:
 - (i) **Economic freedom** to trade internationally.
 - (ii) Migration in search of **employment** and a **better life**.
 - (iii) Cultural exchange like the spread of religion like **Buddhism** and knowledge.

Also as short question – Why interlinking of the world is a continuous process?

5. The **INTERLINKING OF THE WORLD** is a **continuous process** *from the past*.
6. In the **past**, interlinking involved only a few **travellers, traders, priests and pilgrims** who **travelled vast distances** in search of **knowledge, opportunity, spiritual fulfilments or to escape persecution (harassment)**.
7. In **modern days**, interlinking is **faster** and involves **more people**.
8. In other words, the **world is shrinking** in terms of **communication and trade**.

Q.2. Trace the origin of Silk Route and its significance.

Ans.

1. The **Silk Route** is one of the world's **oldest and historically** most important trade route which **affected** the cultures of **China, Central Asia and the West**.
2. It had **many branches** leading to **different regions**, including ancient **India**.
3. It played an **important role** as a means of **pre-modern trade** and **cultural exchange** between **different regions**.
4. The **Romans** learned about the Silk Route from the **Parthians around 53 B.C.E**.
5. They used the word "**Seres**" or the **silk people** to refer to the **Chinese**.
6. The modern word "**Silk Route**" was **coined** by a **German scholar, Von Richthofen**, in the **nineteenth century**.
7. **Silk** was considered the **most precious** by the **Romans** even though it was **only one of the many commodities** that were traded between **China** and the world through this route.

Q.3. How is culture a great agent of globalisation? Explain with example.

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Ans.

- (i) **Trade and cultural exchange went hand in hand.**
- (ii) **Religion** was perhaps one of the **most important cultural systems** carried along the **Silk Route**.
- (iii) **Buddhism** reached **China from India** along the **northern branch** of the route.
- (iv) The **Karakorum passes** were used as a means to **explore the faiths and scriptures by the missionaries**.
- (v) **Art, literature and philosophical ideas** were **exchanged** and in the process, it **affected the cultures of different countries** to which the route branched out.
- (vi) Even **Christian missionaries** travelled along the Silk Route to Asia, followed by **Muslim preachers** a few centuries later.
- (vii) The **long rule of British in India** also left an indelible western influence in different ways.

Q.4. Explain how Europe was able to leap ahead of other continents by the 18th century.

Ans.

1. **Europe** made a **leap ahead of others** due to **scientific and revolutionary ideas** rooted in different developments.
 - (i) **Renaissance** or rebirth of knowledge in which **classical Greek and Roman art, architecture, literature** were **rediscovered**.
 - (ii) The **Industrial Revolution**, leading to **new inventions and technology**.
 - (iii) **Ideas and principles** influenced by the **American Revolution and French Revolution** in the form of **democracy, liberty, capitalism, nationalism** etc.

Q.5. Discuss why the Europeans were motivated to establish colonies.

Ans.

1. **Europe** became the **center of world trade** by the **nineteenth century**, mainly **sustained by colonies**.

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2. **Colonisation of Americas** was motivated more by the (1) **greed of wealth** and (2) **search for a better life**.
3. On the other hand, **colonization of Asian and African countries** was also motivated by **conditions in Europe**, caused by the (1) **Industrial Revolution** and (2) **greed for economic and political dominance** of the world.
4. **Many factors** motivated the Europeans to establish colonies:
 - (i) Some **Europeans left for America** seeking **better life** and some were **dissenters** (*those who refused to accept established beliefs and practices*) and **prisoners**.
 - (ii) The **Industrial Revolution** created the need for **unlimited resources** and **cheap labour**. They needed **raw materials** to feed the **growing industries**. They also needed **markets for distribution**. They needed **colonies**.
 - (iii) **Missionary zeal** of the **Jesuits** and **nationalism** inspired **further exploration, conversion and territorial expansion**.

Q.6. Discuss one of the important causes and effects of the development of global agriculture.

Ans.

Cause :

1. The **abolition of Corn Laws** led to the **import of cheap agricultural products** in England.
2. Unable to **compete with imports**, many left **agricultural activities** and flocked to the cities.
3. This led to large scale **migration of people** to cities and overseas.
4. This **indirectly** led to **global agriculture and rapid urbanization**, a prerequisite of industrial growth.
5. Countries like **Eastern Europe, Russia, America and Australia** increased their **food productivity** to meet the British needs and in the process, slowly became **industrialized** to different degrees.

Effects :

1. Nearly **50 million people** migrated from **Europe to America and Australia** in the **nineteenth century**.

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2. Another estimate was the **migration of about 150 millions** of the world population, mostly from **Europe**, who **crossed the oceans for a better life**.
3. By the end of the **nineteenth century**, a **global agricultural economy** replaced the earlier self-sufficient economy.
4. **Industries and factories** helped in a **better flow of capital and technologies**.
5. **Colonies** were **firmly established** and they **provided cheap raw materials and labour**, who **manned** most of the **railways in Southern Europe, Asia, Africa and the Caribbean**.

Q.7. What were the effects of colonialism on Indian agricultural export in the nineteenth century?

Ans.

The **effect of colonialism** in Indian agriculture was **the destruction of self-sufficiency in rural areas**. Some of the important features are listed below:

- (i) The **traditional cotton handlooms** and **products** could **not compete** with the industrial manufactured cotton textiles from Britain.
- (ii) **High tariff on Indian textiles and import taxes on Indian goods** entering Britain severely affected Indian farmers.
- (iii) **Indigo plantation and other cash crops replaced food crops**, leading to **shortage of food**, especially during famines, etc.
- (iv) **Moneylenders and landlords exploited farmers** who were indebted to them and many became **landless labourers**.

Q.9. What were the immediate effects of the World War on European agriculture?

Ans. Europe paid a **heavy price** during and after the World War, especially in terms of economic status.

- (i) **America, Australia and Canada** became **main exporters of agricultural and manufactured goods** during the war. For **example, Eastern Europe** was a **major supplier of wheat products** in pre-war time. Their **production ceased** (stopped)

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- during the **wartime** and **Europe depended on wheat imports from USA, Canada and Australia.**
- (ii) There were **shortage of food** during the war **as all form of production ceased** during the war. The **countryside were especially hit**(*affected the most*) due to **bad crops and ravages of war.**
- (iii) In **Russia**, the war **expenses and death tolls** at the front led to an **uprising** which became the **Russian Revolution of 1917.** It led to the foundation of **Communism.**
- (iv) When the **war ended**, **Eastern Europe revived its wheat production**, leading to a **glut(excess) in the economy.** In other words, **grain prices fell as a result of over-production** or excess in supply. **Rural incomes declined** and farmers fell deeper into **debts.**

Q.10. Trace the different stages of development of the assembly line production.

Ans.

1. **Henry Ford**, the **pioneer** (*inventor*) of the **assembly line production**, was inspired by the **assembly line of a Chicago slaughterhouse** (*where animals are cut/killed for food*), which he **adapted to his new car plant in Detroit.**
2. Accordingly, the **workers were forced to repeat a single task mechanically and continuously**, standing in front of a **conveyer belt** with **no respite or break.**
3. As a result, **Ford cars came out of the assembly line at three minute intervals**, much **faster** than any other methods.
4. The **TModel Ford** was **the world's first mass-produced car.**
5. The **stress and the pressure** of working monotonous led many **workers to quit their jobs.**
6. Henry Ford **doubled the daily wages** to five dollars in January 1914.
7. He **banned trade unions** from operating in his plants.
8. He was able to **recover his wages by repeatedly speeding up the production line** and **forcing the workers to work even harder.**

PREVIOUS YEARS' QUESTIONS

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Q.14. Describe in brief the world economic conditions of the post-First World War period. (2010)

EFFECTS of First World War on Britain

Ans.

1. Post-war **recovery proved** to be **difficult**.
2. **Britain**, which was the world's leading economy in the pre-war period, in particular **faced grave crises**.
3. **Britain found it difficult** to **recapture its earlier position** of **dominance** in the **Indian market** and to **compete with Japan internationally**.
4. Both **India and Japan** had **developed industries** during the war, **Britain owed a great war debt to the USA**, as it had borrowed liberally from the US.
5. The war had also led to an **economic boom** as there had been a large increase in demand for production and employment.
6. When the war boom ended it led to **huge job losses as the government reduced war expenditures**.
7. In **Britain, one in every five workers was without a job**.
8. Many **agricultural economies** also faced a **crisis**.
9. Before the **war, eastern Europe was a major supplier of wheat** in the world market.
10. **War disrupted production** and as a result **wheat production in Canada, Australia and America expanded dramatically**.
11. But when the war ended, **wheat production in Europe revived** and there was a **glut of wheat output**.
12. **Incomes declined and farmers fell deeper into debt**. Only the US was able to recover quickly.

Q.19. "The indentured labour gave rise to a new culture in the Caribbean islands." Justify this statement with any four suitable examples. [2010 (T-1)]

Ans.

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The Indian indentured labour in the Caribbean developed new forms of individual and collective self-expression, mixing different cultural forms, old and new :

1. In **Trinidad** the annual **Muharram procession** was transformed into a **notorious carnival called “Hosay” (for Imam Hussain)** in which workers **of all religions and races joined**.
2. In the same way, the **protest religion of Rasta Farianism** (made famous by the Jamaican reggae star, Bob Morley) reflected the **social and cultural links with Indians migrants to the Caribbean**.
3. **“Chutney Music,”** popular in **Trinidad and Guyana**, is another expression of the new culture.
4. Many **indentured workers stayed on** after their contracts ended.
5. This **fusion** was a result of things from **different places getting mixed, losing their original characteristics and becoming something new**.
6. Consequently, there are **large communities of Indian descent** in these countries. Famous examples are the **Nobel Prize winning writer V.S. Naipaul and West Indies cricketers like Shivnarine Chanderpaul and Ramnaresh Sarwan**.

Q.20. The Economic Depression of 1929 proved less grim for urban India. Explain with four examples. [2011 (T-1)]

Ans. The depression was less grim for urban India.

- (i) Those who received **fixed incomes in form of rents or salaried employees** found themselves **better off**.
- (ii) Everything **cost less**
- (iii) **Industrial investment also grew** as the Government extended tariff protection to industries under pressure of nationalist opinion.

Q.21. Discuss the factors that led to the **end of Bretton Woods system and the beginning of globalization. [2010, 2011 (T-1)]**

Ans

1. End of Bretton Woods came with the **US dollar no longer commanding confidence** in the world’s principal currency. From **1960’s the rising cost of overseas investment weakened the US’s finances and competitive strength**. It could **not retain its value** in relation to **gold**. It led to the **collapse of the system of fixed exchange rates** and the introduction of **floating exchange rates**.

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2. In **1970's international financial system** also changed. **Developing countries** were now **forced to borrow from western commercial banks and private lending institutions** instead of **international institutions**. This led to **periodic debt crisis** in the developing world, increased poverty in **Africa and Latin America**. By **1970s MNCs** also began to **shift production operations to low-wage Asian countries**.
3. **China which had been cut off** from the **post-war world economy**, since its revolution in 1949, has now **come back into the fold of the world economy**. Its **new economic policies** and the **collapse of the Soviet Union** has led to it. **Low cost structure** of the Chinese economy, its low wages, **has flooded the world market with Chinese goods**.
4. The **relocation of industry to low wage countries** has **stimulated world trade and capital flows**. The world's economic geography has been transformed as countries such as **India, China and Brazil** have undergone rapid economic transformation.