

## Class X

### Chapter 1: Development

Key points of the Chapter.

**Economic Development** : The term economic development may be defined in various ways-

- (i) Economic development means long term increase in Per Capita Income (PCI) provided with the improvement in quality of life of the people.
- (ii) Economic development means long term increase in Per Capita Income provided with the reduction in poverty, unemployment and income inequality.
- (iii) Economic Development refers to the increase in the standard of living in a nation's population with sustained growth from a simple, low-income economy to a modern, high-income economy
- (iv) Economic Development is defined as the process of increase volume of production along with the improvement in technology, a rise in the level of living, institutional changes, etc.
- (v) Qualitative measure of progress in an economy. It refers to development and adoption of new technologies, transition from agriculture based to industry based economy, and general improvement in living standards.

**Per Capita Income (PCI)** : When the total National Income of the country is divided by the total population of the country ,we get the Per Capita Income.

$$\text{Per Capita Income} = \frac{\text{Total National Income}}{\text{Total population}}$$

**National Income** : National Income is the value of all final goods and services produced in a country within one year plus income coming from abroad.

#### **Eco growth leads to development?**

Yes... whatever you mean by human development. Economic growth means more money in the economy. A rising tide floats all boats. People in general are richer and can afford more education. It means more tax money for the government to spend on developing humans (education, health, foster care for kids in trouble... shoot, even better criminal justice system). Money makes the world go around!

**Developmental Goals** : Different people living in a country have different developmental goals. This is because the occupation, age group, geographical area in which they are living, economic and social conditions, status etc. are different. In this connection, the following concepts are very important to understand.

#### **There are three types of goals people mainly have -:**

1) **Common goals** - people have common goals like high income good quality of life , health care , job security , freedom , no discrimination, proper educational facilities etc.

2) **Different goals**- what may be development for one person may not be the development for the other person .for eg. an unemployed person may refer development as in the field of job opportunities .a landless farmer may refer it to as providing land and irrigation.

3) **Conflicting goals** - there is the 3rd type of goal in which for a person who regards the same work as development but the other person may regard it as destruction.for eg : - construction for a dam may be development for farmers who will get irrigation but for the tribal people who are displaced regard it as destruction and apposes the development plan . therefore people have common , different as well as conflicting goals .

#### **Income and other Goals:**

Though the main goal of a person is to earn more income and have a better standard of living, each individual have some other important goals in life. What are these other goals?

- (i) Equal treatment
- (ii) Freedom
- (iii) Security
- (iv) Respect of others
- (v) Facilities for self development
- (vi) Hope for promotion
- (vii) Good environment- both working and natural
- (viii) Medical facilities for self and the family
- (ix) Facilities for family

### **That is why, people look at mix goals for development :**

For development, people do look at a mix of goals-which not only focus on seeking/earning more income but also on non- material aspects like equal treatment, respect of other, dignity of labour, a safe and secure work environment, pollution free surroundings etc.

### **National Development:**

National development is the ability of a county or countries to improve the social welfare of the people e.g by providing social amenities like quality education, potable water, transportation infrastructure, medical care, etc.

The term national development is very comprehensive. It includes all aspects of the life of an individual and the nation. It is holistic in approach. It is a process of reconstruction and development in various dimensions of a nation and development of individuals.

### **How to compare different countries of the World?**

The World Bank has classified the countries of the world on the basis of Per Capita Income (PCI). Countries with Per Capita Income of US dollar 12,056 per annum and above in 2017, are called rich countries and those with per capita income of US dollar 955 or less are called low-income countries. India comes in the category of low middle income countries because its per capita income in 2017 was just US dollar 1820 per annum.

### **This criterion of classification has number of limitations. They are**

- i. World Bank does not give equal importance to other factors such as literacy rates and general health standards of the people which plays an important role in defining the quality of life.
- ii. The per capita income does not reflect information about the unequal distribution of income among the people
- iii. Classification by income does not necessarily display the development status because economies in one group do not experience similar level of development.

The criterion used by World Bank is different from UNDP. It is because the World Bank measures the development based only on per capita income, while the UNDP's Human Development Report measures the development in terms of per capita income, literacy rates and general health standards of the people.

### **Factors taken into account by UNDP ( United Nations Development Programme) to compare different countries of the world:**

- (i) Per Capita Income
- (ii) Infant Mortality Rate
- (iii) Literacy Rate

- (iv) Life Expectancy at birth
- (v) Net Enrollment in Schools
- (vi) Status of Women

The UNDP has taken into account so many factors to compare different countries. Hence Per Capita Income is not the ultimate criteria for comparison. Because-

Per capita income is not a useful criterion at all and should not be used to compare states. We can understand this fact with the help of the statistics of two states, Kerala and Punjab. The per capita income of Punjab (Rs 26,000) is higher than Kerala (Rs 22,800). However, the infant mortality rate (49) and literacy rate (70%) in Punjab are much lower than Kerala (infant mortality rate-11 and literacy rate-91%).

The above data clearly shows that per capita income alone cannot be used for measuring the development of a nation or a state.

### **Public Facilities:**

Facilities which are provided by the government either free of cost or at a minimum cost and enjoyed by the public/people. These facilities are very important for the benefit of the public and the development of the country.

#### **Why are the Public facilities needed?**

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.

### **Sustainability of Development or Sustainable Development:**

Sustainable development may be defined in many ways-

- (i) The development of the present generation without compromising the needs of the future generation.
- (ii) The development with judicious use of resources by avoiding over use, misuse and wastage of resources.

Sustainable development means the judicious use of natural resources in such a way that they not only fulfill the needs of the present generation but also of the future generations. Sustainable development is required for the future growth and development of the countries. Development in an uncontrolled manner will not only lead to fast depletion of resources but will also result in stagnation of economies of the world. Sustainable development ensures stable and regular development of a country's economy.

### **Issue of Sustainability important for Development:**

**The issue of sustainability is important for development because of the following reasons:**

- (i) Resources remain continuously available for human use so that cycle of development goes on.
- (ii) Reserves of mineral oil and ground water are depleting with a rapid pace.
- (iii) Conservation and preservation have become the need of the hour for the coming generations.

