



Mains Practice Questions

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Approach

- Start the answer by briefly defining the concept of globalisation.
- Discuss the various stages in evolution of Globalisation.
- Conclude Suitably.

Introduction

Globalization is the process by which people, goods & ideas move easily across borders. After World War II, the international community came together to build a shared future. This led to global emphasis on Globalisation as a model of development.

Over the decades, Globalisation has evolved both as a concept and practice. However, globalisation has created opportunities and challenges for the global community.

Body

Evolution of Globalisation

- **Globalization 1.0:** It was pre-World War I globalization, which was launched by a historic drop in trade costs and expansion of colonialism.

- **Globalization 2.0:** It is the post-World War II phase where trade in goods was combined with complimentary domestic policies.
 - It saw the establishment of institute-based, rule-based international governance, specifically the UN, IMF, World Bank, GATT/WTO, International Labor Organization etc.
- **Globalization 3.0:** It created a new world of manufacturing in which high-tech was combined with low wages.
 - This was achieved through establishment of global supply chains as factories crossed international borders.
 - It was variously called New Globalization, Hyper globalization, Global value chain evolution.
- **Globalization 4.0:** The emergence of Fourth Industrial Revolution (Big data, Artificial Intelligence, 5G, etc.) is moving from an electronic based industry to a process which is the combination of human beings and electronics.
 - Globalisation 4.0 may help in dealing with Global issues like Climate change and exploring new avenues in the field of space, quantum mechanics, etc.
 - On the flip side, it may increase inequalities, unemployment, open new domains of warfare (like cyber wars).

Conclusion

Globalisation 4.0 requires us to recognize that we are living in a new type of innovation-driven economy, and that new global norms, standards, policies, and conventions are needed to safeguard the public trust.