

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:4335
ANSWERED ON:19.04.2002
IMPACT OF GLOBALISATION
ASHOK NAMDEORAO MOHOL

Will the Minister of FINANCE be pleased to state:

- (a) Whether the attention of the Government has been drawn to the news-item captioned 'Globalisation hasn't done much for world's poor' appearing in the Times of India dated March 22, 2002 ;
- (b) if so, the facts of the matter reported therein;
- (c) whether the Government have assessed the impact of globalisation in the field of removing poverty in India;
- (d) if so, the outcome of the assessment;
- (e) whether globalisation has not posed threats to our economy and industry; and
- (f) if so, the steps taken or proposed to combat this situation?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL)

(a) : Yes Sir.

(b) : The news item reported that the vast majority of people in Africa, Latin America, Central Asia and West Asia haven't experienced significant improvements in living standards, despite the spread of globalisation. It also expresses concern over trade barriers maintained by richer nations and sharp decline in private capital flows to the developing world since 1997.

(c) & (d) : India has been adapting a cautious and gradual approach towards globalisation and structural reforms. Economic reforms have made significant impact on reduction of poverty in the country. The all-India poverty ratio has declined sharply from 38.9 per cent in 1987-88 to 26.1 per cent in 1999-2000. Over the same period, rural poverty ratio has declined from 39.1 per cent to 27.1 per cent and urban poverty ratio has declined from 38.2 per cent to 23.6 per cent.

(e) & (f) : The present economic policies and programmes are being implemented with the objective of ensuring faster growth with employment and equity. The interests of the vulnerable sections of the society are being protected through allocation of progressively higher resources to agriculture, rural, social, and human development, and introduction of various employment generation and poverty alleviation programmes.