



Q1. Development of a country can generally be determined by

- (i) its per capita income
- (ii) its average literacy level
- (iii) health status of its people
- (iv) all the above

Answer:

- (iv) all the above

Q2. Which of the following neighbouring countries has better performance in terms of human development than India?

- (i) Bangladesh
- (ii) Sri Lanka
- (iii) Nepal
- (iv) Pakistan

Answer:

- (ii) Sri Lanka

Q3. Assume there are four families in a country. The average per capita income of these families is Rs 5000. If the income of three families is Rs 4000, Rs 7000 and Rs 3000 respectively, what is the income of the fourth family?

- (i) Rs 7500
- (ii) Rs 3000
- (iii) Rs 2000
- (iv) Rs 6000

Answer:

- (iii) Rs 6000

Q4. What is the main criterion used by the World Bank in classifying different countries? What are the limitations of this criterion, if any?

Answer: The average income, i.e. per capita income is the main criterion used by the World Bank in classifying different countries. According to World Development Report 2006, published by the World Bank, countries with per capita income of \$10066 per annum and above in 2004 are called rich or developed countries. On the other hand, countries with per capita income of \$825 or less are called low-income countries.

Limitations: It does not tell us about how the average income is distributed among the people in the individual countries. The countries with the same per capita income might be very different with regard to income distribution. One might have equitable distribution of income, while the other might have great disparities between the rich and the poor.

Q5. 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 the UNDP for measuring development is different from the one used by the World Bank in the following respects:

The World Bank - The World Bank uses per capita income as the sole criterion for measuring development.

The UNDP - It uses the Human Development Index (HDI) based on a combination of factors such as health, education, and income as the criterion for measuring development.

Thus, the UNDP does not rely solely on per capita income, as the

criterion for measuring development, as in the case with the World Bank.

Q6. Why do we use averages? Are there any limitations to their use? Illustrate with your own examples related to development

Answer: We use averages because they are useful for comparing differing quantities of the same category. For example, to compute the per capita income of a country, averages have to be used because there are differences in the incomes of diverse people. However, there are limitations to the use of averages. Even though they are useful for comparison, they may also hide disparities. For example, the infant mortality rate of a country does not differentiate between the male and female infants born in that country. Such an average tells us nothing about whether the number of children dying before the age of one are mostly boys or girls.

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