

UPAAN

2025

Development

Economics

Lecture - 02

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Topics

to be covered

- 1 World Development Report
- 2 Human Development Report
- 3 Sustainability of Development
- 4





**Hanji Dosto !
Mai Douglas .. Apka
Class Monitor ! Kaisi
Rahi Vacation ?**



Habibi ! Question
Puchegi Hum Tumse

.....

Question



Per Capita Income is also known as _____

- A High Family Income
- B Average Income
- C Rich MSP
- D Both a and b



Per Capita Income

Cheems pura



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



$$= \frac{10,000 + 20,000 + 30,000}{3}$$

$$= \frac{60,000}{3} = \boxed{20,000}$$

~ ~~Dogesh~~
Rs 10,000 — ~~Dogelina~~
Rs 20,000

~~Vimdhayak Ji~~
Rs 30,000



Per Capita Income

$$\text{Per Capita} = \frac{60,000}{3}$$

$$= \underline{20,000}$$



Jignesh
Rs 5,000

Selmon pura



Selmon Bhoi
Rs 45,000



Rowdy Anna
Rs 60,000

Limitations of Per Capita (2 marks)

- ① It does not tell how the money is distributed
- ② It does not tell about education and health status of a country



World Development Report

(3 marks)



① Published by World Bank

② Compares the countries on the basis of per capita income

③ [2019]

Countries whose per capita income was

49,300 US

Rich Countries

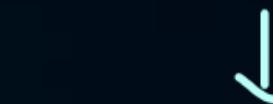
Countries with Per Capita Income US\$ 2500 or less Poor / Low Income Countries



World Development Report-India



2019



India → Per Capita

6700 US \$

We lie in → low Middle Income Group

Conclusion

- * Rich Countries → Generally Developed
 - ✓ (Except few countries of middle east and some small countries)
- ✓ * Poor Countries → Generally Underdeveloped



Case Study Based Question

→ 4 (NCERT)

Study the data given below and answer the questions that follow:

TABLE 1.2 COMPARISON OF TWO COUNTRIES

Country	Monthly incomes of citizens (in Rupees)					Average
	I	II	III	IV	V	
Country A	9500	10500	9800	10000	10200	
Country B	500	500	500	500	48000	

Question



Per Capita Income of country A will be -----

A 15000

B 1400

C 10000

D 12250

TABLE 1.2 COMPARISON OF TWO COUNTRIES

Country	Monthly incomes of citizens (in Rupees)					Average
	I	II	III	IV	V	
Country A	9500	10500	9800	10000	10200	-----
Country B	500	500	500	500	48000	-----

~~50,000~~ 10,000

Question



Per Capita Income of country B will be -----

- A 10000
- B 1400
- C 26000
- D 12200

TABLE 1.2 COMPARISON OF TWO COUNTRIES

Country	Monthly incomes of citizens (in Rupees)					Average
	I	II	III	IV	V	
Country A	9500	10500	9800	10000	10200	
Country B	500	500	500	500	48000	

10,000

$$\frac{2000 + 48000}{5} = \underline{\underline{50000}}$$

Question



Which of the given countries is better to live and why ?

(2)

- A** Country A is better as it has more equal income distribution
- B** Both countries are poor
- C** Country B is better as everyone is rich
- D** Both a and b



Income and Other Criteria

→ For development → Apart from income
people also want



Income and Other Criteria

TABLE 1.3 PER CAPITA INCOME OF SELECT STATES

State	Per Capita Income for 2018–19 (in Rs)
Haryana	2,36,147
Kerala	2,04,105
Bihar	40,982

Source : Economic Survey 2020–21. P.A 29.

→ If we consider only Per Capita

✓ → Haryana → Most Developed

→ Bihar → Least Developed



Income and Other Criteria

TABLE 1.4 SOME COMPARATIVE DATA ON HARYANA, KERALA AND BIHAR

State	Infant Mortality Rate per 1,000 live births (2018)	Literacy Rate %		Net Attendance Ratio (per 100 persons) secondary stage (age 14 and 15 years) 2017–18	
		2017–18	2017–18		
Haryana	30	82	—	61	—
Kerala	7	94	—	83	—
Bihar	32	62	—	43	—

Sources : Economic Survey 2020–21, P.A 157, National Sample Survey Organisation (Report No. 585), National statistical office, Government of India.

Explanation of some of the terms used in this table:

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.

→ Ques .
↓
What do you
conclude?
(3 marks)

Q = Which of the following more developed ?

- (a) Haryana
- (b) Kerala
- (c) Bihar
- (d) All



Answer

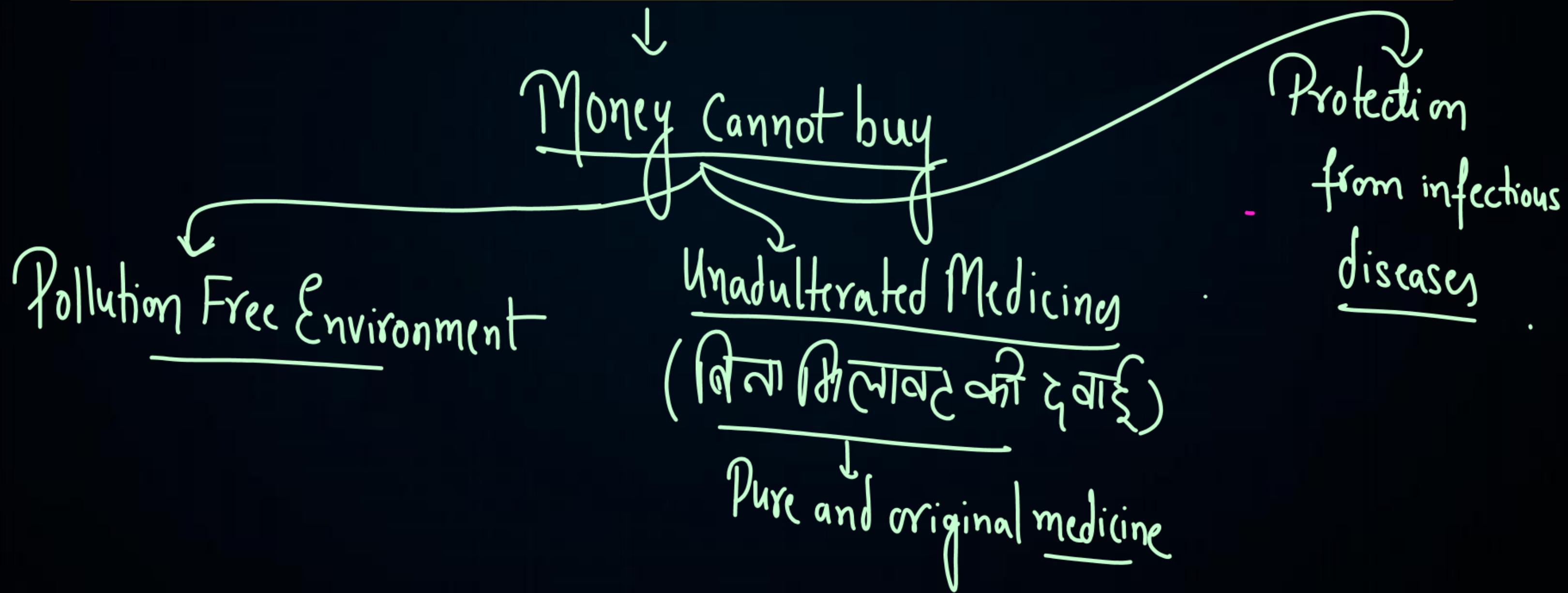
Conclusions

- ① States Compared on the basis of
 - IMR
 - Literacy Rate
 - Net Attendance Ratio
- ② IMR of Haryana → More than 3 times of Kerala
- ③ Bihar → least Net Attendance Ratio
- ④ Kerala → More developed than Bihar and Haryana →
 - * Better IMR
 - * Better Literacy Rates
 - * Better Net Attendance Ratio



Public Facilities

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



Public Facilities (3 marks)

① Public Facilities

are the basic facilities
like health, education,

Clean and Safe environment

② These are provided
to people by
the govt. or
public authorities

③ The best way
to provide public
facilities is
to provide
them collectively

Available

to more

people

Cheap



(especially
girls)

* Many Times → many children are not able to attend high schools

Reason? Lack of sufficient facilities

Solution → Govt. can open more schools

Why Kerala is more Developed? (3)

- ① Low IMR
 - ↙
Better health facilities
- ② High Literacy Rate
 - ↙
Sufficient educational facilities
 - ↙
People are aware
- ③ In Some states
 - ↓
Public Distribution System (PDS) works well
 - - ↓
Such states have good status of Health - Nutrition



Body Mass Index

* \downarrow
BMI → Way to find out nutrition status of a person

$$\text{BMI} = \frac{\text{Weight (kg)}}{(\text{Height (m)})^2} = \frac{75}{(1.5)^2} = 25$$



Body Mass Index

BODY MASS INDEX **BMI**





Human Development Report



→ 3 marks

- ① Published by UNDP
(United Nations Development Program)
- ② Compares the countries on the basis of Per capita Income, Health and Education
- ③ It ranks the country on this basis and prepares a list → Human Development Index (HDI)

Q Human Development Report is published by

- (a) IMF
-
- (b) World Bank
- (c) UNDP
- (d) Nmc



Human Development Report



TABLE 1.6 SOME DATA REGARDING INDIA AND ITS NEIGHBOURS FOR 2019

Country	Gross National Income (GNI) per capita (2011 PPP \$)	Life Expectancy at birth	Mean Years of Schooling of People aged 25 and above	HDI Rank in the world (2018)
Sri Lanka	12,707	77	10.6	73
India	6,681	69.7	6.5	130
Myanmar	4,961	67.1	5.0	148
Pakistan	5,005	67.3	5.2	154
Nepal	3,457	70.8	5.0	143
Bangladesh	4,976	72.6	6.2	134

Source : Human Development Report, 2020, United Nations Development Programme, New York.

NOTES

1. HDI stands for Human Development Index. HDI ranks in above table are out of 189 countries in all.
2. Life Expectancy at birth denotes, as the name suggests, average expected length of life of a person at the time of birth.
3. Per Capita Income is calculated in dollars for all countries so that it can be compared. It is also done in a way so that every dollar would buy the same amount of goods and services in any country.



Sustainability of Development

→ Last Topic



“We have not inherited the world from our forefathers — we have borrowed it from our children.”

↓
Sustainable Development

✓ Development in the present should take place without damaging the environment and also not compromise with the needs of future generations.



Sustainability of Development

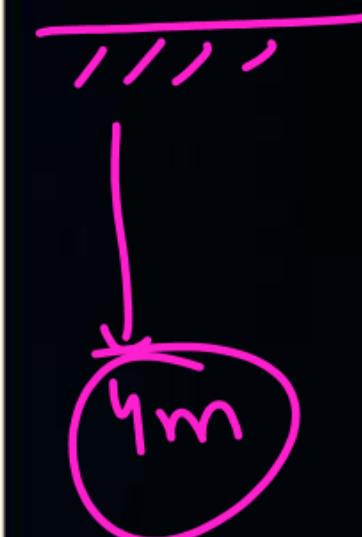
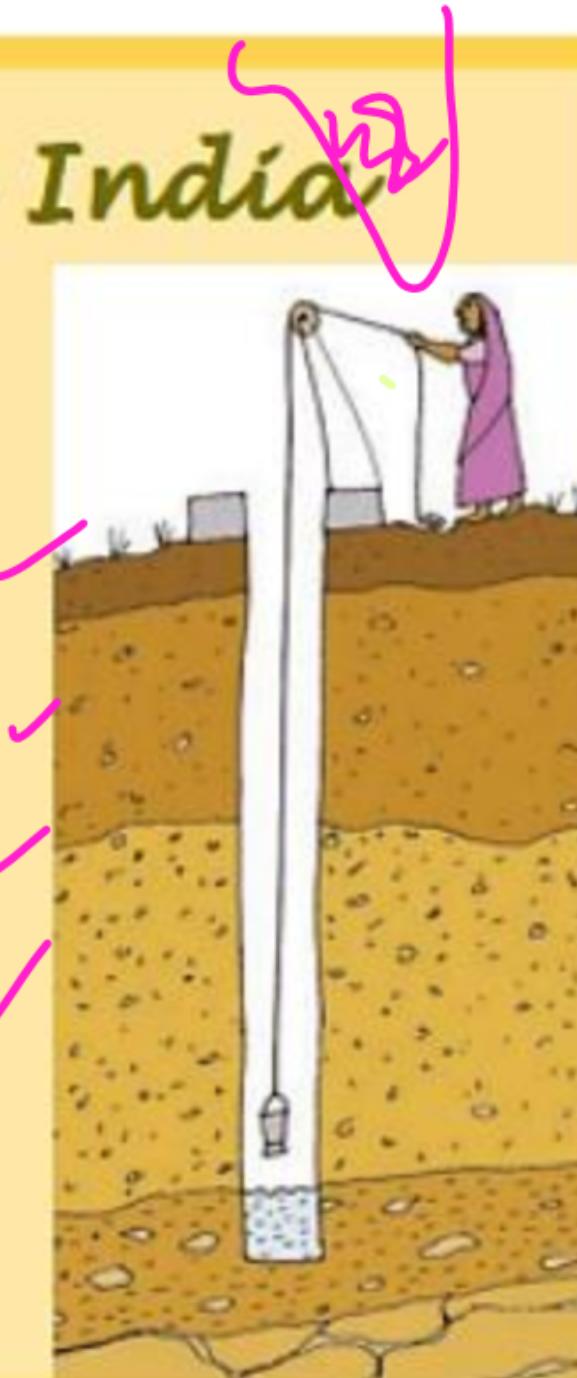
LET'S UNDERSTAND WHY
THIS IS SO THROUGH THE
FOLLOWING EXAMPLE:

Example 1: Groundwater in India

"Recent evidence suggests that the groundwater is under serious threat of overuse in many parts of the country. About 300 districts have reported a water level decline of over 4 metres during the past 20 years. Nearly one-third of the country is overusing their groundwater reserves. In another 25 years, 60 per cent of the country would be doing the same if the present way of using this resource continues. Groundwater overuse is particularly found in the agriculturally prosperous regions of Punjab and Western U.P., hard rock plateau areas of central and south India, some coastal areas and the rapidly growing urban settlements."

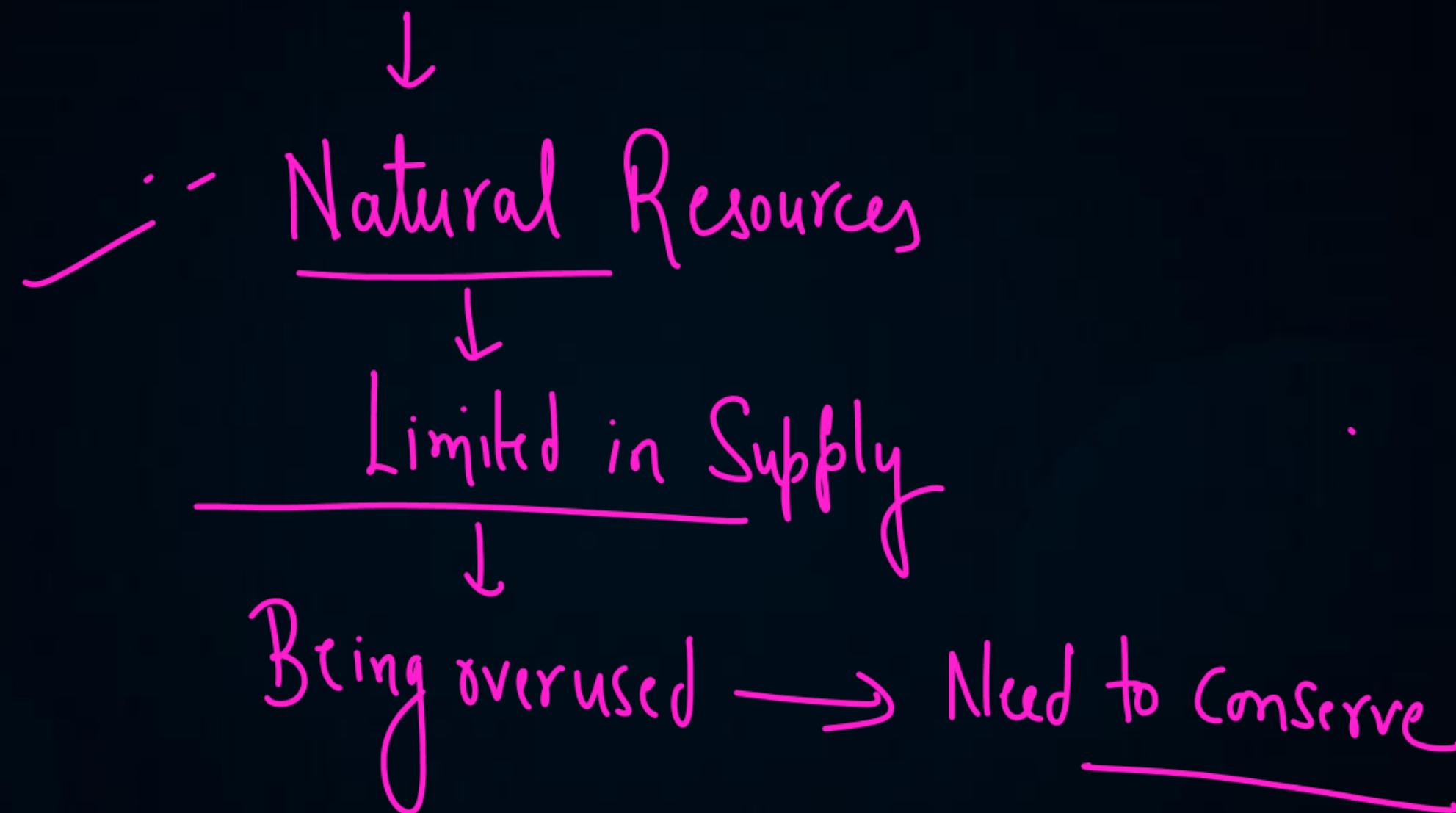
- (a) Why groundwater is overused?
- (b) Can there be development without overuse?

Agri.
Urbanisation





Exhaustion of Natural Resources



Example 2: Exhaustion of Natural Resources

Look at the following data for crude oil.

TABLE 1.7 CRUDE OIL RESERVES

Region/Country	Reserves (2017) (Thousand Million Barrels)	Number of Years Reserves will last
Middle East	808	70
United States of America	50	10.5
World	1697	50.2

Source : BP Statistical Review of World Energy, June 2018, P.12.

The table gives an estimate of reserves of crude oil (column1). More important, it also tells us for how many years the stock of crude oil will last if people continue to extract it at the present rate. The reserves would last only 50 years more. This is for the world as a whole. However, different countries face different situations. Countries like India depend on importing oil from abroad because they do not have enough stocks of their own. If prices of oil increase this becomes a burden for everyone. There are countries like USA which have low reserves and hence want to secure oil through military or economic power.

The question of sustainability of development raises many fundamentally new issues about the nature and process of development.

- (a) Is crude oil essential for the development process in a country? Discuss.
- (b) India has to import crude oil. What problems do you anticipate for the country looking at the above situation?





Sustainability of Development

“Consequences of environmental degradation do not respect national or state boundaries”

Results

T

Last Poll

- ✓ Pick out the consequences India can face on shortage of crude oil.
- (a) Impact on Transportation
 - (b) Rise of inflation in economy
 - (c) Impact on petrochemical industries
 - (d) All



THANK YOU

