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Q.1. Give two examples of different types of global exchanges which took place before the 17th century, choosing one from Asia and one from America.

Asia: The silk routes are a classic example, connecting Asia with Europe and North Africa. These routes enabled the trade of Chinese pottery, textiles, and Indian spices. In return, Asia received precious metals from Europe. Besides goods, religions and ideas also spread along these routes; for example, Buddhism travelled from India to other parts of Asia through the silk routes.

America: After the discovery of the Americas, many crops—like potatoes, maize, tomatoes, and chilies—were introduced to Europe, Asia, and Africa, transforming diets worldwide. Silver from mines in Peru and Mexico greatly boosted European wealth and financed more global trade. Legends like El Dorado motivated expeditions, leading to wider cultural and economic exchanges.

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

The global transfer of diseases, especially from Europe to America, played a critical role in colonization. When Europeans arrived, they brought smallpox, measles, and other diseases to which indigenous people had no immunity. These epidemics killed vast numbers of native populations, sometimes wiping out up to 90 percent in some regions. The depopulation weakened local resistance to European conquest, making it easier for the colonizers to control land and resources.

Q.3. Effects of:

(c) The death of men of working-age in Europe because of the World War:

- Europe's workforce shrank dramatically, causing lowered family incomes and economic hardship.
- Women stepped into jobs traditionally held by men, changing family and social roles, and setting the stage for greater gender equality in the workforce.

(e) The decision of MNCs to relocate production to Asian countries:

- Wages are lower due to surplus labour.

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- Cheaper production costs and huge markets attract multinational companies.
- Production relocation leads to job creation in Asia, growth of export industries, and changes in local economies.

Q.4. Give two examples from history to show the impact of science and technology on food availability.

- **Transport improvements (railways, ships):** Faster, more efficient transport of food resulted in markets having regular and cheap access to food items from distant areas.
- **Refrigerated ships:** Allowed meat to be transported across continents, making it affordable even to the poor, improving diets, and supporting urban and industrial growth in Europe.

Q.5. What is meant by the Bretton Woods Agreement?

The Bretton Woods Agreement refers to the international economic framework adopted after World War II at the 1944 Bretton Woods Conference (USA). It led to the creation of the IMF and World Bank, institutions meant to maintain stability and aid in post-war reconstruction. The system fixed exchange rates, pegging national currencies to the dollar, and the dollar to gold. Western powers dominated decision-making.

6. Imagine that you are an indentured Indian labourer in the Caribbean. Drawing from the details in this chapter, write a letter to your family describing your life and feelings?

Letter from an Indentured Indian Labourer in the Caribbean:

Dear Family,

I hope this letter finds you in good health. It has been many months since I left home and arrived in this faraway land called the Caribbean. I miss you all very much.

Life here is very different and difficult. The journey by ship was long and harsh, and many fell sick on the way. The place where I work is called a plantation. I and other workers labour in the hot sun from morning till evening, cutting

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sugarcane. The overseers are strict, and the work is hard. We are given small huts to stay in and the food is not what we are used to back home.

The contract we signed promised good wages and comfortable living, but the reality is very different. There is little freedom, and if anyone tries to leave the plantation without permission, strict punishments follow. Sometimes I feel very lonely, but I have found some friends among the workers – many of whom, like me, miss their families and long for our homeland.

I pray that this contract will end soon and I will be able to return to India with some savings. Till then, please do not worry for me. Remember me in your prayers, as I do for you every day.

With love,

Your Son/Daughter

(Indentured Labourer in the Caribbean)



Q.7. Explain three types of flows within international economic exchange with examples involving India.

Three Types of Movements or Flows within International Economic Exchange:

1. Flow of Goods (Trade):

This refers to the movement of commodities and products between different countries.

Example from India:

In the 19th century, India was a major exporter of raw cotton and opium. British traders exported Indian opium to China and, in exchange, imported tea to Britain. The opium trade generated large profits for British companies but led to social and economic problems in China, eventually resulting in the Opium Wars.

2. Flow of People (Migration):

This involves the movement of people for work, either as free migrants or as indentured labourers or slaves.

Example from India:

During the 19th and early 20th centuries, millions of Indians were sent as indentured labourers to work on plantations in the Caribbean, Fiji, Mauritius, South Africa, and Southeast Asia. They worked under harsh

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conditions, facing long hours, poor pay, and strict contracts, but also created new Indian communities abroad.

3. **Flow of Capital (Investment):**

This means the movement of money in the form of loans, investments, or financial transfers between different regions or countries.

Example from India:

British capital was invested in building railway networks, telegraphs, and plantations in colonial India. These investments were meant to facilitate the export of raw materials (like cotton, jute, spices) to Britain and make the Indian market more accessible for British manufactured goods. While they modernised some sectors, they also tied India's economy to British interests.

Summary:

Trade, migration, and capital flows linked India to the global economy—transforming its society and economy, but often benefitting colonial powers more than Indians.

8. Explain the causes of the Great Depression.

Causes of the Great Depression:

1. **Overproduction:**

In the 1920s, industries in the United States and elsewhere produced more goods than could be sold. Demand could not keep up with the growing supply, leading to falling prices and unsold stocks.

2. **Speculation in the Stock Market:**

There was excessive speculation in shares, with many investors buying stocks at high prices expecting them to rise further. In October 1929, panic-selling began and share prices crashed—a major stock market collapse in the US known as the Wall Street Crash.

3. **Bank Failures:**

As stock prices fell, banks lost money too—many had also invested in stocks or given risky loans. When people tried to withdraw their savings, banks couldn't pay and collapsed.

4. **Reduction in International Trade:**

Countries responded to the depression by imposing high tariffs (taxes on

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imports) to protect local industries, which made world trade shrink further. Demand for goods fell globally.

5. Lack of Consumer Confidence:

After the crash, people lost confidence in the economy and stopped spending money, creating a downward spiral in production and employment.

6. Unequal Distribution of Wealth:

In the 1920s, wealth was unevenly distributed among people and nations. The poor had less buying power, so demand for goods stayed low.

Summary:

The combination of overproduction, financial speculation, banking failures, shrinking world trade, loss of consumer confidence, and unequal wealth distribution produced a severe and prolonged economic downturn—known as the Great Depression—which affected economies worldwide from 1929 to the late 1930s.

Q.9. (i) What are G-77 countries?

The G-77 is a group of developing countries that came together in the 1960s to promote collective economic interests and create an enhanced negotiating capacity within the United Nations.

(ii) How can G-77 be seen as a reaction to the activities of the Bretton Woods Twins?

The G-77 was formed because new, independent nations felt marginalized by the powerful western countries controlling the IMF and World Bank. They wanted greater control over their resources, fairer prices for materials, better access for their goods, and more aid for development. G-77 was a demand for a new, fairer international economic order.