



Vidya Bhawan balika Vidyapeeth shakti utthan aashram Lakhisarai

Revision Class-10th

(Based on N C E R T pattern)

Date:- 06.09.XX.

Economics

Development

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

Answer: World Bank uses the per capita income to classify different countries. The per capita income is calculated by dividing the total income of the country by the population of the country. For the year 2017, the countries with per capita income of US \$12,056 per annum were declared rich countries and the countries with per capita income of US \$ 955 or less are called low-income countries.

- The limitations of the criterion are:
- Other important factors, including literacy rate, infant mortality rate, healthcare, are ignored while classifying the countries.
- Information about the unequal distribution of income is not mentioned by The World Bank
- The economy of the country cannot determine the development of the country.

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

Answer: The criterion used by UNDP is different from the one used by the World Bank because UNDP compares countries based on the educational level of the people, their health status and per capita income. This is in contrast with the method used by the World Bank because the World Bank only calculates the per capita income for measuring development.

3. Why do we use averages? Are there any limitations to their use? Illustrate with your own examples related to development.

Answer: Different countries have a different population, so calculating the average helps in getting an estimated answer which can be used to compare different things at different levels. There are limitations of calculating averages because we cannot know the difference in the income of the people and the unfair distribution of income in a country or state.

For example, if we calculate the per capita income of two countries A and B with 5 people each, the salary of five people in country A is Rs.23,000, Rs.22,000, Rs.23,500, Rs.28,000 and Rs.25,000 and the income of people living in country B are Rs.1,50,000, Rs. 22,000, Rs.50,000, Rs.4000, Rs.2500. The average income of country A will be Rs.24,300, and that of country B will be Rs.45,700. This proves that the average of country B is higher than that of country A, and yet there is a disparity in the income distribution of country B and the income is evenly distributed in country A.

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

Answer: Kerala, with lower per capita income, has a better human development ranking than Haryana. Hence, per capita income is not a useful criterion at all and should not be used to compare states. This is true because the literacy rate, infant mortality rate, healthcare facilities, etc. are better in Kerala in comparison to Haryana. The per capita income is only calculated by calculating the average income of the state, irrespective of any other factor.

5. Find out the present sources of energy that are used by the people in India. What could be the other possibilities fifty years from now?

Answer: The present sources of energy used by people in India include firewood, coal, petroleum, crude oil and natural gas. The other possibilities fifty years from now can be using solar energy and wind energy as a source for various energy forms. This is because the current usage of sources of energy may result in the loss of these resources for future generations.

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