# Social Studies

(Economics)



# **Important Questions**

#### **Multiple Choice questions-**

- 1. Development of a country can generally be determined by its:
- (a) per capita income
- (b) average literacy level
- (c) health status of its people
- (d) none of these
- 2. Different persons could have different as well as conflicting notions of a country's development. A fair and just path for all should be achieved. Interpret the concept being discussed here.
- (a) Social development
- (b) Cultural development
- (c) National development
- (d) Economic development
- 3. Countries with higher income are \_\_\_\_\_\_ than others with less income.
- (a) Less developed
- (b) More developed
- (c) Less stronger
- (d) More organized
- 4. Total income of the country divided by its

total population is known as:

- (a) Capital Income
- (b) National Income
- (c) Per capita income
- (d) GDP
- 5. Proportion of literate population in the 7 and above age group is called as:
- (a) Knowledge rate
- (b) Literacy rate
- (c) Attendance rate
- (d) Excellence Rate
- 6. Which age group of children is included for calculating Net Attendance Ratio?
- (a) 6-10

- (b) 7-11
- (c) 5-9
- (d) 14-15
- 7. For calculating Body Mass Index (BMI), weight of the person is divided by the:
- (a) Square of the weight
- (b) Square of the height
- (c) Square root of the height
- (d) Square of the sum of height and weight
- 8. If BMI is less than 18.5 then the person would be considered: v
- (a) over weight
- (b) long height
- (c) under nourished
- (d) short height
- 9. What proportion of the country is over using their groundwater reserves?
- (a) One-Fourth
- (b) One-Tenth
- (c) One-Third
- (d) half
- 10. Resources which will get exhausted after years of use are:
- (a) Renewable resources
- (b) Non-durable resources
- (c) Non-renewable resources
- (d) Competing resources
- 11. What will be the top priority in the developmental goal of a landless labourer?
- (a) Expansion of rural banking
- (b) More days of work and better wages
- (c) Metal roads for transportation
- (d) Establishment of a high school
- 12. What will be the aspiration of an educated urban unemployed youth?
- (a) An educated urban unemployed youth will aspire for better opportunities in agriculture.
- (b) Support from government at every step in life for his upward movement.
- (c) An urban educated unemployed will aspire for good job opportunities where his education can be made use of.

- (d) Better facilities of recreation for his leisure time.
- 13. Pick out the correct meaning listed below to define 'average income'.
- (a) Average income of the country means the total income of the country.
- (b) The average income in a country is the income of only employed people.
- (c) The average income is the same as per capita income.
- (d) The average income includes the value of property held.
- 14. Which country can be considered as a developed country in the modern world? Select your answer from the following statements.
- (a) Countries which have accumulated huge amount of wealth and always secures the future of their citizens. These countries are considered to be developed.
- (b) Countries which are among the highest in the 'Human Development Index' are considered to be the developed countries.
- (c) Only rich countries are considered to be developed because people have money to buy everything needed for human beings—both material and non-material.
- (d) Iran is a rich country and therefore it is a developed country.
- 15. Money cannot buy all the goods and services that we may need to have a good life. A list of things required for a good life is given below. Which among the following are things money cannot buy?
- (i) Full protection from infectious diseases
- (ii) High quality education
- (in) A luxury home
- (iv) A pollution-free atmosphere in every part of the country
- (a) (i) and(ii)
- (b) (ii) and (iii)
- (c) (i), (ii) and (in)
- (d) (i) and (iv)

#### **Very Short Questions-**

Question 1. Define the term National Income?

Question 2. Define GDP. (2012)

Question 3. What is the main criterion used by the World Bank in classifying different countries? (2012)

Question 4. Why is the total income of countries not used to make comparisons between them? (2012)

Question 5. Literacy rate measures the proportion of literate population in which age group? (2012)

Question 6. Which state of India has the lowest infant mortality rate? (2013)

Question 7. What is Human Development Index? (2013)

Question 8. Name the report published by UNDP which compares countries based on the educational levels of the people, their health status and per capita income. (2013)

Question 9. What term is used to describe the 'average number of years a person is expected to live at birth'? (2013)

Question 10. What is the advantage of per capita income? Mention any one. (2014)

#### **Short Questions-**

Question 1. Why do we use averages? Are there any limitations to their use? Illustrate with your own examples related to development. (NCERT Question)

Question 2. What is per capita income? Mention any two limitations of per capita income as an indicator of development. (2012)

Question 3. Kerala, with lower per capita income, has a better human development ranking than Punjab. Hence, per capita income is not a useful criterion at all and should not be used to compare States. Do you agree? Discuss. NCERT Question

Question 4. On the basis of which three indicators of HDI 2004 Sri Lanka has better rank than India? (2014)

Question 5. 'Conflicting goals can also be developmental goals'. Elaborate with examples. (2014)

Question 6. What are common developmental goals? Give any two suitable examples of common developmental goals. (2015)

Question 7. "Money cannot buy all the goods and services that one needs to live well" Do you agree with this statement? Justify your answer with any three suitable arguments. (2015)

Question 8. Apart from income, which other six things people look for as important aspects of our lives? (2014, 2012)

Question 9. One what basis the rich and low income countries have been categorized in the world? What are the limitations of this approach? According to the World Development Report, 2006, India comes in which category? Give reason for the same. (2015, 2014)

Question 10. Why do people look at a mix of goals for development? Explain.

# **Long Questions-**

Question 1. Why do different persons have different notions of development? Which of the following explanations is more important and why?

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

Question 2. What does HDI stand for? Explain the main criteria of measuring HDI according to UNDP Report of 1990. (2015)

Question 3. Explain with examples that there are other important development goals also besides income. (2014)

Question 4. Explain any five fields other than income where development is needed. (2012)

Question 5. Explain with reasons why state of Punjab with a very high per capita income has a low literacy rate. (2016, 2017 D)

#### **Assertion Reason Questions:**

- 1. **DIRECTION:** Mark the option which is most suitable:
  - a. If both assertion (A) and reason (R) are true and reason (R) is the correct explanation of assertion (A).
  - b. If both assertion (A) and reason (R) are true, but reason (R) is not the correct explanation of assertion (A).
  - c. Assertion (A) is true, but reason (R) is false.
  - d. Both assertion (A) and reason (R) are false.

**Assertion (A):** India has experienced some significant changes in the contribution to GDP by the primary sector.

**Reason (R):** In terms of GDP, the service sector emerged as the largest producing sector in India replacing the primary sector.

- 2. **DIRECTION:** Mark the option which is most suitable:
  - a. If both assertion (A) and reason (R) are true and reason (R) is the correct explanation of assertion (A).
  - b. If both assertion (A) and reason (R) are true, but reason (R) is not the correct explanation of assertion (A).
  - c. Assertion (A) is true, but reason (R) is false.
  - d. Both assertion (A) and reason (R) are false.

Assertion (A): Different persons have different notions of development.

**Reason (R):** Each person seeks similar things. All persons seek things that are least important for them.

## **Case Study Questions:**

1. Read the extract given below and answer the questions that follow:

"Here are many activities that are undertaken by directly using natural resources. Since most of the natural products we get are from agriculture, dairy, fishing, forestry, this sector is also called agriculture and related sectors. The secondary sector covers activities in which natural products are changed into other forms through ways of manufacturing. This could be in a factory, a

workshop, or at home. For example, using cotton fibre from the plant, we spin yarn and weave cloth. Since this sector gradually became associated with the different kinds of industries that came up, it is also called the industrial sector. After primary and secondary, there is a third category of activities that falls under the tertiary sector and are different from the above two. These are activities that help in the development of the primary and secondary sectors. These activities, by themselves, do not produce a good but they are an aid or support for the production process. For example, goods that are produced in the primary or secondary sector would need to be transported by trucks or trains and then sold in wholesale and retail shops. At times, it may be necessary to store these in God owns. Transport, storage, communication, banking, trade are some examples of tertiary activities. Since these activities generate services rather than goods, the tertiary sector is also called the service sector. The service sector also includes some essential services that may not directly help in the production of goods. For example, we require teachers, doctors, and those who provide personal services such as washermen, barbers, cobblers, lawyers, and people to do administrative and accounting work"

- i. Secondary sector: Workers in a match factory, Tertiary sector: \_\_\_\_\_\_
  - a. Beekeeper.
  - b. Milk vendor.
  - c. Handloom worker.
  - d. Tailor.
- ii. Which is the correct option for classification based on nature of activities?
  - a. Organised and unorganised sector.
  - b. Public sector and private sector.
  - c. Primary, secondary and tertiary sector.
  - d. None of these.
- iii. "After primary and secondary, there is a third category of activities that falls under the tertiary sector and is different from the above two."

  Which of the following is incorrect regarding the given statement?
  - a. These activities do not produce a good by themselves.
  - b. These activities help in the development of the primary and secondary sectors.
  - c. These activities are an aid or support for the production process.
  - d. These activities generate goods rather than services.
- iv. Choose the incorrect pair:
  - a. Call centre employee-Secondary sector.

- b. IT specialists-Quaternary sector.
- c. Potter-Primary Sector.
- d. Money Lender-Tertiary sector.
- 2. Read the extract given below and answer the questions that follow:

One way to find out if we are properly nourished is to calculate what nutrition scientists call it BMI. This is easy to calculate. Let each student in the class find out his or her weight and height. Take the weight of each student in kilograms (kg). Then, take the height by drawing up a scale on the wall and measuring accurately with the head straight. Convert the height recorded in centimetres into meters. Divide the weight in kg by the square of the height. The number you get is called BMI. Then, look at the BMI-for-Age tables given on pages 90–91. A student's BMI could be within the normal range or less than that (underweight) or more (obesity). For example, if a girl student is 14 years and 8-month-old and the BMI is 15.2, then she is undernourished. Similarly, if the BMI of a boy aged 15 years and 6 months is 28, then he is overweight. Discuss the life situation, food and exercise habits of students, in general, without body shaming anyone.

- i. What is BMI?
  - a. Body mass information.
  - b. Body mean information.
  - c. Body mean index.
  - d. Body mass index.
- ii. Identify the correct formula to calculate the BMI.
  - a. Height/ Weight<sup>2</sup>
  - b. Weight/height<sup>2</sup>
  - c. Weight/height
  - d. Weight<sup>2</sup>/ heigh
- iii. Rahul is 5 ft 6 inches tall, and he weighs 82 kilos. Calculate his BMI.
  - a. 23.5
  - b. 29.2
  - c. 27.6
  - d. 21.3
- iv. According to Rahul's BMI, he is \_\_\_\_\_.
  - a. Overweight.
  - b. Underweight.
  - c. Normal.

d. Obese.

#### **MCQ** Answers-

1. Answer: a

2. Answer: c

3. Answer: b

4. Answer: c

5. Answer: b

6. Answer: d

7. Answer: b

8. Answer: c

9. Answer: c

10.Answer: c

11.Answer: b

12.Answer: c

13.Answer: c

14.Answer: b

15. Answer: d

# **Very Short Answers-**

- 1. Answer: National income is defined as the total value of all final goods and services produced with a country plus net income from transactions like (export and import) with other countries.
- 2. Answer: GDP or Gross Domestic Product is the total value of all final goods and services produced during a particular year in a country.
- 3. Answer: The World Bank uses average income or per capita income as a criterion for classifying different countries.
- 4. Answer: The total income of countries is not used to make comparisons between them, because the population of different countries is different and does not give a clear picture if comparisons are made on this basis.
- 5. Answer: The age group of 7 years and above.

6. Answer: Kerala

7. Answer: Human Development Index is a composite index of achievements of a nation in terms of three important variables, namely—longevity, knowledge and standard of living, that determine the quality of life.

8. Answer: Human Development Report

9. Answer: Life Expectancy

10. Answer: It helps to compare the development of countries as per capita income tells us whether people in one country are better off than others in a different country.

#### **Short Answers-**

**Answer 1:** Total income is not a useful measure for comparison between countries. Since countries have different populations, comparing total income does not tell what an average person is likely to earn. Hence, we use average income which is total income of the country divided by total population.

The defect of average as a measure is that it does not show the distribution (dispersion) of income between the rich and the poor.

Two countries may have the same average income but in one country almost every family may enjoy more or less the same kind of income, whereas in the other, some may be very rich and others very poor. The disparity between rich and poor is an important feature that the average measure (per capita income) does not consider.

Example: In terms of development, we can take the example of India, where the metro towns are full of high-rise buildings and shopping malls while some villages have not yet been provided with a basic necessity like electricity.

**Answer 2:** The total income of a country divided by its total population gives the Per Capita Income.

Money cannot buy all the goods and services that are needed to live well. So income by itself is not a completely adequate indicator of material goods and services that citizens are able to use. For example, money can not buy a pollution-free environment or ensure that one gets unadulterated medicines, unless one can afford to shift to a community that already has all these things.

**Answer 3:** Per capita income is not a useful criterion at all to measure the human development ranking of a state. High per capita income is not the only attribute to a good quality life. Money cannot buy all the essential things required for a good life. Pollution-free atmosphere to ensure good health, protection from infectious diseases, lowering of mortality rate, promotion of literacy, etc. are essential for a good standard of living. In order to achieve these, joint efforts have to be made by all members of a community, be it rich or poor.

Kerala ranks higher compared to Punjab even with a lower per capita income because—

- 1. mortality rate is lower
- 2. literacy rate is higher and
- 3. total number of children attending school (Classes I-V) is higher.

**Answer 4:** Three indicators of HDI 2004 in which Sri Lanka has better rank than India:

- 1. Per capita income—The per capita income of Sri Lanka in US dollars was 4,390 US dollars while that of India was 3,139 US dollars.
- 2. Life expectancy at birth—The life expectancy at birth for Sri Lanka was 74, higher than that of India at 64.
- 3. Gross enrolment ratio for three levels—Sri Lanka had Gross Enrolment ratio of 69 while that of India was 60.

**Answer 5:** All persons do not have the same notion of development or progress. Each one of them seeks different things. The seek things that are most important for them, i.e., that which can fulfil their aspirations or desires. In fact at times two persons or groups of persons may seek things which are conflicting.

A girl expects as much freedom and opportunity as her brother and that he also shares in the household work. Her brother may not like this.

To get more electricity, industrialists may want more dams. But this may submerge the land and disrupt the lives of people who are displaced, such as tribals. They might resent this and may prefer small check dams or tanks to irrigate their land.

Answer 6: There are certain goals which are the same or common for all. These are common developmental goals. The developmental goals that people have are not only about better income but also about other important things in life. More income or more material goods do not always give us a good quality life.

here are other aspects such as equal treatment, freedom, security, opportunity to learn, good working conditions, pollution-free atmosphere, job security and good social life which are very important for a good quality life. Money or material things that one can buy with it, is one factor on which our life depends. But quality of our life also depends on non-material things, for example, the role of our friends in our life which cannot be measured but mean a lot to us.

**Answer 7:** Yes, I agree with the statement because money income and material goods alone are not an adequate indicator of a good quality of life. Money cannot buy all the goods and services one needs to live well.

- Money cannot buy a pollution free and dean environment with fresh air.
- It cannot protect us from infectious diseases and guarantee good health for us.
- Money cannot assure that medicines available in the market are not adulterated.

To live well one needs non-material factors such as equal treatment, freedom, security, equal opportunity to learn, a pollution free environment, good and safe working conditions etc.

**Answer 8:** High per capita income is not the only attribute to a good quality life. Money cannot buy all the essential things required for a good life. Pollution-free atmosphere to ensure good health, protection from infectious diseases, lowering of mortality rate, promotion of literacy, job security, good working conditions, etc.

are essential for a good standard of living.

Answer 9: The World Bank uses average income or per capita income as a criterion for classifying different countries. Countries with per capita income of ?4,53,000 per annum and above (in the year 2004) are called rich countries and those with per capita income of ?37,000 or less are called low income countries (India comes under low income countries; the per capita income in India is ?28,000 per annum). Those falling in between ₹37,000 − ₹4,53,000 are placed in the middle category.

Limitations of this criterion.

- While averages are useful for comparison, they also hide disparities. Two
  countries may have identical average income, but one country may have
  equitable distribution where people are neither very rich nor very poor,
  while in the other country most citizens are very poor and very few are
  extremely rich,
- 2. Better income cannot ensure a good quality life. Criterion set by the World Bank has ignored certain attributes of a good life which do not depend on income or cannot be . bought with money.
  - Example, freedom, equal treatment, equal opportunities, free atmosphere, provision of unadulterated medicines, etc.

**Answer 10:** Though income is one of the most important components of development, but there are other important goals which people look at for development—

- 1. People also seek things like equal treatment, freedom, security and respect.
- 2. Women need a safe and secure environment to take up a variety of jobs or to run businesses as entrepreneurs.
- 3. People seek a pollution free environment.
- 4. Students seek better education and equal opportunities to learn.

## **Long Answers-**

**Answer 1:** The correct explanation is 'Because life situations of persons are different.'

Developmental goals are different for different categories of people because of their different aspirations. Aspirations are based on their needs. At times people may have conflicting developmental goals also. What may be development for one may not be development for another. It may even be destructive for the other.

Example, Industrialists may want construction of more dams for more electricity, but this may lead to displacement of tribals who live in those areas and thereby disrupt their lives.

Example, The inhabitants of Nandigram in West Bengal are mainly agriculturists and their aspirations are to see development in the field of agriculture, whereas to some it may appear that industrial advancement is more necessary for national

development.

**Answer 2:** HDI Stand for Human Development Index.

Main criteria of measuring HDI:

- 1. HDI published by UNDP compares countries based on the educational levels of the people, their health status and per capita income.
- 2. HDI determines the rank of a country by its overall achievement in three areas, i.e., life expectancy, educational level and per capita income.
- 3. Many improvements have been suggested in calculating HDI and many new components have been added to Human Development Report.
- 4. Pre-fixing Human to Development, it has made it clear that what is important in development is what is happening to citizens of a country, i.e., the health and well being of the people is most important.

**Answer 3:** More income or more material goods do not always give us a good quality life. There are other aspects such as equal treatment, freedom, security, opportunity to learn, good working conditions, pollution-free atmosphere, job security and good social life which are very important for a good quality life.

Money or material things that one can buy with it, is one factor on which our life depends. But quality of our life also depends on non-material things, for example, the role of our friends in our life which cannot be measured but mean a lot to us. Another example, if we get a job in a far off place, before accepting it we would try consider many factors apart from income such as facilities for our family, working atmosphere, or opportunity to learn. Similarly, for development, people look at a mix of goals. It is true that if women are engaged in paid work, their dignity increases. However, it is also the case that if there is respect for women there would be more sharing of house work and greater acceptance of women.

The developmental goals that people have are not only about better income but also about other important things in life.

**Answer 4:** Fields other than income where development is needed:

- Education. The government must provide adequate education facilities in all rural and urban areas. The government must necessarily focus on education for girls so that all girls are able to acquire atleast secondary level schooling. Running proper schools and providing quality education, particularly elementary education, is the duty of the Government.
- 2. Health. Basic health care facilities are a must for all. Establishment of government hospitals, clinics and dispensaries, especially in rural areas, to provide subsidized and unadulterated medicines to the poorer sections of society.
- 3. Nutrition. An effective Public Distribution System—proper functioning of ration shops and equitable distribution of foodgrains is very essential.
- 4. Transportation. A well developed public transport system to make it easy for

general public to commute.

5. Electricity. It is the duty of the government to provide electricity and water at reasonable rates to the common man and prevent him from exploitation by private companies.

**Answer 5:** Per capita income is not a useful criterion at all to measure the human development ranking of a state. High per capita income is not the only attribute to a good quality life. Money cannot buy all the essential things required for a good life.

This can be seen in the case of Punjab which has a very high per capita income but a low literacy rate. Having money in one's pocket cannot buy all the goods and services that we need to live well. Money cannot ensure education and literacy. Another reason for low literacy rate in Punjab could be the lack of free and compulsory educational facilities. The government needs to open more schools and provide other facilities so that all children have a chance to study.

Pollution-free atmosphere to ensure good health, protection from infectious diseases, lowering of mortality rate, promotion of literacy, etc. are essential for a good standard of living. In order to achieve these, joint efforts have to be made by all members of a community, be it rich or poor.

#### **Assertion Reason Answer:**

- 1. (d) Both assertion (A) and reason (R) are false.
- 2. (c) Assertion (A) is true, but reason (R) is false.

# **Case Study Answer:**

- 1. i (b) Milk vendor.
  - ii. (c) Primary, secondary, and tertiary sector.
- iii. (d) These activities generate goods rather than services.
- iv. (a) Call centre employee-Secondary sector.
- 2. i (d) Body mass index.
  - ii. (b) Weight/ height<sup>2</sup>
- iii. (b) 29.2
- iv. (a) Overweight.