

# CHAPTER - 1.

Quick Work

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## DEVELOPMENT

What is development?

The people's economic growth, along with the growth of their basic needs like education, health, lifestyle.

→ Development is multidimensional.

→ "Different persons can have different developmental goals"

"What may be development for one may not be development for others. It may even be destructive for others."

Two types of Goals:-

1. Income Goals:-

- i) Regular work
- ii) Better wage
- iii) Decent price for their crops or other goods.

2. Goals other than Income:-

- i) Equal treatment
- ii) Freedom
- iii) Security
- iv) Respect of others.

→ Money is important or material things but it can't buy everything.

→ Quality of our life also depends on non-material things.

→ For development, people look at a mix of goals.

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

National Development:-

"Different persons could have different as well as conflicting notions of a country's development"

- Income is considered to be one of the most important attributes.
- Higher Income of country → Reflects more development.
- Income of country → Total income of the residents.
- Per Capita Income =  $\frac{\text{Total Income of country}}{\text{Total Population of country}}$

World Development Report (Brought out by world Bank)

- It uses Income (Per Capita Income) as criterion to classify the ~~countries~~ countries

As per 2019 :-

Per Capita Income "US\$ 49,300 or above" per annum

↓  
Called rich countries

Per Capita Income US\$ 2500 or less / annum.

↓  
Are called low income countries

India :-

Per Capita Income US\$ 6700 / annum

↓  
We are low middle income countries.

### \* Infant Mortality Rate (IMR)

It 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

It measures the proportion of literate population in the 7 and above age group.

### \* Net Attendance Ratio (NAR)

It 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:

Facilities provided by government free of cost or at subsidised rates are called as public facilities.

"Money in your pocket cannot buy all the goods and services that you may need to live well."

For example money can't buy a pollution-free environment or ensure that you get unadulterated medicines, unless you can afford to shift to a community that already has all these things.

## BMI:-

Person's weight in kilograms divided by the square of height in meters.

$$BMI = \frac{\text{Weight (kg)}}{\text{height}^2 \text{ (m}^2\text{)}}$$

BMI < 18.5 Underweight

BMI 18.5 to 24.9 Healthy weight

BMI 25 to 29.9 Overweight

BMI > 30 obesity

## Human Development Index (HDI)

Published by: United Nation Development Program  
UNDP

### Indicators Used in HDI :-

- 1) Gross National Income
- 2) Life expectancy at birth
- 3) Mean Years of schooling of people aged 25 and above.

HDI Rank in world :- (Total countries 189)

India - 130

Only "Sri Lanka" has better HDI Rank from us in our neighbours (As per table 1.6 of NCERT)

## SUSTAINABILITY OF DEVELOPMENT

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

- Development is perennial (everlasting)
- Development should take place but without harming environment.
- A number of scientists have been warning that the present type, and levels, of development are not sustainable.

### Groundwater in India

- About 300 districts have reported a water level decline of over 4 meters during the last 20 years.
- Nearly  $\frac{1}{3}$  of country is overusing the water reserves.
- In next 25 years 60% of country would be doing the same.
- Groundwater overuse is found in :-
  - \* Agriculturally prosperous regions of Punjab and Western UP.
  - \* Hard Rock Plateau area of central and South India
  - \* Coastal Areas
  - \* Urban settlements.

## SECTORS OF THE INDIAN ECONOMY


## → SECTORS OF ECONOMIC ACTIVITIES:-

1. Primary sector
2. Secondary sector
3. Tertiary sector

## 1. Primary sector / agriculture and related sector:-

- All activities that are undertaken by directly using natural resources.
- In these activity we are dependent on
  - Natural factors &
  - Biological processes.
- It is called primary because it forms the base for all other products.
- Exp:- agriculture, forestry, animal husbandry, fishing, poultry farming, mining and quarrying.

## 2. Secondary sector / Industrial sector:-

- It covers activities in which natural products are changed into other forms through ways of manufacturing.
- It is the next step after primary.
- These products are not produced by nature but ~~produced~~ made after some process of manufacturing.
- Manufacturing could be in a factory, a workshop or at home.
- Exp.  Heavy manufacturing, light manufacturing, food processing, oil refining and energy production.

## Tertiary Sector / Service sector

- Activities that help in the development of the primary and secondary sectors fall under tertiary sector.
- This sector's activities do not produce a good but they are a support for the production process.
- This sector also includes some essential services that may not directly help in the production.
  - Exp:- teacher, doctor, washerman, barbers, cobblers, lawyers, administrative and accounting work.
- Exp:- Trade transport, communication, banking, education, health, tourism, services, insurance etc.

\* All the Economic Activities of these three categories are highly interdependent.\*

### \* Comparing the Three Sectors:-

- All three sectors produce a very large number of goods and services.
- Dominance of sectors in Economy:- (In terms of)
  - Production
  - Employment.

→ Final goods / ~~products~~ :- Goods that reach to the customer / consumers.

→ Intermediate goods :- Products that are used in the production process to make other goods.


- Final goods already includes the value of all the intermediate goods.

**GDP** :- The value of <sup>final</sup> goods and services produced by all the sectors within a country during a ~~every~~ particular year is called GDP (Gross Domestic Product) of the country.

## About GDP:-

- It is a monetary value of all finished goods and services made within a country during a specific period.
- It is used to estimate the size of a country's economy and growth rate.
- GDP can be calculated in three ways:
  1. expenditures.
  2. Production
  3. incomes.
- In India measuring of GDP is undertaken by → Central government ministry

## Historical change in sectors.

- Initial stage of development → Primary sector is of utmost importance.
- Later method of farming changed → agriculture sector began to prosper → people moved to other activities → craft persons & traders.
- Buying and selling activities increased.
- at this stage also most of the ~~people~~ goods were produced by the natural products of primary sector.
- most people were employed in this sector.
- Over a period of 100 years new methods of manufacturing were introduced.
- factory came up and expanded.
- Secondary sector gradually became the most important in total production.
- In the past hundred years there has been a further shift from secondary sector. 

↘ In past 100 years, there has been a further shift from secondary to tertiary sector in developed countries.

→ Reasons of Rising importance of the Tertiary sector in production.

1st Reason:-

Government has to take responsibility for the provisions of some services that can be considered as basic services.

Exp:- hospitals, educational institutions, post and telegraph services, police station, courts, village administrative offices, municipal corporations, transport, banks, insurance companies etc.

2nd Reason:-

Development of primary and secondary sectors leads to the development of tertiary sector. Exp:- Trade, transport, storage etc.

3rd Reason:-

Increased Income of people → Demanding many more services. Exp. eating out, tourism, more services, priv. hospitals, priv. school etc.

4th Reason:-

Certain services based on information and communication technology have become important and essential.



Where are most people employed:-

- From 1972-73 to till now primary sector continues to be the largest employer.
- Enough jobs has not been created in secondary and tertiary sector.
- Output of Secondary sector went up → Nine times.  
Employment in it went up by around → Three times.
- Production of Service Sector → Went up by 14 times.  
Employment in Service Sector → went up by 5 times.
- More than half of the population are still working in → Primary sector.

UNDEREMPLOYMENT / Disguised Unemployment.

It is situation under which people are apparently working but all of them are made to work less than their potential.

It occurs when productivity is low and too many workers are filling too few jobs.

How to create More employment:-

- Provide loan (for agriculture)
- Identify promote and locate industries.
-

- In India about 60 percent of the population belongs to the age group - 5-29 years.
- Only 51% of this population is attending the school.

- ↓
- they may be at home
- they may be doing child labour

→ Study conducted by eastwale Planning Commission. (NII Ayog)

National ~~Planning~~ Institution for Transforming India → 1 January 2015

↓

It replaced planning Commission (1950)

NITI → estimates that nearly 20 lakhs jobs can be created in education sector alone.

→ Increasing Tourism, regional craft Industries or new services.

→ Central Govt. of India made a law → Right to work (Implementing in about 625 district)

→ (MGNREGA 2005) - Mahatma Gandhi National Rural Employment Guarantee Act

↓

Guarantees 100 days work (Employment)

↓

If fails Govt. will give unemployment allowance.

**Organised Sector:-** Sector which is registered with the government. Here

- people get assured work
- The employment terms are fixed and regular.
- A number of acts apply to the enterprises.

**Unorganised Sector:-** Lower job security  
poor chances of growth.  
No leave or paid holidays.  
→ Generally not governed by laws. (rules & regulations)

**How to protect workers in the Unorganised Sector?**

- employment opportunities in organised sector have been expanding very slowly.
- Many organised sector work as unorganised sector.
- Large number of workers are forced to work in unorganised sector.

↓

- often exploited & not paid fair wage.
- No job security, No other benefits.

→ Hence, beside the need of more work there is also need for protection and support of the workers.

**Who need protection:-**

- **Rural areas:-** Landless agricultural labourers  
Small and marginal farmers.  
Sharecroppers & artisans.

\* 80% of rural households are in small and marginal farmer categories.

- These farmers need support:-
- Timely delivery of seeds.
  - agricultural inputs.
  - credit.
  - storage facilities.
  - marketing outlets.

### Urban areas:-

Unorganised Sector comprises:-  
Workers of

- Small scale industries.
- Casual workers in construction.
- trade & transport.
- street vendors.
- head load workers.
- garment makers.
- rag pickers.

Small scale also need Govt. help →  
in procuring raw material  
marketing output.

- Majority of workers from Scheduled Caste (SC) tribes and backward communities → works in unorganised sector.
- Beside irregular work and low income they also face social discrimination.

## SECTORS ON THE BASIS OF OWNERSHIP

- Public Sector
- Private Sector

**Public Sector**:- Companies and corporations that are run by the government.

**Private Sector**:- The part of the economy that is run by individuals and companies for profit is not state controlled.