

# Contemporary Centres of Power

## Fastrack Revision

### ► European Union

- The end of Second World War was a historical landmark in world politics.
- By the end of Second World War, many of European leaders grappled with the 'Question of Europe', they were contemplating that should Europe be:
  - allowed to revert to its old rivalries
  - be Reconstructed on principles and institutions that would contribute to a positive conception of International relations.
- The assumptions and structures on which the European states had based their relations were shattered after the Second World War.
- Cold War aided the European integration after 1945.
- **Marshall Plan:** America extended massive financial help for reviving Europe's economy.
- **Under the Marshall Plan**
  - The Organisation for European Economic Cooperation (OEEC) was established in 1948.
    - To channel aid to the West European states.
- OEEC become a forum where the western European states began to cooperate on trade and economic issues.
- The Council of Europe, established in 1949, was another step forward in political cooperation.
- The European Economic Community in 1957, found by the process of economic integration of European capitalist countries.
- The process of economic integration of European capitalist countries acquire a political dimension with the creation of the European Parliament.
- The collapse of the Soviet Bloc put Europe on a fast track and resulted in the establishment of the European Union in 1992.
  - The foundation of the European union was laid for a common foreign policy and security policy, cooperation on justice and home affairs, and the creation of a single currency.
- The European Union has evolved with time from an economic union to political one.
- The European Union's attempts to have a constitution for the EU has failed, it has its own flag, anthem, founding date and currency. The currency of EU is Euro.

- The European Union has tried to expand areas of cooperation while acquiring new members, especially from the erstwhile Soviet Bloc.

- The EU has economic, political and diplomatic and military influence.

### ► Economic Influence

- EU is the world's second biggest economy with a GDP of more than \$ 17 trillion in 2016, next only to the USA.
- Its currency, the Euro, can pose a threat to the dominance of the US dollar.
- Its economic power gives it influence over its closest neighbours as well as in Asia and Africa.
- EU functions as an important bloc in international economic organisation such as the World Trade Organisation (WTO).

### ► Political Influence

- One member of the EU, France, holds permanent seat on the UN Security Council.
- EU's diplomatic, economic investments and negotiations has been effective as in the case of its dialogue with China on human rights and environmental degradation.

### ► Military

- The EU's combined armed forces are the second largest in the world.
- Its total spending on defence is second after the US.
- One EU member state, France also have nuclear arsenals of considerable numbers.
- EU is also the world's second most important source of space and communications and technology.
- As a supranational organisation, the EU is able to intervene in economic, political and social areas.

### ► Shortcomings of EU

- In many areas its member states have their own foreign relations and defence policies that are often at odds with each other.
- For instance, in the Iraq invasion, Britain's Prime Minister Tony Blair was America's partner, and many of the EU's newer members made up the US-led coalition of the willing whereas Germany and France opposed American policy.



- There is also a deep-seated 'Euro-skepticism' in some parts of Europe about the EU's integrationist agenda. Britain's former Prime Minister kept the UK out of the European market.

Denmark and Sweden have resisted the Maastricht Treaty and the adoption of the Euro, the common currency.

- The limits the ability of the EU to act in matters of foreign relations and defence.

#### Picture of Union Flag



The **circle of gold stars** stands for solidarity and harmony between the people of Europe.

It has twelve stars, as the number twelve is traditionally the symbol of perfection, completeness and unity.

### Knowledge BOOSTER

- *The Maastricht Treaty was signed on February 7, 1992 for establishing the European Union which paved the means for the creation of the Euro currency and pillar structure of the EU. It was drafted and signed by members included in the European community. It tended to highly expand cooperation among the member states and was initially signed by France, Ireland, Belgium, Greece, Denmark, Spain, Italy, Netherlands, Luxembourg, Germany, UK and Portugal.*
- *The Brexit referendum also known as the EU referendum took place on 23 June 2016 in UK. The UK government initiated the official EU withdrawal process on 29th March 2017. And on 31st January 2020, UK formally left the EU after completing the withdrawal process by 30th March 2019.*

#### ▶ Association of South East Asian Nations (ASEAN)

- The South-eastern region of Asia, before and during the Second World War, suffered the economic and political consequences of repeated colonialisms, both European and Japanese.
- The South-eastern region of Asia confronted problems of nation building, the ravages of poverty and economic backwardness and the pressure to align with one great power or another during the Cold War, after the Second World War.

- Efforts at Asian and Third World Unity, such as the Bandung Conference and the Non-aligned Movement, were ineffective in establishing the conventions for informal cooperation and interaction.

- ASEAN was established in 1967 by five countries of this region and signed the Bangkok Declaration.

- Indonesia
- Malaysia
- Philippines
- Singapore
- Thailand

#### ▶ Objective of ASEAN:

- To accelerate economic growth and through that 'social progress' and 'cultural development'.
- To promote regional peace and stability based on the rule of law and the principles of the United Nations Charter.

- ▶ ASEAN countries have celebrated what came to be known as the 'ASEAN Way'.

A form of interaction that is informal, non-confrontationist and cooperative.

- ▶ With some of the fastest growing economies in the world ASEAN broadened its objectives beyond the economic and social spheres.

- ▶ In 2003, ASEAN agreed to establish an ASEAN Community comprising three pillars:

- The ASEAN Security Community
- The ASEAN Economic Community
- The ASEAN Socio-cultural Community.

- ▶ The ASEAN Regional Forum (ARF) was established in 1994, is the organisation that carries out coordination of security and foreign policy.

- ▶ **Objective of ASEAN Economic Community** : To create a common market and production base within ASEAN states and to aid social and economic development in the region.

- ▶ ASEAN has focused on creating a Free Trade Agreement (FTA) for investment, labour and services. ASEAN's Vision 2020 has defined an outward-looking role for the region in the international community.

- ▶ During the Cold War years Indian foreign policy did not pay adequate attention to ASEAN. But in recent years, India has tried to make amends.

- ▶ India signed trade agreements with three ASEAN members Malaysia, Singapore and Thailand.

- ▶ The ASEAN-India FTA came into effect in 2010. ASEAN's strength, however, lies in its policies of interaction and consultation with member states, with dialogue partners, and with other non-regional organisations.

#### ▶ The Rise of Chinese Economy

- China has been the fastest growing economy since the reforms began there. It is projected to overtake the US as the world's largest economy by 2040.





- The strength of China's economy, together with other factors such as population, land mass, resources, regional location and political influence, add to its power in significant ways.
- After the inception of the people's Republic of China in 1949, following the communist revolution, under the leadership of Mao, its economy was based on the Soviet Model.
- The model was to create a state-owned heavy industries sector from the capital accumulated from agriculture.
- Chinese industrial production was not growing fast enough, international trade was minimal and per capita income was very low.
- ▶ **The Chinese leadership took major policy decisions in the 1970s.**
  - China ended its political and economic isolation with the establishment of relations with the US in 1972.
  - Premier Zhou Enlai proposed the four modernisations (agriculture, industry, science and technology and military) in 1973.
  - By 1978, the then leader Deng Xiaoping announced the 'open door' policy and economic reforms in China.
  - The policy was to generate higher productivity by investments of capital and technology from abroad.
- ▶ The Chinese did not go for 'shock therapy' but opened their economy step by step-
  - Privatisation of Agriculture, 1982
  - Privatisation of Industry, 1998
  - Trade barriers were eliminated only in Special Economic Zones (SEZs)
- ▶ China has become the most important destination for Foreign Direct Investment (FDI) anywhere in the world.
- ▶ China's accession to the WTO in 2001 has been a further step in its opening to the outside world.
- ▶ While the Chinese economy has improved dramatically, not everyone in China has received the benefits of the reforms.
- ▶ Unemployment has risen in China with nearly 100 million people looking for jobs.
- ▶ Environmental degradation and corruption have increased besides a rise in economic inequality between rural and urban residents and coastal and inland provinces.
- ▶ Regionally and globally, China has become an economic power to reckon with.
- ▶ Fears of China's rise have also been mitigated by its contributions to the stability of the ASEAN economies after the 1997 financial crisis.
- ▶ **Indo-China Relations**
  - Before the advent of western imperialism, Asia had two great powers- India and China.
  - China had considerable influence and control on the periphery of its borders based on its unique tributary system.
- In India, various kingdoms and empires also extended their influence beyond their borders. In both cases this influence was political, economic and cultural.
- Soon after the independence, both states were involved in differences arising from the Chinese takeover of Tibet in 1950 and the final settlement of the Sino-Indian border.
- China and India were involved in a border conflict in 1962 over competing territorial claims principally in Arunachal Pradesh and in the Aksai Chin region of Ladakh.
- The conflict of 1962, in which India suffered military reverses, had long-term implications for India-China relations.
- A series of talks to resolve the border issue were also initiated in 1981.
- Rajiv Gandhi's visit to China in December 1988 provided the impetus for an improvement in India-China relations.
- Bilateral trade between India and China has increased from \$338 million in 1992 to more than \$84 billion in 2017.
- At the global level, India and China have adopted similar policies in international economic institutions like the World Trade Organisation.
- India's nuclear tests in 1998, sometimes justified on the grounds of a threat from China, did not stop greater interaction.
- Indian and Chinese leaders and officials visit Beijing and New Delhi with greater frequency, and both sides are now becoming more familiar with each other.
- ▶ **Japan**
  - Japan has a shortage of natural resources and hence has to import most of its raw materials, despite developing after the end of the Second World War.
  - Japan took membership of the Organisation for Economic Co-operation and Development (OECD) in 1964.
  - Japan is only the nation that suffered the destruction caused by nuclear bombs.
  - Japan is the 2nd most significant contributor to the regular budget of UN.
  - It was the third-largest economy in the world in 2017, the 11th most populous nation globally, and the only Asian nation to have membership in G-7 Countries.
  - Japan has a security alliance with the US since 1951.
  - Japan has the seventh-largest military globally, though they spend only 1% of their GDP on military expenditure.
- ▶ **South Korea**
  - The Cold War era geopolitics and the Korean War during 1950-53 further deteriorated the relations between North Korea and South Korea.





- Both North Korea and South Korea finally took up the membership of the United Nations on September 17th 1991.
- South Korea developed briskly in all socio-economic dimensions during the 1960s-1980s also referred to as the "Miracle on the Han River".
- South Korea became a Member of OECD in 1996.
- By 2017, South Korea was the 10th largest military spender and the 11th largest economy globally.
- South Korea ranked 16th in the Human Development Index as per Human Development Report 2016.
- India and South Korea have enjoyed a cordial relationship that has been strengthened by various agreements, which has signified their growing cultural and commercial ties.

## Important Dateline

Date/Year	Important Events
June 1948	— Marshall Plan Implemented
April 1951	— Establishment of European Coal and Steel Community

March 1957	— Establishment of European Economic Community
August 8, 1967	— ASEAN was established.
January 1973	— Denmark, Ireland and the United Kingdom join the EC.
February 1992	— Treaty of Maastricht was signed.
January 1993	— Creation of Single Market
November 1993	— Establishment of EU
January 2002	— New currency Euro was introduced.
May 2004	— Ten new members, Cyprus, the Czech Republic, Estonia, Hungary, Latvia, Lithuania, Malta, Poland, Slovakia and Slovenia join the EU.
January 2007	— Bulgaria and Romania join the EU. Slovenia adopts the Euro.
December 2009	— The Lisbon Treaty came into force.
2012	— The EU is awarded the Nobel Peace Prize.
2013	— Croatia becomes the 28th member of the EU.
2016	— Referendum in Britain, 51.9 per cent voters decide that Britain exit (Brexit) from the EU.



## Practice Exercise

### Multiple Choice Questions ↘

- Q 1. The Council of Europe was established in:
- a. 1949      b. 1959      c. 1969      d. 1979
- Q 2. In which year OEEC was established?
- a. 1946      b. 1947      c. 1948      d. 1949
- Q 3. The European Economic community was found in 1957 by:
- a. 10 countries      b. 5 countries  
c. 12 countries      d. 6 countries
- Q 4. Which two countries of Europe resisted the adoption of a common currency called 'Euro'?
- a. Italy and France      b. Germany and France  
c. Belgium and Spain      d. Denmark and Sweden
- Q 5. What is the name of the currency of European Union?
- a. Dollar      b. Euro      c. Yen      d. France
- Q 6. Which one of the following statement related to the Indo-China War (1962) is correct? (CBSE 2020)
- a. China could not cross the line of control.  
b. The Chinese forces did not withdraw their troops back to earlier position.  
c. The Soviet Union helped China against India.  
d. The Soviet Union remained neutral during the conflict.
- Q 7. India and China were the great power in Asia before the advent of:
- a. Western Imperialism      b. Northern wanderer  
c. Southern explorers      d. Eastern Imperialism
- Q 8. Rajiv Gandhi's visit to China took place in December:
- a. 1977      b. 1988      c. 1999      d. 1966
- Q 9. Which member of European Union holds the permanent seat on the United Nations Security Council?
- a. France      b. Sweden, France  
c. Germany, Italy      d. Lithuania, Netherlands
- Q 10. On 19th March, the US launched its invasion of Iraq under the code name ..... (CBSE 2023)
- a. Operation Desert Storm  
b. Operation Iraql Freedom  
c. Operation Infinite Reach  
d. Operation Enduring Freedom
- Q 11. When did China takeover Tibet?
- a. 1956      b. 1949  
c. 1950      d. 1951
- Q 12. Which of the following nations have left the European Union?
- a. France      b. Belgium'  
c. Germany      d. Britain









- Q 30. After the inception of the People's Republic of China in
- ..... following the Communist revolution under the leadership of
  - ....., its economy was based on the
  - ..... model.
- Q 31. .... visit to China in December 1998 provided the impetus for an improvement in Indo-China relations.
- Q 32. Policy adopted by China to generate higher productivity by investments of capital and technology from abroad was called .....
- Q 33. South Korea became a member of ..... in 1996.



### Correct and Rewrite Type Questions

- Q 34. The world war has aided the European integration after 1948.
- Q 35. The European Union has involved over time from a socialist union to an increasingly political one.

### Answers

- |         |         |         |         |         |
|---------|---------|---------|---------|---------|
| 1. (a)  | 2. (c)  | 3. (d)  | 4. (d)  | 5. (b)  |
| 6. (b)  | 7. (a)  | 8. (b)  | 9. (a)  | 10. (b) |
| 11. (c) | 12. (d) | 13. (c) | 14. (d) | 15. (b) |
| 16. (c) | 17. (b) | 18. (b) | 19. (d) | 20. (d) |
| 21. (a) | 22. (a) | 23. (d) | 24. (b) | 25. (c) |
| 26. (d) | 27. (d) |         |         |         |
28. ASEAN way  
 29. The United States  
 30. (i) 1949, (ii) Mao, (iii) Soviet  
 31. Rajiv Gandhi's  
 32. open door policy  
 33. OECD  
 34. Cold War has aided the European integration after 1948.  
 35. The European Union has involved over a time from an economic union to an increasingly political one.



### Passage Based Questions

#### Passage 1

Read the passage given below and answer the questions that follow by choosing the most appropriate option:

ASEAN was established in 1967 by five countries of this region — Indonesia, Malaysia, the Philippines, Singapore and Thailand — by signing the Bangkok Declaration. The objectives of ASEAN were primarily to accelerate economic

growth and through that 'social progress and cultural development'. A secondary objective was to promote regional peace and stability based on the rule of law and the principles of the United Nations Charter. Over the years, Brunei Darussalam, Vietnam, Laos, Myanmar (Burma) and Cambodia joined. The ASEAN security community was based on the conviction that outstanding territorial disputes should not escalate into armed confrontation. By 2003, ASEAN had several agreements in place by which member states promised to uphold peace, neutrality, cooperation, non-interference, and respect for national differences and sovereign rights. The ASEAN Regional Forum (ARF), which was established in 1994, is the organisation that carries out coordination of security and foreign policy.

- Q 1. The objective of ASEAN is:
- to accelerate economic growth and through that 'social progress and cultural development'
  - to achieve political and military stability
  - to achieve political development
  - None of the above
- Q 2. Name the member countries during the establishment of ASEAN in 1967.
- Indonesia, Malaysia and Philippines
  - Indonesia, Malaysia, Philippines, Singapore, Thailand, Brunei and Vietnam
  - Indonesia, Malaysia, Philippines, Singapore and Thailand.
  - Indonesia, Malaysia, Philippines, Singapore, Thailand and Brunei
- Q 3. When did ASEAN start moving along the path of EU?
- 2000
  - 2003
  - 2004
  - 2007
- Q 4. ARF was established in:
- 1994
  - 1995
  - 1991
  - 1990

### Answers

1. (a)      2. (c)      3. (b)      4. (a)

#### Passage 2

Read the passage given below and answer the questions that follow by choosing the most appropriate option:

European integration after 1945. America extended massive financial help for reviving Europe's economy under what was called the 'Marshall Plan'. The US also created a new collective security structure under NATO. Under the Marshall Plan, the Organisation for European Economic Cooperation (OEEC) was established in 1948 to channel aid to the west European states. It became a forum where the western









the change in China's political leadership from the mid to late 1970s, China's policy became more pragmatic and less ideological. So it was prepared to put off the settlement of contentious issues while improving relations with India. A series of talks to resolve the border issue were also initiated in 1981.

**Q 1. What were the consequences of the 1962 Indo-China war?**

**Ans.** India suffered military reverses as a result of 1962 conflict which had long term implications for India-China relations.

Diplomatic relations between the two countries were downgraded until 1976.

**Q 2. When did the relation between India and China slowly improve?**

**Ans.** From 1976 relations between India and China slowly improved.

**Q 3. What was the change in the policy of China in the seventies?**

**Ans.** In the seventies China's policy became more pragmatic and less ideological.

## Passage 5

*Read the passage given below and answer the questions that follow:*

Unlike the EU there is little desire in ASEAN for supranational structures and institutions. ASEAN countries have celebrated what has become known as the 'ASEAN Way', a form of interaction that is informal, non-confrontationist and cooperative. The respect for national sovereignty is critical to the functioning of ASEAN.

With some of the fastest growing economies in the world, ASEAN Statement broadened its objectives beyond the economic and social spheres. In 2003, ASEAN moved along the path of the EU by agreeing to establish an ASEAN Community comprising three pillars, namely.....

**Q 1. Name any two member countries of ASEAN. What is ASEAN way?**

**Ans.** Singapore and Vietnam. 'ASEAN' way is a form of interaction between ASEAN member countries that is informal, non-confrontationist and cooperative.

**Q 2. Identify one difference and one similarity between ASEAN and the EU.**

**Ans.** Like European Union, ASEAN is also a regional organisation but unlike the EU there is little desire in ASEAN for supranational structures and the institutions.

**Q 3. Mention the three pillars of ASEAN Community.**

**Ans.** Three pillars of ASEAN community are:

- (i) The ASEAN security community
- (ii) The ASEAN economic community
- (iii) The ASEAN socio-cultural community.



## Very Short Answer Type Questions

**Q 1. In 1992 which regional organisation was formed?**

**Ans.** The European Union.

**Q 2. What was the objective of Marshall Plan?**

**Ans.** The massive financial help for reviving Europe's economy was extended by America under the Marshall Plan.

**Q 3. Mention the name of collective security structure formulated by USA during Cold War to strengthen the security concern for all European countries aligned with USA.**

**Ans.** NATO - North Atlantic Treaty Organisation (1949)

**Q 4. What does the circle with golden stars on the European Union flag stands for?**

**Ans.** The circle with golden stars on the European Union flag stands for solidarity and harmony between the people of Europe.

**Q 5. What was Maastricht Treaty?**

**Ans.** A treaty signed by the members of European Union which was resisted by two European countries Denmark and Sweden.

**Q 6. Name any two common economic features of European Union.**

**Ans.** (i) Single currency 'Euro'  
(ii) Single Market

**Q 7. Why was ASEAN established? (CBSE 2015)**

**Ans.** ASEAN was established to accelerate economic growth and through that social progress and cultural development.

**Q 8. What does the logo on the ASEAN flag symbolise? (CBSE 2016)**

**Ans.** On the ASEAN logo, the ten stalks of paddy (Rice) represent the ten South East Asian countries bound together in friendship and solidarity. The circle symbolises the unity of ASEAN.

**Q 9. Explain the vision of the ASEAN for 2020.**

**Ans.** The vision 2020 has defined an outward looking role for ASEAN in the international community. This is based on the existing ASIAN policy to encourage negotiation over conflicts in the region.





**Q 10. When was the ASEAN Regional Forum established? What is its aim?**

**Ans.** The ASEAN Regional Forum was established in 1994. Its aim is to carry out coordination of security and foreign policy.

**Q 11. Name any two founder member-states of ASEAN and two such states that joined ASEAN later.**

**Ans.** Indonesia and Malaysia are the two founder-members of ASEAN. This organisation was formed on 8 August, 1967 through the Bangkok Declaration. Brunei joined ASEAN in 1984 and Vietnam in 1995.

**Q 12. ASEAN was formed through the Bangkok Declaration. What does the Declaration say?**

**Ans.** The Bangkok Declaration sought to make the South-East region a 'Zone of Peace', 'Freedom and Neutrality'.

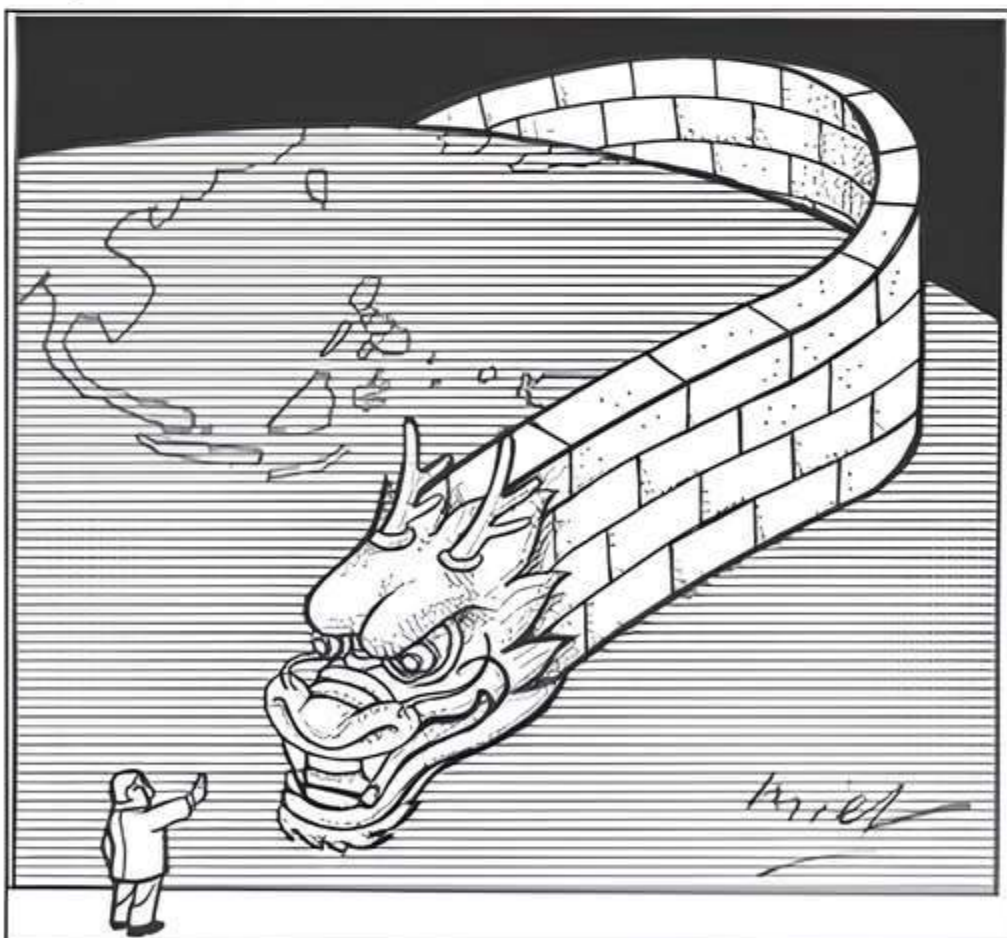
**Q 13. Name any four members of the European Union.**

(CBSE 2022, Term-2)

**Ans.** The EU's members are Austria, Belgium, Bulgaria, Croatia, etc.

### **Cartoon Based** Questions ↘

**Q 1. Study the cartoon given below and answer the questions that follow:**



**(i) The given cartoon is related to which country?**

**Ans.** China.

**(ii) Which two symbols in the cartoon helped in identifying the country?**

**Ans.** The great wall and Dragon.

**(iii) What message does this cartoon convey to the world?**

**Ans.** The cartoon depicts China's economic and military strength.

**Q 2. Study the cartoon given below and answer the questions that follow:** (CBSE 2015, 18)



**(i) What does the cartoon show?**

**Ans.** The cartoon shows the economic transformation of communist China *i.e.* before and after 1978.

**(ii) What do the two wheels of bicycle symbolise?**

**Ans.** China is the largest user of bicycles which symbolise the dual economic policies of China. The wheel represents the symbol of hammer and sickle adopted by Mao and Rear wheel represents the capitalist symbol of dollar. Both the socialists and capitalists co-exist in China now.

**(iii) How did Open Door Policy of China benefit its economy?**

**Ans.** China earlier restricted foreign trade and investment but now China extended his role. For example - China exports a large number of low cost products to the western countries and Japan.

**Q 3. Study the cartoon given below and answer the questions that follow:**



**(i) To which Indian policy this cartoon refers to?**

**Ans.** This cartoon refers to 'Look East Policy of India'

**(ii) What is the importance of this policy?**

**Ans.** India's 'Look East' Policy since 1991 has led to greater economic intersections with the East Asian Nations viz. ASEAN, China, Japan and South Korea.



Q 4. Study the cartoons given below and answer the questions that follow:



China then and now

(i) Which country does this cartoon refer to?

Ans. China.

(ii) Evaluate any two changes in the economic policies of this country from 'then' to 'now'?

Ans. (a) Special Economic Zones were created to invite foreign investors to set up their enterprises.  
(b) The privatisation of agriculture and industry.

(iii) Access any two outcomes of the latest changes that took place in this country.

Ans. The present Chinese economy has adopted the 'Open Door Policy' to generate higher production by investments of capital and technology. It established new trading laws and created special Economic Zones leading higher growth in foreign trade.

### Short Answer Type Questions

Q 1. Mention the major challenges faced in Europe after Second World War.

Ans. The major challenges faced in Europe after Second World War are as follows:

- (i) Shattered many assumptions and structures on which European states maintained their relations.
- (ii) The European states confronted the ruin of economy and the destruction on which Europe had been founded.

Q 2. "In recent years India has paid adequate attention to ASEAN". Give two points to justify the statement.

(CBSE SQP 2022, Term-2)


Ans. In recent years India has paid adequate attention to ASEAN:

- (i) The ASEAN-India Free Trade Agreement came into effect in 2010.
- (ii) On January 25th, 2018, silver jubilee of India and ASEAN partnership was commemorated. Leaders released postal stamps to mark the event.

Q 3. When was European Union established? Mention any two kinds of influences that were exercised by the European Union?

Ans. European Union was formally established in 1993 under the 1992 Maastricht Treaty. Influences exercised by the European Union are:

- (i) Political and (ii) Economic.

 **TIP** —————  
The students should know about the significance of the 'Maastricht Treaty'.

Q 4. State any two features of the European Union that make it an influential organisation.

Ans. Following are two features of the European Union that make it an influential organisations:

- (i) The European Union has economic, political, diplomatic and military influence.
- (ii) France holds permanent seat in the UN Security Council.

Q 5. What limits the ability of European Union to act in matters of foreign relations and defence?

Ans. European Union is a supranational organisation but in many areas its member states have their own foreign relations and defence policies that are often at odds as:

- (i) British Prime Minister Tony Blair supported the US's, Iraq invasion and many new members made US led 'coalition of willing' while Germany and France opposed it.
- (ii) Denmark and Sweden have resisted the Maastricht Treaty and adoption of the Euro.

Q 6. What are the objectives of establishing regional organisations?

Ans. The main objectives behind establishing regional organisations are as follows:

- (i) To accelerate economic growth followed by social progress and cultural development of the regions.
- (ii) To promote regional stability and peace based on the rule of law.
- (iii) Above all, to promote all round regional development to cope up with the fast growing economy in the global world.

Q 7. What are the components of the ASEAN vision 2020?

OR

What is ASEAN vision 2020?

Ans. As ASEAN is rapidly growing into a very important regional organisation so its vision 2020 has defined an outward looking role for ASEAN in the international community.

- (i) The vision 2020 builds on the existing ASEAN policy to encourage negotiation over conflicts in the region.



- (ii) For instance, ASEAN has mediated the end of the Cambodian conflict, the East Timor crisis and meets annually to discuss East Asian Cooperation.  
Thus the components of the ASEAN vision 2020 are:
- Outward looking role.
  - Encouragement to negotiations.
  - Mediatory role of ASEAN.

**Q 8. Explain 'Miracle on the Han River'.**

(CBSE SQP 2022, Term-2)

**Ans.** Miracle on Han River:

- South Korea emerged as a center of power in Asia.
- Between the 1960s and the 1980s, it rapidly developed into an economic power, which is termed as 'Miracle on the Han River'.

**Q 9. What were the problem faced by South-East Asian countries post Second World War?**

**Ans.** At the end of war South-East Asian countries confronted problems of nation building.

- The ravages of poverty and economic backwardness.
- Pressure of aligning with one great power or another during the Cold War.

**Q 10. Assess the key features of India's foreign policy towards ASEAN.**

**Ans.** During Cold War years Indian foreign policy did not pay adequate attention to ASEAN but in recent years India has tried to make amends. It signed FTAs with two ASEAN members, Singapore and Thailand.  
It is trying to sign FTA with ASEAN itself. An agreement between India and ASEAN countries have been signed in 2017.

**Q 11. Write a short note on ASEAN Economy Community.**

**Ans** ASEAN Economic Community is one of the three pillars of the ASEAN community which was established in 2003. The objectives of the ASEAN Economic Community are to create a common market and production base within the ASEAN states and to aid social and economic development in the region. It also like improve the existing ASEAN Dispute Settlement Mechanism to resolve economic disputes. ASEAN has focused on creating a Free Trade Area for investment, labour and service. The US and China are too negotiating FTA with ASEAN.

**Q 12. Why do you think India is now considered as an important centre of power? (CBSE SQP 2022, Term-2)**

**Ans.** The 21st century India is being seen as an important emerging global power:

- The economic, cultural and strategic position of the country with the population of more than 135 crore is very strong.
- From a strategic perspective, the military of India is self-sufficient with indigenous nuclear technology, making it another nuclear power.

**Q 13. Mention any five steps taken by China to improve its economy.**

OR

**Evaluate any three steps taken by the Chinese leadership for the growth of Chinese economy.**

(CBSE 2023)

**Ans.** The steps taken by China to improve its economy were:

- China substituted imports with domestic goods.
- Employment and social welfare was assured to all citizens.
- Established economic relations with US and ended its isolation.
- Modernisation was adopted.
- Open door policy of economic returns.

**Q 14. What is the meaning of Panchsheel?**

**Ans.** The five principles of peaceful coexistence is known as Panchsheel which formed the bedrock of Indo-China relationship. Their first formal codification in treaty form took place in 1954 when an agreement between India and China was signed. Panchsheel acts as guiding principle of Indo-China relation.

**Q 15. Can Japan act as an alternative centre of power?**

**Ans.** In terms of population Japan is quite a small country, but its economy is rated to be the topmost economy of the world. Therefore, we have little hesitation in treating China and Japan as the alternative Centres of Power.

**Q 16. What role did the European Union play in solving the problems of the European countries?**

**Ans.** The European Union played a significant role to solving the problems of the European countries. This can be explained below:

- The European Union functions as an important bloc in international organisation and looks after the economic, political and cultural issues of the nations in Europe in particular countries part of the European Union.
- The EU has expanded areas of co-operation while acquiring new members especially from the Soviet bloc.
- The EU has an influential role in the UN policies because France hold permanent seat in the Security Council.
- The EU is influential in the area of diplomacy economic investments and negotiations.



**TIP**

Repeat the points of EU evolving as economic unit from a political association and also mention EU evolving as supranational organisation as the weightage of question.





**Q 17. Explain the economic and political influence of the European Union.**

**OR**

**Explain the factors that make European Union a highly influential regional organisation.**

*(CBSE SQP 2023-2024)*

**Ans. Economic Influence**

- (i) EU is the world's second biggest economy with a GDP of more than \$17 trillion in 2016, next to that of the United States of America.
- (ii) Its currency Euro can pose threat to the dominance of the US dollar.
- (iii) Its share of world trade is much larger than that of the US allowing it to be more assertive in trade disputes with the US and China.

**Political Influence**

- (i) One member of the EU, France, holds permanent seat on the UN Security Council.
- (ii) The EU includes several non-permanent members of the UNSC.
- (iii) Its use of diplomacy, economic investments, and negotiations has been very effective as in the case of its dialogue with China on human rights and environmental degradation.

**Q 18. Compare the European Union with ASEAN.**

*(CBSE SQP 2022, Term-2)*

**Ans. European Union**

- (i) The end of Second World War is a historical landmark in world politics.
- (ii) By the end of Second World War, many of European leaders grappled with the 'Question of Europe', should Europe be:
  - (a) allowed to revert to its old rivalries.
  - (b) be Reconstructed on principles and Institutions that would contribute to a positive conception of international relations.
- (iii) The assumptions and structures on which the European states had based their relations were shattered after the Second World War.
- (iv) Cold War aided the European integration after 1945.

**Marshall Plan:** America extended massive financial help for reviving Europe's economy.

**Association of South East Asian Nations (ASEAN)**

- (i) The south-eastern region of Asia, before and during the Second World War, suffered the economic and political consequences of repeated colonialisms, both European and Japanese.
- (ii) The south-eastern region of Asia confronted problems of nation building, the ravages of poverty and economic backwardness and the pressure to align with one great power or another during the Cold War, after the Second World War.

- (iii) Efforts at Asian and Third World Unity, such as the Bandung Conference and the Non-aligned Movement, were ineffective in establishing the conventions for informal cooperation and interaction.
- (iv) ASEAN was established in 1967 by five countries of this region and signed the Bangkok Declaration.
  - (a) Indonesia
  - (b) Malaysia
  - (c) Philippines
  - (d) Singapore
  - (e) Thailand

**Q 19. How has the European Union evolved to be a supranational organisation? What are its limitations?**

**Ans. Political and Diplomatic Influences**

- (i) France holds permanent seat in the Security Council to influence on the UN policies.
- (ii) The EU also includes various non-permanent members of the UNSC.
- (iii) The EU plays an influential role in diplomacy and negotiations except the military force i.e., the EU's dialogue with China on human rights and environmental degradation is remarkable.

**Limitations**

- (i) Clash pertaining to foreign relation and defence policies of the members.
- (ii) Euro-skepticism in Europe about EU's integrationist agenda.
- (iii) Opposition to Maastricht Treaty and adoption of EU.

**Q 20. Explain any four features of European Union showing its strength that makes it an influential regional organisation.** *(CBSE 2019)*

**OR**

**Highlight any three strengths of the European Union as a centre of power.** *(CBSE 2022, Term-2)*

**Ans.** The four features of European Union are:

- (i) EU is the biggest economy in the world.
- (ii) Its share of world trade is three times larger than that of USA.
- (iii) One of its members are permanent members of UN Security Council
- (iv) It has its own flag, anthem and currency.

**Q 21. "The objective of ASEAN is not restricted only to accelerate economic growth." Explain the statement.** *(CBSE 2022, Term-2)*

**Ans.** The objective of ASEAN is not restricted only to accelerate economic growth. ASEAN has the vision to promote regional peace and stability based on the rule of law and the principles of the United Nations Charter.



**Q 22. What steps should be taken to strengthen the ASEAN in the international community?**

**Ans.** The following steps should be taken to strengthen the ASEAN in the international community:

- (i) More countries should be encouraged to join the ASEAN for better cooperation in the region.
- (ii) Its objective should be broadened, so that its members may come more closer to each other.
- (iii) Like the European Union, it should have supranational structures and institutions such as common currency, a common parliament, a common market and a common foreign and security policy.
- (iv) There should be no restriction on people for movement from one state to another.
- (v) The existing ASEAN Dispute Settlement Mechanism to resolve economic disputes should be improved.

**Q 23. The peace and prosperity of countries lay in the establishment and strengthening of regional economic organisations. Justify the statement.**

**Ans.** The above statement is very suitable to the ASEAN Security Community and the ASEAN Regional Forum which are based on the conviction that outstanding territorial disputes should not escalate into armed confrontation.

- (i) The ASEAN Regional Forum (ARF) carries out coordination of security and foreign policy.
- (ii) At the same time, ASEAN is rapidly growing into a very important regional organisation. Its vision 2020 has defined an outward-looking role for ASEAN in the international community. This builds on the existing ASEAN policy to encourage negotiations over conflicts in the region.
- (iii) In the same way, the foundation of European Union was laid for a common foreign and security policy cooperation on justice and home affairs.
- (iv) The European Union has tried to expand area of co-operation while acquiring new members especially from the erstwhile Soviet bloc.

All these examples justify the statement that the peace and prosperity of countries lies in the establishment and strengthening of regional economic organisations.

**Q 24. How far is it correct to describe ASEAN as a new centre of power in the world? (CBSE SQP, 2020)**

**Ans.** While evolving regional solutions to their historical enmities and weakness, ASEAN have developed alternative institutions and conventions that build a more peaceful and cooperative regional order and have transformed the countries in the region into prosperous economies.

- (i) ASEAN is rapidly growing into a very important regional organisation. Its vision 2020 has defined an outward looking role for ASEAN in international community.
- (ii) It has followed a policy of negotiations over conflicts in the region. ASEAN has mediated the end of the Cambodian conflict, the East Timor Crisis and meets annually to discuss East Asian cooperation.
- (iii) The current economic strength of ASEAN, especially its economic might as a trading and investment partner to the growing Asian economies makes this an attractive proposition. India has signed FTAs with two ASEAN members, Singapore and Thailand.
- (iv) ASEAN's strength lies in its policies of interaction and consultation with member states, with dialogue partners, and with other non-regional organisations. It is the only regional association in Asia that provides a political forum where Asian countries and the major powers can discuss political and security concerns.

**Q 25. Why does ASEAN still remains principally an economic association? (CBSE 2015)**

**Ans.** ASEAN still remains principally an economic association because:

- (i) ASEAN region as a whole is a much smaller economy compared to EU, the US and Japan.
- (ii) ASEAN economy is growing much faster than the EU, the US and Japan.
- (iii) Its objective is to create a common market and production base within ASEAN state.
- (iv) It also wants to aid social and economic development in the region.
- (v) It also like to improve the existing ASEAN Dispute Settlement Mechanism to resolve economic disputes.

**Q 26. What steps should be taken to strengthen the ASEAN in the international community?**

**OR**

**Evaluate the role of the ASEAN in the contemporary world. (CBSE 2023)**

**Ans.** Unlike the EU, there is little desire in ASEAN for supranational structures and institution with some of the fastest growing economies in the world. ASEAN broadened its objectives beyond the economic and social spheres. It established an ASEAN community comprising three pillars the ASEAN Security Community, the ASEAN Economic Community and the ASEAN Socio-cultural Community.

- (i) By 2003, ASEAN had several agreements by which member states promised to uphold peace.



neutrality, cooperation, non-interference, and respect national differences and sovereign rights. There should be an effective forum to resolve disputes.

- (ii) While the ASEAN region as a whole is a much smaller economy compared to the US, the EU and Japan, it is a growing economy. The Economic community would also like to improve the existing ASEAN Dispute Settlement Mechanism to resolve economic disputes. It has focused on creating a Free Trade Area (FTA) for investment, labour and services.
- (iii) Its vision 2020 has defined an outward looking role for ASEAN in the international community. This builds on the existing ASEAN policy to encourage negotiations over conflicts in the region. It meets annually to discuss the East Asian Cooperation.

**Q 27. "The world is experiencing the power and rise of India in a multi dimensional way." Explain the statement.**

**Ans.** In 21st century India is being seen as an important emerging global power in a multi dimensional way:

- (i) The economic, cultural, strategic position of the country with a population of 130 crore is very strong.
- (ii) From economic perspective India is providing a competitive market, targeting the goal of a 5 5 trillion economy.
- (iii) India's inclusive culture is depicted with 200 million people of Indian diaspora providing distinct meaning and salience to India as a new centre of power in the 21st century.
- (iv) India is self-sufficient with indigenous nuclear technology from its strategic perspective.  
Above all "Make in India" scheme in technology and science is another milestone of Indian economy.
- (v) All these significant changes are making India an important Centre of power in the global world.

**Q 28. In spite of the drastic economic development in China, some economic challenges still exist there, List out the challenges.**

**Ans.** With the introduction of the 'New Economic Policy in China', while the Chinese economy has improved dramatically yet not everyone in China has received the benefits of the reform and China still faces some economic challenges like:

- (i) Unemployment has risen in China with nearly 100 million people looking for jobs.
- (ii) Female employment and conditions of work are as worst as in Europe of the eighteen and nineteenth centuries.

- (iii) 'Environmental degradation' and corruption have increased.
- (iv) Besides, there is a rise in 'economic inequality' between rural and urban residents and coastal and inland provinces.

**Q 29. In what way Soviet model to Chinese economy made it a developed nation?**

**Ans.** Immediately after its independent in 1949 the people's Republic of China adopted the Soviet model of economy under the leadership of Mao. This model was to create a state-owned heavy industries sector from the capital accumulated from agriculture.

- (i) The Soviet model allowed China to use its resources to establish the foundations of an industrial economy on a scale that did not exist before.
- (ii) Under this model employment, social welfare was assured to all citizens and China moved ahead of most developing countries, educating its citizens and ensuring better health for them.
- (iii) Not only this, Chinese economy also grew at a respectable rate of 5-6 per cent.
- (iv) All these characteristics shows that 'Soviet Model' led the Chinese economy towards its development.

**Q 30. In what way does the present Chinese economy differs from its command economy?**

**Ans.** After the communist revolution, the economy was based on Soviet Model. China introduced a market economy and opened their economy step by step during the 1970s decade.

China by 1978 started the 'open door' policy and introduced economic reforms.

It used its own resources and depended on Soviet aid and advice.

Investment of capital and technology from abroad was encouraged.

The object was to create state owned heavy industries sector from the capital accumulated from agriculture. Policy of privatisation of agriculture (1982) and industry (1998) was followed. Trade barriers were removed.

When China felt short of foreign exchange, it decided to substitute imports by domestic goods.

China has huge foreign exchange that is used to make big investments in other countries. Economy grew at a respectable rate of 5-6 per cent but industrial production did not grow fast, international trade was minimal and per capita income was low.

The economy has grown at faster rate. There is phenomenal rise in foreign trade. China has become the most important destination for foreign investment.



**Q 31. "China followed its over-path in introducing a market economy". Justify their statement with four suitable arguments? (CBSE SQP 2020)**

**Ans.** Arguments for given statement are:

- (i) The Chinese did not go for 'Shock Therapy' but opened their economy step by step.
- (ii) The privatisation of agriculture in 1982 was followed by the privatisation of industry in 1998.
- (iii) Trade barriers were eliminated only in Special Economic Zones (SEZs) where foreign investors could set up enterprises.
- (iv) In China, the state played and continues to play a central role in setting up a market economy.

**Q 32. Highlight the changes in the Indo-China relations after the Cold War era. (CBSE 2016)**

**Ans.** The Indo-China relations after the Cold War era are:

- (i) The relations between India and China since then have strategic as well as economic dimensions.
- (ii) Both view themselves as rising power in global politics.
- (iii) Bilateral trade between India and China has increased.
- (iv) Both countries have agreed to cooperate with each other.



## **Long Answer** Type Questions

**Q 1. What makes the European Union a highly influential regional organisation? (NCERT)**

**Ans. (i) Economic Influence**

- (a) The EU has world's biggest economy with a GDP of more than \$12 trillion in 2005 slightly larger than that of the US.
- (b) Its currency Euro can pose a threat to the dominance of US Dollar.
- (c) Its economic power gives its influence over its closest neighbours as well as in Asia and Africa.
- (d) Its share of world trade is three times larger than that of United States allowing it to be more influential in the trade disputes with US and China.

**(ii) Political Influence**

- (a) France holds permanent seat in security council to influence UN policies. The EU includes several non-permanent members.
- (b) EU countries in UNSC has enabled EU to influence some US policies such as the current US position on Iran's nuclear programme.
- (c) EU's use of diplomacy, economic investment and negotiations rather than coercion and military force has been effective as in the case of its dialogue with China and human rights and environmental degradations.

**(iii) Military Force**

- (a) The EU's combined armed forces are second largest in the world.

- (b) Its total spending on defence is second to the US.
- (c) Its two important members Britain and France also experience nuclear arsenals of 550 nuclear warheads.
- (d) The EU is world's second most important source of space and communication technology.

**Q 2. Unlike the EU there is little desire in ASEAN for supranational structures and institutions but slowly and steadily it is too moving on the path of EU. Justify the statement.**

**OR**

**What steps have been taken to strengthen the ASEAN in the international community.**

**OR**

**ASEAN is the only regional association in ASIA that provide a political forum where Asian Countries and the major powers can discuss political and security concern. Assess the statement.**

**OR**

**Name the pillars and objectives of ASEAN community?**

**OR**

**What is meant by 'ASEAN Way'? Name the pillars and objectives of ASEAN community. What are the components of the ASEAN Vision 2020?**

*(CBSE SQP 2023-24)*

**Ans.** With some of the fastest growing economies of the world, ASEAN broadened its objective beyond the economic and social sphere. In 2003, ASEAN moved along the path of EU by agreeing to establish an ASEAN community comprising three pillars namely: The ASEAN security community, ASEAN economic community and the ASEAN socio-cultural community.

**(i) ASEAN Security Community**

ASEAN Security Community is based on the conviction that outstanding territorial disputes should not escalate into armed confrontation. By 2003, ASEAN had several agreements in peace by which member states promised to uphold peace, neutrality, cooperation, non-interference and respect for national differences and sovereign rights.

The ASEAN Regional Forum which was established in 1994 is the organisation that carries out coordination of security and foreign policy.

**(ii) ASEAN Economic Community**

ASEAN was and still principally an economic association while the ASEAN region as a whole is a much smaller economy compared to the US, the EU and Japan. It's economy is growing much faster than all these.



The objective of the ASEAN economic community to create common market and production base within ASEAN state and to aid social and economic development in the region. The economic community would like to improve the existing dispute settlement mechanism to resolve economic disputes.

ASEAN has focused on creating a Free Trade Area (FTA) for investment, labour and services. The US and China have already moved fast to negotiate FTA, with ASEAN.

**(iii) ASEAN Socio-Cultural Community**

ASEAN is rapidly growing into very important regional organisation. Its vision 2020 has defined an outward looking role for ASEAN in international community.

**Q 3. How did China rise to be an economic superpower? Assess.**

OR

**How did China end its political and economic isolation? Examine the steps towards setting up market economy in China.**

OR

**In which four ways did the new economic policy of China benefit its economy? (CBSE 2018, 17, 16)**

**Ans.** The four ways of new economic policy of China which benefit its economy are:

**(i) Open Door Policy:** Followed by the modernisation policy in 1978 then leader Deng Xiaoping announced the 'open door policy' and economic reforms in China. The policy tried to generate higher productivity by investments of capital and technology from abroad.

**(ii) End of political and economic isolation:** China ended its political and economic isolation with the establishment of relation with the United States in 1972.

**(iii) Four area of modernisation:** Premier Zhou Enlai proposed four areas of modernisation i.e., agriculture, industry, science and technology.

**(iv) Market Economy:** China introduced its own or open market economy by the privatisation process of agriculture and industry in 1982 and 1998.

**(v) Special Economic Zones:** To remove the trade barriers and to open the economy for foreign investors, China set up "Special Economic Zones" (SEZs).

In this way in China the state played and continues to play a central role in setting up a market economy.

**Q 4. Analyse the basis of projection of China to overtake the US as the world's largest economy by 2040.**

**Ans.** (i) China is considered as the driver of East Asian growth because of the economic integration into regions.

(ii) China is considered to be very powerful and factors such as population, land mass, resources, regional location and political influence adds to its strength.

(iii) China announced 'Open Door Policy' in 1978 which aimed at generation of high productivity by investments in capital and technology from abroad.

(iv) In economic sector various steps were taken to encourage investment by Western entrepreneurs for modernisation of:

- (a) Industry
- (b) Agriculture
- (c) Science and technology
- (d) Military

(v) Privatisation of agriculture and industry helped in growing economy rapidly.

(vi) In 1980, China became the member of World Bank and International Monetary Fund.



## Chapter Test

### Multiple Choice Questions

**Q 1. The 'ASEAN WAY'**

- a. Reflects the lifestyle of ASEAN members
- b. A form of interaction among ASEAN members that is informal and co-operative.
- c. The defence policy followed by the ASEAN members.
- d. The road that connects all the ASEAN members.

**Q 2. Who among the following adopted the 'open door' policy?**

- a. China
- b. EU
- c. Japan
- d. USA

### Fill in the Blank Type Questions

**Q 3. China entered into bilateral relations with ..... in 1972.**

**Q 4. .... is an organisation of ASEAN that deals with security.**

### Assertion and Reason Type Questions

**Directions (Q.Nos. 5-6):** In the questions given below, there are two statements marked as Assertion (A) and Reason (R). Read the statements and choose the correct option:

- a. Both (A) and (R) are true and (R) is the correct explanation of (A).





- b. Both (A) and (R) are true, but (R) is not the correct explanation of (A).
- c. (A) is true, but (R) is false.
- d. (A) is false, but (R) is true.

**Q 5. Assertion (A):** China had a considerable influence and control on the periphery of its border on its unique tributary system.

**Reason (R):** At different times in China's long history of dynastic rule, Mongolia, Korea, Parts of Indo-China and Tibet accepted China authority.

**Q 6. Assertion (A):** ASEAN's economy is larger than that of the EU and the US.

**Reason (R):** ASEAN was and still remains principally an economic association.

### Passage Based Question

**Q 7.** Read the passage given below and answer the questions that follows by choosing the most appropriate option:

The south-eastern region of Asia, before and during the Second World War, suffered the economic and political consequences of repeated colonialisms, both European and Japanese. The south-eastern region of Asia confronted problems of nation building, the ravages of poverty and economic backwardness and the pressure to align with one great power or another during the Cold War, after the Second World War. Efforts of Asian and Third World Unity, such as the Bandung Conference and the Non-aligned Movement, were ineffective in establishing the conventions for informal co-operation and interaction. ASEAN was established in 1967 by five countries of this region and signed the Bangkok Declaration.

- Indonesia
- Malaysia
- Philippines
- Singapore
- Thailand

- (i) In which year ASEAN was established?
- a. 1967
  - b. 1965
  - c. 1962
  - d. 1960

(ii) ASEAN means .....

- a. Alliance of Southeast Asian Nations
- b. Alliance of Southern Asian Nations
- c. Association of Southern Asian Nations.
- d. Association of South East Asian Nations.

(iii) How many countries signed the Bangkok Declaration?

- a. 4
- b. 5
- c. 6
- d. 8

(iv) Which proclamation was signed in order for ASEAN to come into being?

- a. Singapore Treaty
- b. Bangkok Declaration
- c. ASEAN Declaration
- d. Warsaw Pact.

### Cartoon Based Question

**Q 8.** Study the cartoon given below and answer the questions that follow:



- (i) What does the cartoon show?
- (ii) What do the two wheels of bicycle symbolise?
- (iii) How did Open Door Policy of China benefits its economy?

### Very Short Answer Type Questions

- Q 9. When was the ASEAN Regional Forum established?
- Q 10. Explain any one objective of the ASEAN Economic Community?

### Short Answer Type Questions

- Q 11. What are the Components of the ASEAN vision 2020?
- Q 12. Explain the objectives of BRICS.

### Long Answer Type Question

- Q 13. Describe Indo-China relations from 1947 to 1962.