

Globalization of Investment

- It may also be termed as FDI.
- Following GATT and WTO, many countries reduced or eliminated investment barriers.
- MNC's study the feasibility study of projects overseas and invest capital.

REASONS



ADVANTAGES OF GLOBALIZATION

Helps in free flow of capital

Helps in free flow of technology from developed to developing countries

Improves standard of living of people

Makes available high quality goods at low prices

Helps in spreading production facilities

Increases employment opportunities and decreases cultural differences

DISADVANTAGES OF GLOBALIZATION

Intense competition

Harder for small business to establish

Causes decline in demand of domestic products

Widens the gap between rich and poor

Developed countries exploit the resources of developing countries

Exploitation of workers in developing countries

IMPACT OF GLOBALIZATION IN INDIA



**ECONOMIC
IMPACT**

**SOCIO-
CULTURAL
IMPACT**

**PSYCHOLOGICAL
IMPACT**

ECONOMIC IMPACT

Greater number of jobs

More choice to consumers

Higher disposable incomes

Shrinking agricultural sector

Increasing health care costs

Child labour