

Ques 34 what is deglobalization? what are the risk involved in deglobalisation? (200 words)

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Deglobalisation is a process in which a country reduces its contact from rest of the world. Trade barriers are created to restrict the flow of goods and services in/~~to~~ from world Economy.

Reasons for deglobalization

1. Saving Country's economy from high global competition.
2. providing market for domestically produced goods.
3. Boost the domestic markets.
4. to save foreign reserves
5. to save local producers from inter-national ~~also~~ competition
6. to decrease dependency on foreign countries.
7. to show self sufficiency within the economy.

Deglobalisation is opposite to globalisation. ~~Some~~ Nations like Britain (Brexit), and USA (quitting UNESCO), Israel (UNESCO) & India (RCEP) have opted for deglobalisation to save domestic producers.

Risks Involved in deglobalisation

1. Risk of isolation of the country opting for deglobalisation. less interaction with world.
2. less options of commodity will be available in domestic market.
3. less satisfaction level until the economy becomes self sufficient.
4. Country opting for deglobalisation might face adverse diplomatic relations.
5. adverse effect on global trade and commerce.

Conclusion: To put barriers on trade and commerce to safeguard the interest of local producers is beneficial for the economy to an extent. But totally cutting down financial interaction with the world in this era of globalisation may affect the country financially, economically & even affect political and diplomatic relations.