UNIT– 4 — ECONOMICS

UNDERSTANDING ECONOMIC DEVELOPMENT–II

Chapter 1 : Development
Chapter 2 : Sectors of The Indian Economy
Development is the sum total of income plus quality of life. Besides seeking more income one way or another, people also seek things like equal treatment, freedom, security, respect of others etc.

Different people have different goals in their life. What may be development for one may not be development for another. This can be understood by the following example: To get more electricity, an industrialist may want more dams. But this may submerge the land and disrupt the lives of people who are displaced, such as tribes.

One common thing among all people is the desire for more income. With this income they buy goods and services for their daily needs.

Quality of life depends on non-material things also. Example - A job may give you less pay but may offer regular employment that enhances your sense of security.

Ideas of development differ at individual and national level. For example, a landless rural labourer may desire more days of work and better wages at individual level; but at national level he may want good educational and health facilities in local area.

The average income can be calculated by dividing national income by the population. It is also called per capita income.

Standard of living of people in a country depends on their per capita income. Countries with higher per capita income are more developed than others with less per capita income.

Education and health also play an important role in the country’s development. To know about other criteria we should be familiar with some terms:

(i) Infant Mortality Rate (IMR): It indicates the number of children who die before the age of one year, as a proportion of 1000 live children born in that particular year.

(ii) Literacy Rate: It measures the proportion of literate population in the 7 and above age group.

(iii) Net Attendance Ratio: It is the total number of children of age group 6-10 attending school as a percentage of total number of children in the same age group.

Public facilities are those which are provided by the government to satisfy collective needs of the people. Example – schools, hospitals, community halls etc. It is the best and the cheapest way to provide these goods and services collectively.

Human development index is the quality of life-index prepared by UNDP. It has mainly three indicators.

(i) **Life Expectancy at Birth**: It denotes average expected length of life of a person at the time of birth.

(ii) **Gross Enrolment Ratio**: It shows enrolment ratio in primary schools, secondary schools and in higher education.
Per Capita Income: It is calculated in dollars for all countries so that it can be compared.

Adding all the three indicators and dividing by 3, gives the human development index:

$$\text{HDI} = \frac{\text{LE index} + \text{GER index} + \text{Per capita income index}}{3}$$

LE = Life expectancy
GER = Gross enrolment ratio

- Human Development Report published by UNDP is useful for comparison between different countries regarding the educational level of their people, their health status and real per capita income.
- Sustainable development is that process which fulfils the needs of present generation, without causing any harm to the ability of the future generation to meet their own needs.
- It requires preservation of stock of resources including exhaustible natural resources and environmental resources.
- Recent studies show that groundwater in India is exhausted because of overuse. 1/3 of the country is overusing its groundwater reserves.
Another area is exhaustion of natural resources. The resources of crude oil would last only for 43 years more.

### I. SUMMATIVE ASSESSMENT

#### A. NCERT TEXTBOOK QUESTIONS

**Questions Within The Lesson**

**Q.1.** Do the following statements mean the same? Justify your answer.

(a) People have different development goals.
(b) People have conflicting development goals.

**Ans.** Both the statements mean the same thing because people may have different development goals which can be conflicting in nature, depending upon their occupation, location and their aspirations.

**Q.2.** Why do different people have different notions of development? Which of the following explanation is more important and why?

(a) Because people are different.
(b) Because life situations of people are different.

**Ans.** The concept of development essentially depends upon individual perspective.

A person from a rural background would want the focus on latest technique in farming, availability of the state of the art technology, agricultural infrastructure and lesser dependence on monsoon for irrigating his farmland.

**Q.3.** For each of the items given in the following table find out which country is at the top and which is at the bottom.
### Table: Some Data Regarding India and Its Neighbours for 2004

<table>
<thead>
<tr>
<th>Country</th>
<th>Per capita income in US$</th>
<th>Life expectancy at birth</th>
<th>Literacy rate for 15+yrs population</th>
<th>Gross enrolment ratio for three levels</th>
<th>HDI rank in the world</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sri Lanka</td>
<td>4390</td>
<td>74</td>
<td>91</td>
<td>69</td>
<td>93</td>
</tr>
<tr>
<td>India</td>
<td>3139</td>
<td>64</td>
<td>61</td>
<td>60</td>
<td>126</td>
</tr>
<tr>
<td>Myanmar</td>
<td>1027</td>
<td>61</td>
<td>90</td>
<td>48</td>
<td>130</td>
</tr>
<tr>
<td>Pakistan</td>
<td>2225</td>
<td>63</td>
<td>50</td>
<td>35</td>
<td>134</td>
</tr>
<tr>
<td>Nepal</td>
<td>1490</td>
<td>62</td>
<td>50</td>
<td>61</td>
<td>138</td>
</tr>
<tr>
<td>Bangladesh</td>
<td>1879</td>
<td>63</td>
<td>41</td>
<td>53</td>
<td>137</td>
</tr>
</tbody>
</table>

**Ans.**

(i) In case of capita income, Sri Lanka is at the top and Myanmar is at the bottom.

(ii) Under the item of life expectancy at birth, Sri Lanka is at the top and Myanmar is at the bottom.

(iii) Under the item of gross enrolment ratio Sri Lanka is at the top and Pakistan is at the bottom.

(iv) Under the item of literacy rate, Sri Lanka is at the top and Bangladesh is at the bottom.

(v) Under the item of HDI rank in the world, Sri Lanka is at the top and Nepal is at the bottom.

**Q.4.** Suppose a record shows that the average income in a country has been increasing over a period of time. From this can we conclude that all sections of the economy have become better? Illustrate your answer with an example.

**Ans.** Rising average income in a country over a period of time may not necessarily mean that all sections of the economy have become better because average income fails to explain the criterion of distribution among masses.

This can be explained with the help of an example.

In a birthday party if we distribute equal pieces of cake to all children, they will all be happy whereas if we give a large proportion of cake to only a few children and leave many of the children with much smaller sizes or no cake at all, most of the children will be unhappy in such a party. Therefore, equitable distribution of anything will ensure better satisfaction of all sections of society.

**Questions In The Exercise**

**Q.1.** Choose the right answer from the four alternatives given below:

Development of a country is generally determined by

(a) per capita income  (b) literacy level  (c) health status  (d) all the above

**Ans.** (d)

**Q.2.** What is the main criterion used by the World Bank in classifying different countries? What are the limitations of this criterion, if any?

**Ans.** Main criterion used by the World Bank in classifying different countries is average per capita income. Countries with per capita income of Rs. 4,53,000 per annum and above in 2004 are called rich countries and those with per capita income of Rs. 37,000 or less are called low-income countries.
Limitations of this criterion: This criterion fails to explain if there is equitable distribution of income. Average income also does not take into consideration the indicators like health and education.

Q.3. In what respects is the criterion used by the UNDP for measuring development different from the one used by the World Bank?

Ans. UNDP uses Human Development Index (HDI) as the main criterion for measuring development. This criterion takes into consideration other development indicators like life expectancy, besides per capita income, whereas World Bank compares the different countries only on the basis of the income criterion.

Q.4. Explain some of the ideas of the above section in your own words.

Ans. Different people have different notions of development because their requirements are different, depending upon their occupation, location and social status in the society. Hence, the main reason for different notions of development is that the life situations of people are different.

Q.5. Assume there are four families in a country. The average per capita income of these families is Rs 5000. If the income of these families in Rs 4000, Rs 7000 and Rs 3000 respectively, what is the income of the fourth family?

Ans. Per capita income can be obtained by dividing total income by its population.

\[
\text{Per capita income} = \frac{\text{Total Income}}{\text{Population}}
\]

Given:

\[
5000 = \frac{4000 + 7000 + 3000 + x}{4}
\]

\[
20,000 = 14000 + x
\]

\[
x = 20,000 - 14,000
\]

\[
x = Rs 6000
\]

Ans: Income of the 4th family is Rs 6000/-

Q.6. Kerala with lower per capita income has a better human development ranking than Punjab. Hence per capita income in not a useful criterion at all and should not be used to compare states. Do you agree? Discuss.

Ans. Per capita income is an important criterion of development. Countries with higher per capita income are more developed than others. Higher per capita income means better availability of goods and services that everyone requires.

However, per capita income is not the only criterion for development. Other factors like infant mortality rate (IMR) and literacy rate are equally important. Therefore, per capita income along with other development indicators as in human development index, listed above, are used to calculate the overall development of a particular state.

Q.7. “The Earth has enough resources to meet the needs of all but not enough to satisfy the greed of even one person.” How is this statement relevant to the discussion of the topic? Discuss.

Ans. The concept of sustainability explains the capacity to use the resources judiciously and maintain their balance. Thus, sustainability is a matter of sharing development opportunity and not the poverty and human deprivation. If the present is miserable and unacceptable to the
majority of the world’s people, it must be changed before it is sustained. Every generation wants to get the maximum benefits from the available resources but it would be disastrous because the available resources will be exhausted at a rapid speed and in such circumstance the future generation will be deprived of such resources. Resources such as mineral wealth, iron, gold, copper, silver etc. are exhaustible; hence we should use them judiciously.

Q. 8. **Find out present sources of energy used by people in India. What could be possibilities fifty years from now?**

**Ans.** Coal, petroleum products, electricity are some of the present sources of energy used by people in India.

Petroleum products and coal are non-renewable sources of energy. These natural resources would be exhausted after a few years if they are not used judiciously.

Possibilities for energy sources after fifty years can be nuclear energy from radio-active elements, solar energy, wind energy etc. Wind, sunlight are non-exhaustive resources which may be utilised without interruption for years and years.

Q. 9. **Why is the issue of sustainability important?**

**Ans.** The issue of sustainability is important because it is desirable to raise the level of development but not at the cost of quality of life of the future generations.

The concept of sustainability explains the rationalisation of the use of natural resources in such a manner that what we achieve today should not be at the cost of what ought to be achieved tomorrow.

Sustainable development lays special emphasis on environmental protection. Sustainable development is used for both developed and underdeveloped economies.

Q. 10. The table on the right shows the proportion of undernourished adults in India. It is based on a survey of various states in the country for the year 2001. Look at the table and answer the following questions.

<table>
<thead>
<tr>
<th>States</th>
<th>Males %</th>
<th>Females %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kerala</td>
<td>22</td>
<td>19</td>
</tr>
<tr>
<td>Karnataka</td>
<td>36</td>
<td>38</td>
</tr>
<tr>
<td>Madhya Pradesh</td>
<td>43</td>
<td>42</td>
</tr>
<tr>
<td>All States</td>
<td>37</td>
<td>36</td>
</tr>
</tbody>
</table>

**Ans.** (i) The nutritional level of people of Kerala is quite higher than the people – both males and females of Madhya Pradesh. Their ratio of the under-nourished is less than that of Madhya Pradesh.

(ii) There is enough food in the country, even then 40% of the people in the country are undernourished because of the following:

(a) A large number of people are so poor that they cannot afford nutritious food.

(b) There is lack of educational and health facilities in many parts of the country. So many people remain backward and poor. As such, they are unable to get nutritious food.
In most of the states, the Public Distribution System (PDS) does not function properly and the poor people cannot get cheap food items.

**OTHER IMPORTANT QUESTIONS (AS PER CCE PATTERN)**

**B. MULTIPLE CHOICE QUESTIONS (1 MARK)**

**Q.1.** Per capita income is:
(a) income per person  (b) income per family
(c) income per earning person  (d) income per month

Ans. (a)

**Q.2.** What the countries with per capita income of Rs 4,53,000 per annum and above (in 2004) are called?
(a) Rich countries  (b) Low-income countries
(c) Developing countries  (d) None of the above

Ans. (a)

**Q.3.** Which is the most important attribute to compare countries?
(a) Human Development Index (HDI)  (b) Literacy rate
(c) Export earnings  (d) Income

Ans. (a)

**Q.4.** Which of the following resources is a non-renewable energy resource?
(a) Solar radiations  (b) Crude oil  (c) Wind energy  (d) All the above

Ans. (b)

**Q.5.** Which country among India's neighbours has the highest per capita income?
(a) Bhutan  (b) Sri Lanka  (c) Nepal  (d) Bangladesh

Ans. (b)

**Q.6.** Per capita incomes of countries for international comparison are expressed in:
(a) Rupees  (b) Dollars  (c) Pounds  (d) None of the above

Ans. (b)

**Q.7.** Proportion of literate population in the 7 years and above age group is termed as
(a) Education index  (b) Mortality ratio
(c) Literacy rate  (d) Gross enrolment ratio

Ans. (c)

**Q.8.** Net Attendance Ratio is the total number of children of age group ____ attending schools as a percentage of total number of children in the same age group
(a) 0-3 years  (b) 8-10 years  (c) 5-7 years  (d) 6-10 years

Ans. (d)

**Q.9.** The countries with per capita income of 935 US $ (2007) or less are termed as
(a) Low income countries  (b) Developing countries
(c) Developed countries  (d) Rich countries

Ans. (a)
Q.10. One common development goal among the people is: [HOTS]
   (a) family (b) freedom (c) income (d) security
   Ans. (c)

Q.11. Cause of high infant mortality rate is:
   (a) inadequate facilities of health (b) lack of infrastructural facilities
   (c) lack of awareness (d) both (a) and (b)
   Ans. (d)

Q.12. Which of the following neighbouring countries has better performance in terms of human development rank than India?
   (a) Bhutan (b) Sri Lanka (c) Nepal (d) None of the above
   Ans. (b)

Q.13. Development of a country can generally be determined by
   (a) its per capita income (b) its average literacy level
   (c) health status of its people (d) all the above
   Ans. (d)

Q.14. Which of the following had the highest per capita income in 2007?
   (a) Sri Lanka (b) India (c) Pakistan (d) Bangladesh
   Ans. (a)

Q.15. Which of the following is having highest human development rank in 2007?
   (a) India (b) Pakistan (c) Nepal (d) Bangladesh
   Ans. (a)

Q.16. Sex ratio in India in 2001 was:
   (a) 913 (b) 923 (c) 933 (d) 943
   Ans. (c)

Q.17. What is necessary for good health?
   (a) Balanced diet (b) Nutritious diet (c) Healthcare facilities (d) All the above
   Ans. (d)

Q.18. Groundwater overuse in India is how much
   (a) one-third of country (b) one-fourth of country
   (c) one-fifth of country (d) two-fifth of country
   Ans. (a)

### PREVIOUS YEARS’ QUESTIONS

Q.1. We can obtain per capita income of a country by calculating: [2010 (T-1)]
   (a) the total income of a person
   (b) by dividing the national income by the total population of a country
   (c) the total value of all goods and services
   (d) the total exports of the country.
   Ans. (b)
Q.2. Kerala has low Infant Mortality Rate because: [2010 (T-1)]
   (a) it has good climatic condition  (b) it has adequate infrastructure
   (c) it has adequate provision of basic health and educational facilities
   (d) it has poor net attendance ratio
   Ans. (c)

Q.3. Human Development Index compares countries based on which of the following levels of the people? [2010, 2011 (T-1)]
   (a) Educational level  (b) Health status  (c) Per capita Income  (d) All the above
   Ans. (d)

Q.4. What does Infant Mortality Rate indicate? [2010 (T-1)]
   (a) Literate population in the 7 and above age group.
   (b) The number of children that die before the age of one year as a proportion of 1000 live children.
   (c) The total number of children attending the school.
   (d) The number of children born in a year.
   Ans. (b)

Q.5. According to the World Bank, the countries with an income of Rs. 4,53,000 per annum and above in 2004 were considered as: [2010 (T-1)]
   (a) Low income countries  (b) Rich countries  (c) Average countries  (d) Underdeveloped countries
   Ans. (b)

Q.6. Which of the following things money cannot buy? [2010 (T-1)]
   (a) Building  (b) Pollution free environment  (c) Flowers  (d) Books
   Ans. (b)

   OR

   What money cannot buy? [2011 (T-1)]
   (a) Medicines  (b) Clothes  (c) Pollution free environment  (d) None of these
   Ans. (c)

Q.7. Which one of the following is not a measure of development in the Human Development Report of the UNDP? [2010, 2011 (T-1)]
   (a) Per capita income in US $.  (b) Educational Levels of the people
   (c) Body Mass Index  (d) Life Expectancy at Birth
   Ans. (c)

Q.8. In which state in India is the infant mortality rate lowest? [2010, 2011 (T-1)]
   (a) Kerala  (b) Bihar  (c) Uttar Pradesh  (d) Punjab
   Ans. (a)

Q.9. BMI (Body Mass Index) is a method of finding out which of the following? [2010 (T-1)]
   (a) Infant mortality  (b) Health status  (c) Longevity  (d) Economic status
   Ans. (b)
Q.10. According to the World Development Report a country is considered rich when the per capita income is more than which of the following figures?  
(a) Rs 24,000 per annum  (b) Rs 37,000 per annum  
(c) Rs 4,53,000 per annum  (d) Rs 5,43,000 per annum  
Ans. (c)  
Q.11. In terms of human development, which of the following countries is ahead of India?  
(a) Bangladesh  (b) Sri Lanka  (c) Nepal  (d) Bhutan  
Ans. (b)  
Q.12. Which of the following is most likely to be a development goal for landless rural labourers?  
(a) Higher support prices for their crops  (b) They should be able to settle their children abroad  
(c) Raised wages  (d) None of these  
Ans. (c)  
Q.13. Which is the most important attribute for comparing the development of countries?  
(a) Resources  (b) Population  (c) Average income  (d) None of these  
Ans. (d)  
Q.14. Which of the following countries has higher HDI rank than India?  
(a) Sri Lanka  (b) Nepal  (c) Bangladesh  (d) Pakistan  
Ans. (a)  
Q.15. Development of the country can generally be determined by  
(a) Its per capita income  (b) Its average literacy rate  
(c) Health status of its people  (d) None of these  
Ans. (a)  
Q.16. If there are five persons in a family and their total income is Rs 20,000/- what would be the average income of each person?  
(a) Rs. 6000/-  (b) Rs. 4000/-  (c) Rs. 5000/-  (d) Rs. 10,000/-  
Ans. (b)  
Q.17. Which one of the following states has the highest Human Development Index (HDI)?  
(a) Kerala  (b) Punjab  (c) Uttar Pradesh  (d) West Bengal  
Ans. (a)  
Q.18. Underemployment occurs when people:  
(a) do not want to work  (b) are working in a lazy manner  
(c) are working less than what they are capable of doing  (d) are not paid for their work  
Ans. (c)
Q.19. What was the annual per capita income of India in 2004?  
(a) Rs. 37,000  (b) Rs. 4,53,000  (c) Rs. 28,000  (d) Rs. 38,000  
Ans. (c)

Q.20. Which one of the following is a developmental goal for industrialists?[2010, 2011 (T-1)]  
(a) To get more days of work  (b) To get better wages  
(c) To get more electricity  (d) All the above  
Ans. (c)

Q.21. Which one of the following criteria is the basis to measure the development of a country according to UNDP? [2010 (T-1)]  
(a) Per capita income   (b) Educational levels of the people   
(c) Health status of the people  (d) All the above  
Ans. (d)

Q.22. Which one among the following is a developmental goal for the landless rural labourers? [2010, 2011 (T-1)]  
(a) To get electricity and water  (b) To educate their children  
(c) More days of work and better wages  (d) To shift to the cities  
Ans. (c)

Q.23. Which one of the following is the most important attribute while comparing the level of development of various countries? [2010 (T-1)]  
(a) Population   (b) Social status of the people   
(c) Political status  (d) Per capita income  
Ans. (b)

Q.24. Which of the following is true of the people’s goals in addition to higher income? [2010, 2011 (T-1)]  
(a) Equal treatment  (b) Freedom  (c) Respect and security  (d) All the above  
Ans. (d)

Q.25. The developmental goal for a girl from a rich family is:  [2011 (T-1)]  
(a) to get more days of work  (b) to get as much freedom as her brother gets  
(c) to get electricity  (d) to get better wages  
Ans. (b)

Q.26. Which one of the following is not a component of Human Development Index? [2010, 2011 (T-1)]  
(a) Per capita income   (b) Life expectancy   (c) Literacy rate  (d) Poverty rate  
Ans. (d)

Q.27. Which one of the following organisations has prepared Human Development Report? [2010, 2011 (T-1)]  
(a) World Bank   (b) IMF   (c) UNDP  (d) UNO  
Ans. (c)

Q.28. Which one of the following is not a feature of developing country? [2011 (T-1)]  
(a) Agriculture as the major occupation  (b) High technological development  
(c) Mass poverty  (d) Mass illiteracy  

Development
Q.29. Which one of the following statements defines ‘Literacy Rate’?  
(a) Total literate population divided by total population  
(b) Total literate population divided by literate population  
(c) Proportion of illiterate population in the 18 and above age group.  
(d) It measures the proportion of literate proportion in the 7 years and above age group.  
Ans. (c)

Q.30. Which area of the world has the largest crude oil reserves?  
(a) U.S.A.  
(b) Russia  
(c) China  
(d) The Middle East  
Ans. (d)

Q.31. Life expectancy at birth means  
(a) average expected length of life of a person at the time of birth  
(b) average expected length of life of a person at the time of death  
(c) average expected length of a child at the time of birth  
(d) None of the above  
Ans. (a)

Q.32. Development goals of different sections of our society can be achieved by  
(a) Force  
(b) Democratic political process  
(c) Violent agitation  
(d) Terrorism  
Ans. (b)

Q.33. India’s HDI rank in the world is:  
(a) 125  
(b) 115  
(c) 126  
(d) 134  
Ans. (c)

C. SHORT ANSWER TYPE QUESTIONS (3 MARKS)

Q.1. What are the various social indicators of development?  
Ans. Although the level of income is important indicator of development, it is an inadequate measure of the level of development. Other social indicators are:

- **Health and Education**: People become human resource when investments are made in their health and education.
- **Sex ratio**: It is defined as the number of females per thousand males. An ideal sex ratio should be more or less equal number of males and females. Sex ratio in favour of males indicates sex discrimination which goes against development.

Q.2. How are economic development and human development related to each other?  
Ans. Human development refers to the process of improvements in human beings. People become human resources when investments in them are made in form of health and education. Life expectancy at birth, adult literacy rate, per capita GDP are important indicators of human development. Economic development will be sustainable if resources are managed in such a way that future generations do not suffer and have at least the same which present generations have.
PREVIOUS YEARS’ QUESTIONS

Q.1. On the basis of the given table answer the following questions: [2010 (T-1)]

Comparison of Two Countries

Monthly income of citizens in 2007 (in Rupees)

<table>
<thead>
<tr>
<th></th>
<th>I</th>
<th>II</th>
<th>III</th>
<th>IV</th>
<th>V</th>
</tr>
</thead>
<tbody>
<tr>
<td>Country A</td>
<td>Rs. 9500</td>
<td>Rs. 10500</td>
<td>Rs. 9800</td>
<td>Rs. 10000</td>
<td>Rs. 10200</td>
</tr>
<tr>
<td>Country B</td>
<td>Rs. 500</td>
<td>Rs. 500</td>
<td>Rs. 500</td>
<td>Rs. 500</td>
<td>Rs. 48000</td>
</tr>
</tbody>
</table>

(a) Calculate the average income of country A and B.
(b) Are both the countries equally developed?
(c) Which country is better and why?

Ans. (a) Average income of country A is – Rs. 10,000
     Average income of country B is – Rs. 10,000
(b) No – Both the countries are not equally developed
(c) Country ‘A’ is better because distribution of income is more or less equal.

Q.2. In what respect is the criterion used by UNDP for measuring development different from the one used by the World Bank? [2010, 2011 (T-1)]

Ans. The World Bank uses “Per capita” income as the sole criterion for measuring development of countries which is not fully accurate. For example, in India suppose two people live; one is Mukesh Ambani and other is a rickshawpiller. Income of Mukesh Ambani is Rs. 50 crore annually while that of rickshawpiller is only Rs. 12000. But when per capita income is calculated then both will be showing having 25 crore and 6 thousand each, which is not true.

So UNDP uses a much more realistic method to measure the development. It includes educational status, health status, and per capita income as well. It provides real development status of the country.

Q.3. Why are public facilities needed for the development of the country? Explain any four public facilities. [2010 (T-1)]

Ans. Public facilities are essential for the social and economic development. Economic development and social development are both dependent on public facilities such as education, health etc. Without these people cannot achieve their full potential. Some important public facilities are –

(i) Construction of roads, railways, generating electricity, developing ports etc. These are used by people so they have to be developed.
(ii) Providing essential goods at cheap rates or below their cost price so that even poor people can afford them. Such activities have to be undertaken by the government.
(iii) Providing adequate health and education facilities to each and every citizen is a primary duty of any government. Such services are essential because a healthy and educated citizen is an asset for the country.
(iv) Providing safe drinking water, housing and nutritious food to children etc., are other such public facilities which are essential.
Q.4. What are the two basic criteria used for comparing an underdeveloped country with a developed one? [2010 (T-1)]

Ans. The two criteria are:

(i) **On the basis of per capita income** :- In World Development Report 2006, brought out by the World Bank, this criterion is used for classifying countries. Countries with per capita income of Rs. 4,53,000 per annum and above in 2004, are called rich countries and those with per capita income of Rs. 37,000 or less are called low-income countries.

(ii) **On the basis of Human Development Index** :- According to this criteria the countries are ranked on the basis of life expectancy, literacy rate and health status etc.

Q.5. What do you mean by Human Development Index? What are its three components? [2010 (T-1)]

Ans. Human Development Index means the criteria developed by the UNDP to compare the country’s development out of 177 countries.

The main components of Human Development Index are :-

(i) Educational levels of the people.

(ii) Health status of the people.

(iii) Per capita income.

Q.6. Why is sustainability important for development? Give two suggestions to achieve the sustainability of development. [2010, 2011 (T-1)]

Ans. Sustainability is very important for development because if all development activities are carried out without paying attention to environment and other natural factors then development itself will become a danger for mankind. For example, if forests are cut relentlessly then global warming will destroy everything on the Earth. In that scenario what would be the use of development.

To achieve sustainability

(a) we must be less dependent on non-renewable resources.

(b) we must live according to natural conditions and use natural produce as far as possible.


Ans. World Bank classifies different countries on the basis of per capita income. They are —

(a) **Rich countries** :- Whose average per capita income is Rs 4,53,000 or more.

(b) **Poor Countries** :- Whose average per capita income is less than Rs 37000.

This indicator is inadequate as it does not provide full picture of development. This gives poor people a notional amount of money which actually does not belong to them.

Q.8. What is development? What are the two aspects of development? [2010, 2011 (T-1)]

Ans. Development is a positive growth/change in economy, social and political aspects of the country.

Two aspects of development are:

(a) Economic development or rise in income of the people.

(b) Social development which include education, health and public services.

Q.9. Why are countries of the Middle East not called ‘developed’ despite of high per capita income? [2011 (T-1)]
Although countries of Middle East are very rich countries due to oil reserves and production, money alone is not an indicator of development. Along with money there are other aspects too like education and other social aspects like individual freedom, democracy, gender equality which are not available in those countries.

Q.10. Explain the concepts of Human Development Index (HDI) and that of the per capita income. [2011 (T-1)]

Ans. In Human Development Index and Per Capita Income, the status of countries’ development is measured but both are quite different.

(i) **Human Development Index** :- Prepared by the U.N.D.P. It consists of health status, educational status and per capita income to determine the development of the country.

(ii) **Per Capita** :- This criterion is used by the World Bank to determine development. It divides countries into rich and poor countries. The countries whose per capita income is more than Rs. 453,000 is called rich and those whose income is below Rs. 37000 are called poor.

Q.11. Answer the following questions on the basis of the table given below:[2010, 2011 (T-1)]

<table>
<thead>
<tr>
<th>State</th>
<th>Infant Mortality Rate (2003)</th>
<th>Literacy Rate (%) (2001)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Punjab</td>
<td>49</td>
<td>70</td>
</tr>
<tr>
<td>Kerala</td>
<td>11</td>
<td>91</td>
</tr>
<tr>
<td>Bihar</td>
<td>60</td>
<td>47</td>
</tr>
</tbody>
</table>

(a) Which state has the largest literacy rate?
(b) Which state has the lowest Infant Mortality Rate?
(c) Identify the state which has the greatest Human Development Index (HDI) ?

Ans. (i) Kerala (ii) Kerala (iii) Kerala

Q.12. What is the main criterion used by the World Bank in classifying different countries? Write the limitations of this criterion. [2010 (T-1)]

Ans. The main criterion used by the World Bank in classifying different countries is **per capita income**.

**Per capita income** :- When total income of a country is divided by the total population, then per capita income is arrived at. Those countries whose per capita income is more than Rs. 4,53000 per year are called rich countries and those whose income is less than Rs. 37000 are called poor countries.

**Limitations**:- Although this method is used widely it does not give accurate picture of development. For example, in calculating income, every one is supposed to have that amount but actually large number of poor people donot have that amount.

Q.13. Study the table given below and answer the following questions. [2010 (T-1)]

<table>
<thead>
<tr>
<th>Country</th>
<th>Per Capita income In US $ (2004)</th>
<th>HDI Rank in the World</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sri Lanka</td>
<td>4390</td>
<td>93</td>
</tr>
<tr>
<td>India</td>
<td>3139</td>
<td>126</td>
</tr>
<tr>
<td>Pakistan</td>
<td>2225</td>
<td>134</td>
</tr>
</tbody>
</table>
(a) Name anyone country whose Per Capita Income is more than that of India and by how much?

(b) What is the HDI Rank of India in the World?

Ans. (a) Sri Lanka, its per capita income is Rs 1251 more than that of India.

(b) India’s H.D.I. rank is 126th in the world.

Q.14. Study the table given below and answer the following questions. [2010, 2011 (T-1)]

<table>
<thead>
<tr>
<th>State</th>
<th>Per capita income for 2002 - 2003 (in Rs)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Punjab</td>
<td>26000</td>
</tr>
<tr>
<td>Kerala</td>
<td>22800</td>
</tr>
<tr>
<td>Bihar</td>
<td>5700</td>
</tr>
</tbody>
</table>

(a) Which state has the lowest per capita income and why?

(b) Which state has the highest per capita income and why?

Ans. (i) Bihar has the lowest per capita income as there is no industrialisation and less human development.

(ii) Punjab has the highest per capita income because agricultural and industrial development is the main aspect of Punjab Economy.

Q.15. Why can more jobs be created in the field of education? Give any three reasons. [2011 (T-1)]

Ans. More jobs can be created in the field of education:—

(i) In India only 65% people are literate. It means to provide every Indian good education, there would be more requirement of schools.

(ii) More school means more number of teachers required. This means more jobs.

(iii) More schools will necessitate thousands of supporting staff (like office staff). This will lead to more jobs. In that way more jobs will be created.

Q.16. Mention any three characteristics of development. [2011 (T-1)]

Ans. (i) Different persons can have different developmental goals.

(ii) What may be development for one may not be development for the other. It may be even destructive for the other.

(iii) For development people look at a mix of goals.

Q.17. ‘For development people look at a mix of goals.’ Support the statement with suitable examples. [2011 (T-1)]

Ans. It is true that if women are engaged in paid work, their dignity in the household and society increases. However, it is also the case that if there is respect for women there would be more sharing of household work and a greater acceptance of women working outside. A safe and secure environment may allow more women to take up a variety of jobs or run a business.

Q.18. Why Kerala has a better human development ranking than Punjab in spite of lower per capita income? [2011 (T-1)]

Ans. Kerala has lower per capita income but better human development ranking than Punjab because of many factors. Kerala has the highest literacy rate in the country. The Infant
Mortality Rate of Kerala (11) is much less than Punjab (49). Net Attendance Ratio of Kerala (91) is higher than that of Punjab (81). Kerala has better health and educational infrastructure than Punjab. Kerala also has better public facilities.

**D. LONG ANSWER TYPE QUESTIONS (4 MARKS)**

**Q.1. Why do we use averages? Are there any limitations to their use? Illustrate with your own example related to development.**

*Ans.* We use averages for comparisons across different classes.

**Limitations of Using Averages:** Averages calculate only the mean availability but they hide the disparities in the process. This is the main limitation of using averages.

Let us consider two countries A and B, each having 4 citizens.

<table>
<thead>
<tr>
<th>Education Level of Citizens</th>
<th>Country</th>
<th>I</th>
<th>II</th>
<th>III</th>
<th>IV</th>
<th>Average</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>A</td>
<td>Ph.D</td>
<td>Primary</td>
<td>M. Tech</td>
<td>Illiterate</td>
<td>Graduate</td>
</tr>
<tr>
<td></td>
<td>B</td>
<td>B.A.</td>
<td>B.SC</td>
<td>B.Tech</td>
<td>M.B.B.S.</td>
<td>Graduate</td>
</tr>
</tbody>
</table>

From the above example, we observe that in country B all citizens have the graduate level of education. There are fewer disparities in this country whereas in country A, half the citizens are illiterate or of primary education level whereas the other half are doctorates or post graduates. Therefore, even though average education level of both A and B is graduate level, yet there are great disparities between them.

**Q.2. List a few example of environmental degradation that you may have observed around you.**

*Ans.* Due to advancement in information technology and communication, the whole world has become one. Further, free movement of investment over the greater part of the world has made national economies less and less national. They have become interlinked, interdependent national economies.

For example – environmental degradation due to the overuse or misuse of the resources such as sweet water will have a direct impact on the whole world. Evidences suggest that water hunger would be one of the worst problems in near future. Similarly, overuse of mineral wealth, e.g. petrol in one part of the world, has a deep impact on the other parts of the world also.

Generation of domestic, urban and industrial pollution is taking place today beyond the earth’s capacity to absorb. Hence, we can say that environmental degradation is not just a national issue.

**Q.3. Differentiate between renewable and non-renewable energy resources. Find out present resources of energy in India.**

*Ans.* Renewable energy resources are the resources which are replenished by nature. They could not exhaust because they would continue for year after year. Examples are groundwater, solar energy, wind energy etc.
While non-renewable energy resources get exhausted after years of use. These resources cannot be replenished. Crude oil and coal are examples of non-renewable energy resources. Present resources of energy in India: crude oil, coal, thermal power plants are present resources of energy in India which would run out of stock in 43 years. We have to find out alternative energy resources which do not cause any damage to the environment.

Q.4. What does Human Development Index (HDI) indicate? By whom HDI is prepared?

Ans. Human Development Index (HDI) : It makes rating of all countries on a scale of 0 to 1. 0 indicates lowest human development and 1 indicates highest human development. Two important points about HDI are
- It measures relative and not absolute level of human development.
- The main emphasis of HDI is on goals, i.e. longevity, knowledge and standard of living (expressed in real per capita income).

Who Prepares HDI : United Nations Development Programme (UNDP) has since 1990 been preparing HDI.

II. FORMATIVE ASSESSMENT

A. PROJECT WORK

Q.1. Invite an environment specialist to your school and discuss various issues related to environmental degradation on following points.
- What is the issue/problem? Why should we care?
- What is the history behind this issue/problem?
- Who is being affected by this issue/problem?
- Are there different perspectives on this issue/problem? If so, what are they?
- What are the possible solutions to this issue/problem?
- If solution possible, cost involved in implementing them?
- Who are losers and who are the winners?

Objective : To understand the seriousness of environment degradation and its various causes.
Skills developed : Awareness of pollution, environment and global warming to be developed among students. They should feel more attached with nature.

Q.2. Make a list of various units for measuring the agricultural land in your area and study the points related to this activity.
- How are these various units interrelated? Work out the conversion factor for these units.
- Is there any difference between the measurement of agricultural land and the area of your school ground? Can you compare these two areas?

B. GROUP DISCUSSION

How to tackle problem of non-renewable energy resources
Method and Guidelines for Teachers : Make a group of at least six students in the class. Now
Development

ask first member to discuss various renewable energy resources like groundwater, solar energy. How to make maximum use of these resources.
- Now ask second member to discuss non-renewable resources like crude oil, coal, etc.
- Ask member 3 to discuss various hurdles in the use of non-renewable resources because they are limited.
- Ask member 4 to give his own views about how to explore new resources like solar energy, wind energy, and their limitations in using them.
- Ask member 5 to discuss future and predictions based on stock of various resources.
- Ask member 6 to conclude alternate energy resources and their feasibility.

Based on the discussion, draw conclusions on various issues related to energy resources.

C. ACTIVITIES

1. Look at the picture and tell what should be the developmental goal/aspiration of this player.

2. Prepare a chart on the topic ‘Modern Farming Methods’.

D. QUIZ

Fill in the blanks:
(a) When national income is divided by population it is called ____________.
(b) Human Development Index (HDI) is the cumulative measurement of longevity and ____________and ____________.
(c) The countries with HDI 0 will be at ____________ and one with HDI 1 will be at ____________.
(d) Body Mass Index (BMI) is the ratio of weight of the person in kg to ____________.
(e) A person with BMI 25 or above is considered ____________.
(f) Crude oil is an example of ____________ resource.
(g) India comes in the category of ____________ because its per capita income in 2004 was just Rs 28,000 per annum.

E. SPEECH/SEMINAR

Universalisation of Elementary Education — Sarva Siksha Abhiyan

Guidelines: The 10 min speech should include following points.
- Education awareness among children.
- Government’s initiative to promote elementary education.
- Various steps taken by the Government in this regard.
- Real effectiveness of these policies in rural and urban areas.