



# CLASS-X SUB. ECONOMICS

## CHAPTER- 1 DEVELOPMENT

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# WHAT IS DEVELOPMENT?

- In the economic study of the public sector, economic and social development is the process by which the economic well-being and quality of life of a nation, region, local community, or an individual are improved according to targeted goals and objectives.



# GROWTH vs DEVELOPMENT

## GROWTH

- Growth may or not bring development. A child may grow by becoming fat, but this growth may not bring any functional improvement or development.
- Growth does not continue throughout life. It stops when maturity has been attained.

## DEVELOPMENT

- Development is also possible growth as, without physical when some children do not gain in terms of height, size etc, but they do experience functional improvement(qualitative change) or development.
- Development is a continuous process. It does not end with the attainment of maturity.

Growth	Development
<ol style="list-style-type: none"><li>1. Growth is quantitative.</li><li>2. Growth comprises of height, weight, size and shape of body organs like brain, etc.</li><li>3. It is due to cell division.</li><li>4. Growth is for limited period.</li><li>5. Growth can be measured.</li></ol>	<ol style="list-style-type: none"><li>1. Development is quantitative as well as qualitative.</li><li>2. In this with the physical changes cognitive social and emotional change are also included.</li><li>3. It happen due to motor and adjust mental processes and their interplay.</li><li>4. Development takes place till death.</li><li>5. It can be observed by matured behaviour.</li></ol>

# DEVELOPMENT

- Development has many aspects. The purpose of this chapter is to understand this idea.
- People have different perspectives on development and how we can arrive at common indicators for development.

# DEVELOPMENT

- This is a complex task and in this chapter we shall make a beginning at understanding development.
- What are the essential things that we require?
- Can life be better for all?
- How should people live together?
- Can there be more equality?
- Development involves thinking about these questions and about the ways in which we can work towards achieving these goals.

# WHAT DEVELOPMENT PROMISES — DIFFERENT PEOPLE, DIFFERENT GOALS

**TABLE 1.1 DEVELOPMENTAL GOALS OF DIFFERENT CATEGORIES OF PERSONS**

Category of Person	Developmental Goals / Aspirations
Landless rural labourers	More days of work and better wages; local school is able to provide quality education for their children; there is no social discrimination and they too can become leaders in the village.
Prosperous farmers from Punjab	Assured a high family income through higher support prices for their crops and through hardworking and cheap labourers; they should be able to settle their children abroad.
Farmers who depend only on rain for growing crops	
A rural woman from a land owning family	
Urban unemployed youth	
A boy from a rich urban family	
A girl from a rich urban family	She gets as much freedom as her brother and is able to decide what she wants to do in life. She is able to pursue her studies abroad.
An <i>adivasi</i> from Narmada valley	

# WHAT DEVELOPMENT PROMISES — DIFFERENT PEOPLE, DIFFERENT GOALS

- Two things are quite clear.
  1. different persons can have different developmental goals
  2. what may be development for one may not be development for the other. It may even be destructive for the other.

# INCOME AND OTHER GOALS

- common thing what people desire are regular work, better wages, and decent price for their crops or other products that they produce. In other words, they want **more income**.
- Besides seeking more income, one way or the other, people also seek things like equal treatment, freedom, security, and respect of others. They resent discrimination.



# INCOME AND OTHER GOALS

- Money, or material things that one can buy with it, is one factor on which our life depends. But the quality of our life also depends on non-material things mentioned above.

# EXAMPLE

- If you get a job in a far off place, before accepting it you would try to consider many factors, apart from income, such as facilities for your family, working atmosphere, or opportunity to learn. In another case, a job may give you less pay but may offer regular employment that enhances your sense of security. Another job, however, may offer high pay but no job security and also leave no time for your family. This will reduce your sense of security and freedom.

**Similarly, for development,  
people look at a mix of goals.**

# NATIONAL DEVELOPMENT

- It is very important to keep in mind that different persons could have different as well as conflicting notions of a country's development.
- the benefits of development should be reached by large number of people.

# HOW TO COMPARE DIFFERENT COUNTRIES OR STATES?

- You might ask if development can mean different things, how come some countries are generally called developed and others underdeveloped?
- When we compare different things, they could have similarities as well as differences.

# HOW TO COMPARE DIFFERENT COUNTRIES OR STATES?

- The criterion we may use depends on the purpose of comparison. We use different criterion to choose a sports team, a debate team, a music team or a team to organise a picnic. Still, if for some purpose, we have to choose the criterion for the all-round progress.

# HOW TO COMPARE DIFFERENT COUNTRIES OR STATES?

1. **Income** is considered to be one of the most important attributes.
  - Countries with higher income are more developed than others with less income. This is based on the understanding that more income means more of all things that human beings need. Whatever people like, and should have, they will be able to get with greater income.

# HOW TO COMPARE DIFFERENT COUNTRIES OR STATES?

- what is the income of a country?

The income of the country is the income of all the residents (people) of the country. This gives us the total income of the country.

- However, for comparison between countries, total income is not such an useful measure. Since, countries have different populations.
- Hence, we compare the **average income** which is the total income of the country divided by its total population. The average income is also called **per capita income(PCI)**.

# HOW TO MEASURE WHETHER A COUNTRY IS RICH OR POOR?

- ❑ According to **World Development Reports**
- ❑ Countries with per capita income of US\$ **12,236** per annum and above in 2016, are called rich countries.
- ❑ Countries with per capita income of US\$ **1005** or less are called low-income countries.
- ❑ India comes in the category of low middle income countries because its per capita income in 2016 was just US\$ **1840** per annum.

# INCOME AND OTHER CRITERIA

- When we looked at individual aspirations and goals, we found that people not only think of better income but also have goals such as **security, respect for others, equal treatment, freedom, etc. in mind.**

**TABLE 1.3 PER CAPITA INCOME OF SELECT STATES**

State	Per Capita Income for 2015-16 (in Rs)
Haryana	1,80,174
Kerala	1,63,475
Bihar	34,409

Source : *Economic Survey 2018-19, A29.*

**TABLE 1.4 SOME COMPARATIVE DATA ON  
HARYANA, KERALA AND BIHAR**

State	Infant Mortality Rate per 1,000 live births (2017)	Literacy Rate %	Net Attendance Ratio (per 100 persons) secondary stage (age 14 and 15 years) 2013-14
		2011	
Haryana	30	82	61
Kerala	10	94	83
Bihar	35	62	43

Sources : *Economic Survey 2018-19, P. A160, Government of India; National Sample Survey Organisation (Report No. 575)*

# INCOME AND OTHER CRITERIA

- Infant Mortality Rate (or IMR) indicates the number of children that die before the age of one year as a proportion of 1000 live children born in that particular year.
- Literacy Rate measures the proportion of literate population in the 7-and-above age group.
- Net Attendance Ratio is the total number of children of age group 14 and 15 years attending school as a percentage of total number of children in the same age group.

# PUBLIC FACILITIES

- person in Haryana has more income than the average person in Kerala but lags behind in these crucial areas (IMR, LR, & NAR)
- Kerala has a low Infant Mortality Rate because it has adequate provision of basic health and educational facilities.
- Similarly, in some states, the Public Distribution System (PDS) functions well. Health and nutritional status of people of such states is certainly likely to be better.
- **The reason is — money in your pocket cannot buy all the goods and services that you may need to live well.**

# HUMAN DEVELOPMENT INDEX OR REPORT

- The Human Development Index (HDI) is a summary measure of average achievement in key dimensions of human development published by UNDP:
  1. Life expectancy at birth (a long and healthy life)
  2. Education Attainment (being knowledgeable)
  3. GNI or Standard of living (have a decent standard of living.)

# HUMAN DEVELOPMENT INDEX or REPORT

**TABLE 1.6 SOME DATA REGARDING INDIA AND ITS NEIGHBOURS FOR 2017**

Country	Gross National Income (GNI) per capita (2011 PPP \$)	Life Expectancy at birth (2017)	Mean Years of Schooling of People aged 25 and above (2017)	HDI Rank in the world (2018)
Sri Lanka	11,326	75.5	10.9	76
<b>India</b>	<b>6,353</b>	<b>68.8</b>	<b>6.4</b>	<b>130</b>
Myanmar	5,567	66.7	4.9	148
Pakistan	5,331	66.6	5.2	150
Nepal	2,471	70.6	4.9	149
Bangladesh	3,677	72.8	5.8	136

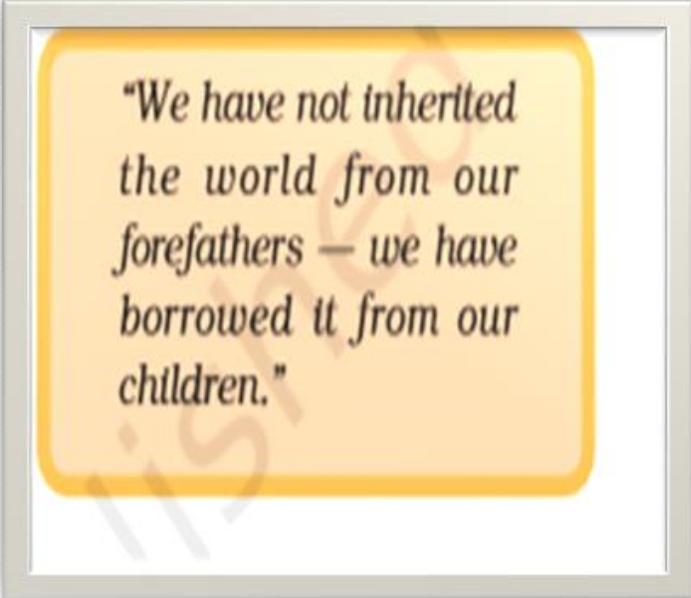
*Source : Human Development Report, 2018, United Nations Development Programme, New York*

# HUMAN DEVELOPMENT REPORT

- our neighborhood, Sri Lanka, is much ahead of India in every respect and a big country like ours has such a low rank in the world?
- Table also shows that though Nepal and Bangladesh have low per capita income than that of India, yet they are better than India in life expectancy.

# SUSTAINABILITY OF DEVELOPMENT

- **Sustainable development** is the idea that human societies must live and meet their needs without compromising the ability of future generations to meet their own needs.



*"We have not inherited the world from our forefathers — we have borrowed it from our children."*

# RENEWABLE OR NONRENEWABLE RESOURCES

- Resources are characterized as renewable or nonrenewable.
1. A renewable resource can replenish itself at the rate it is used, Renewable resources include timber, **wind**, and solar
  2. while a nonrenewable resource has a limited supply. nonrenewable resources include **coal** and **natural gas**.

# SUSTAINABILITY OF DEVELOPMENT

Consequences of environmental degradation do not respect national or state boundaries; this issue is no longer region or nation specific. Our future is linked together. Sustainability of development is comparatively a new area of knowledge in which scientists, economists, philosophers and other social scientists are working together.



THANK YOU