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SUBJECT:	ESSAY	**Test Code:**	4[redacted]9 2 9
Name of Candidate	VIDHU SHEKHAR		
Medium Hindi/Eng.	English	**Registration Number**	3 2 9 9 7
Center	ORN	**Date**	18/07/17

INDEX TABLE

Q. No.	Page No.	Maximum Marks	Marks Obtained

Total Marks Obtained:

INSTRUCTIONS

1. Do furnish the appropriate details in the answer sheet (viz. Name, Registration Number and Test Code).
   उत्तर पुस्तिका में सूचनाएं भरना आवश्यक है (नाम, प्रश्न-पत्र कोड, विद्यार्थी क्रमांक आदि)।
2. All questions are compulsory.
   सभी प्रश्न अनिवार्य हैं।
3. The number of marks carried by a question/part is indicated against it.
   प्रत्येक प्रश्न/भाग के अंक उसके सामने दिए गए हैं।
4. Answers must be written in the medium authorized in the Admission Certificate, which must be stated clearly on the cover of this Question-Cum-Answer (QCA) Booklet in the space provided. No marks will be given for answers written in medium other that the authorized one.
   प्रश्नों के उत्तर उसी माध्यम में लिखे जाने चाहिए जिसका उल्लेख आपके प्रवेश पत्र में किया गया है और उस माध्यम का स्पष्ट उल्लेख प्रश्न-सह-उत्तर (क्यूसीए) पुस्तिका के मुख्य पृष्ठ पर अंकित निर्दिष्ट स्थान पर किया जाना चाहिए। उल्लिखित माध्यम के अतिरिक्त अन्य किसी माध्यम में लिए गए उत्तर पर कोई अंक नहीं मिलेंगे।
5. Word limit in questions, if specified, should be adhered to.
   प्रश्नों में शब्द सीमा, जहाँ विनिर्दिष्ट है, का अनुसरण किया जाना चाहिए।
6. Any page or portion of the page left blank in the Question-Cum-Answer Booklet must be clearly struck off.
   उत्तर पुस्तिका में खाली छोड़ा हुआ पृष्ठ या उसके अंश को स्पष्ट रूप से काटा जाना चाहिए।

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EVALUATION INDICATORS

1. Alignment Competence
2. Context Competence
3. Content Competence
4. Language Competence
5. Introduction Competence
6. Structure - Presentation Competence
7. Conclusion Competence

Overall Macro Comments / feedback / suggestions on Answer Booklet:

1.

2.

3.

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All the Best

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SECTION A

3. Globalisation as we know it is over

Globalisation is a phenomenon that is marked by greater interconnectedness of the nations of the world; it allows for greater economic integration and easier flow of goods, capital and labour.

Throughout the history we can see that trade was one of the key determinants of the longevity of the empires, the chinese silk road was a line that connected east to ~~we~~ europe through brisk trade similarly the various empires & and civilisations of India right from Indus Valley Civilisation have carried out trade with their european counterparts.

Globalisation made rapid strides in the late 15th Century when european explorers like Vasco Da Gama and Christopher

Colombus discovered sea routes to India and North America respectively. This led to a rise in trade ~~in~~ and this era is often called mercantalism ~~gradual~~ which is marked by accumulating as much bullion as possible.

Gradually mercantalism gave way to imperialism and colonialism and by the mid 18th century we can see a picture of an interconnected world in the form of european empires and their asian/african/american colonies carrying out trade through various fair and unfair means. This era was marked by exploitation of the colonies and the trade was often biased towards colonies supplying raw material and importing finished goods, thus we can see despite nearly all parts of the globe were involved in trading with each other but still various restrictions existed and the world was from the globalised world we know today.

World War I weakened the stronghold

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of the european empires and world war 2 brought an end to the era of colonialism

With the end of World War 2 began the real globalisation era which we ~~are~~ know today. The horrors of World War 2 made the leaders realize that an inter connected world might be better and has lesser tendency to plunge into a catastrophic war like before.

It lead to the establishment of WTO, and IMF at the Bretton woods conference to ~~monitor~~ give loans to the needy countries and to monitor the global financial health respectively. A treaty ~~was~~ called GATT (General agreement on trade and tariff) was also signed by various countries to ~~govern~~ establish the trade rules between various countries.

These measures could not lead to a truly globalised world as ~~an~~ cold war started between the two super powers, the US and USSR and the world was divided into the two power blocks with little exchange

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happening between them. The western block led by the USA was champion of capitalism and advocated free trade and globalised world but the eastern block led by USSR was proponent of communism with state controlling various aspects of trade.

With the collapse of USSR the erstwile socialist countries also gave up their protectionist measures and integrated themselves into the globalised economy and the picture of a fully globalised world emerged.

Globalisation was marked by minimal restrictions on import and exports of goods and services while allowing easier movement of people. It lead to profound changes in the countries that were closed from the world till that time, Multicultaralism, western music, art, cinema, ideals quickly penetrated their new homes. Large western multi national companies grew bigger and bigger and expanded across the globe and led to establishment of ~~tar~~ some companies becoming household names like Cococola, nestle, ford etc.

The peak of globalisation coincided with the ~~rise~~ boom of world wide web and increasing adoption of computers. The internet connected the world into a singe web like never before and brought people across the continents just a click away

Greater interconnectedness was also marked by large multi national banks which spread across various nations and some of them became too big to fail.

The easier movement of people and technology quickly led to countries like China and India to increase their economic growth. China which integrated itself by allowing foreign capital in 1979 was able to manufacturing & its engine of growth while India opened up later in 1991 and relied on its service export to drive the economy.

Globalisation brought its challenges which has gradually led to a decrease in faith in globalisation as we knew it.

Excessive risk taking and bank lending ~~has~~ led to a global financial crisis in 2008 which plunged a major part of the world into economic meltdown. Like a domino effect, the crisis which began in the USA with collapse of large banks like Lehmann brothers quikly swept many economies of europe ~~and and~~ also into recession.

China and India which were not as interconnected to the global economy as some of their european counterparts had to milder effect of global economic slowdown.

This episode brought to forefront the negatives of globalisation even though previously we had seen bad effects of such interconnectedness on a lesser scale such as the east asian economic crisis of 1997.

The rise of radical Islamic terrorism posed a new challenge to the globalised world with initially the taliban and now the Islamic State confronting the nations across the world. By carrying out asymmetric warfare which includes carrying out suicide attacks on unarmed civilians, planting bombs in public places alongside waging war in ~~middle eastern~~ west asian countries like Iraq & Syria. it has led to a backlash against globalisation in many countries asking the governments to put ~~stringer~~ restriction on immigrants particularly muslims.

Another effect of IS's war in Syria is the large immigrant population moving out of Syria into europe and america which has led put a burden on the accomodating countries and led to rise of ~~radical~~ right wing parties across europe advocating against globalisation. Latest American president Donald Trump put a restriction on immigrants of seven muslim countries. ~~and the~~

Great Britain also exited from the EU by asking the people of its country via a referendum, the major reasons were flow of refugees and lesser restrictions on capital flow. These two ~~countri~~ incidents have dealt a severe blow to globalisation.

Since globalisation became an increasingly

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Globalisation was often marked by movement of skilled labour from developing countries to the developed countries in search of better livelihood, this phenomenon popularly called as 'Brain Drain' lead to developed countries benefitting from augmentation of their skilled human resource base while the home country ~~receiv~~ ~~recieving~~ receiving remittances.

The increasing number of people moving to the developed countries in search of jobs along with decrease in numbers of jobs since global economic crisis has led to a clamour of putting restrictions on the number of people coming from foreign countries. This culminated in the US hiking its H1-B visa fees and similar decisions were also made by UK and australia for their visa programs. These steps made another dent in the globalisation process.

With the rise of cyber penetration and greater adoption of technology across all spectrum has brought a new challenge. Increasing incidence of cyber crime has

Cross border cyber terrorism has become a new phenomenon which was seen in the instances of North Korea hacking Sony's database in retaliation to the release of movie 'The Dictator' mocking Kim Jong Un. Russia is also alleged to have played a role via its hackers to ~~a~~ influence US elections.

The various programs launched in countries like 'Make in India', 'Make in USA' etc along with various domestic content requirements are also posing a challenge to globalisation.

The emergence of various Mega treaties along with the weakening of WTO which is still unable to conclude the Doha round are also a visible reminder of globalisation losing its fervour.

Thus it can be said that globalisation has suffered setbacks in the last couple of years ~~but~~ and the aggressive integration of economies has taken a back seat particularly due to ~~s~~ former proponents of globalisation like US taking ~~a back~~ various protectionist measures. But ~~globalisation~~ with the world coming together on various issues like climate change (Paris treaty), fighting together terrorism, cooperation in science (CERN experiment) show that it is impossible to stay isolated like in the previous centuries. ~~Globalisation is changing~~

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SECTION B

Cashless Economy: Prospects, Issues and Challenges

What is the use of Currency?

Currencies make transactions more convinient. Transactions were initially done by barter system which involved exchange of goods but overtime it was felt that it was too difficult to carry out transactions in large volume via this system also it was burdensome to carry around goods to exchange.

These ~~in~~ shortcomings of the barter system led to the rise of currencies in form of punch marked coins, silver coins etc. This marked a monumental shift as it demonstrated the collective acceptance that a piece of metal can be used to buy and pay. This greatly increased the productivity of the people, led to rise of large empires as now a large army can be maintained and can be paid in coins, led to trade to boom and even different civilizations of the world accepted ~~as~~ each others coin.

Thus we can see that humans faith in ~~coins and~~ cash as a currency is thousands of years old and transitioning to a cashless economy, despite having various prospects will have challenges to overcome.

Cashless economy means that an economy involves minimal use of cash and instead relies on digital modes for payment. It involves usage of credit cards, e-wallets, cheques etc.

The usage of cashless economy is being promoted by various governments across the world, particularly in India where the current government has made it a prime objective as a part of the 'Digital India' mission.

Cashless economy has various benefits one of the most important ~~obvious~~ one is that it is more convinient. No one has to carry around change, large transactions can be carried out in a hassle free manner. It ~~was~~ is the final step in the gradual evolution from

Barter ⟶ cash ⟶ cashless

Another important benefit of ~~using~~ transitioning to cashless economy is that it is more transparent and can help in curbing corruption. Large amounts of black money are stored in the form of cash especially in India where the informal sector is huge. By involving cashless means of payment it is easier to trace the flow of money and it can be helpful in identifying whether money was illegaly generated.

Cashless economy, in the Indian context, also helps in preventing corruption as India being a welfare state, is involved in giving out subsidies, these subsidies often do not reach the desired beneficiaries and breeds corruption. The government can directly transfer the subsidy amount to beneficiarie's bank account without involving middle man. A succesful example was seen in the case of Direct Benefit Transfer ~~in case~~ of LPG.

~~By switching to cashless economy inflation may reduce as often~~

Large amounts of illegal counterfeit ~~c~~urrency is a problem that a cash reliant economy often has to face, this problem can be curbed by switching to a cashless economy.

Terror financing is also done mostly in cash therefore switching to cashless economy will be a step towards fighting the menace of terrorism.

Reliance on cashless mode for payment will lead to decrease in inflation in some sectors like Real estate as these often involve a large cash component which is not reported.

~~state~~ Government's tax collection would be greatly boosted by switching to a cashless economy, the increased tax revenue can be used towards welfare of the people along the lines envisaged by our constitution makers

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Cashless economy though having lot of positives on paper is very challenging to completely transition to.

There is a lack of digital literacy, especially in developing countries, people are hesitant to use cashless modes of payments, they are accustomed to using cash and they are not aware of the benefits of using cashless payments.

The digital infrastructure to enable a switch to cashless economy is not fully developed and would require vast investment of the government to ramp it up.

India has a large informal sector (upto 93% acc to some estimates) and as demonetisation exercise showed, they are heavily cash reliant and any sudden moves to switch to cashless has the potential to slow down the economy.

Cashless economy is also integrated with smart mobile phones and in a country like India where poverty is high (22% acc to Tendulkar committee) it is unreasonable to expect them to buy phones to get integrated in cashless economy

Cyber security is another issue regarding cashless economy, India's CERT-In are the nodal agency for dealing with cyber threats but they are inadequately equipped to handle the rising complexity of the attacks. These ~~were~~ shortcomings were reflected when bank account details of 32 lakh people were compromised.

Cashless economy's ability to curb corruption is also questioned as now people often park their illicit wealth in gold and real estate.

The Indian government has taken various measures to encourage the adoption of cashless means. The UPI is a recent step that enables direct transfer of money from bank to bank without use of wallet, thus saves the extra charge of keeping the money in wallet.

BHIM app is also launched to enable transactions using mobiles to encourage cashless transactions, this app is also compatible with basic mobile phones. ~~like similar sites~~

Various schemes like 'Lucky Grahak Yojana' and 'Digidhan Yojana' are launched ~~by~~ to incentivize the use of digital payments

Campaigns to promote digital literacy are also launched in form of PM-Gramin Digital Sashaktikaran Abhiyan (PMGDISHA) this will help rural people becoming aware of ~~how~~ prospects of digital economy and how to use it.

The JAM trinity (Jan Dhan-Adhar-Mobile) has proven to be very effective in implementing cashless transfering of subsidies and several other subsidies are currently being contemplated upon to transfer digitally.

Cashless economy has various benefits but complete transition to cashless economy is not feasable nor practical. Even the most developed nations across the globe still haven't switched completely to digital economy. Heavy reliance on cash by Indian economy shows the faith that Indian people have

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on it and we should take incremental steps to gradually instil the same faith for cashless economy.

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- vasco da gama
- mercantalism
- imperialism condition
- Protectionism
- Brexit
- Right wing nationalism
- Rise of ISIS
- Sanctions & isolation
-

Cashless

- low corruption
- transparency
- easier