



Q7. For each of the following sectors that we came across in this chapter why should one focus on employment and GDP? Could there be other issues which should be examined? Discuss.

Answer: For each of the sectors mentioned in this chapter our focus should definitely be on employment and GDP. This is because growth in GDP and full employment are common goals of Five Year Plans and they also determine the size of a country's economy. A focus on employment and GDP helps us to calculate and monitor the most important factors like: per capita income, productivity, changes in employment rate and contribution to GDP by the three sectors of economy and thus, takes necessary steps required for the upliftment of the country's economy as a whole.

Yes, the other issues which should be examined are -

1. balanced regional development
2. equality in income and wealth among the people of the country.
3. how to eradicate poverty
4. modernization of technology
5. self-reliance of the country
6. how to achieve surplus food production in the country.

Q9. How is the tertiary sector different from other sectors? Illustrate with few examples.

Answer: The tertiary sector is different from other two sectors. This is because other two sectors produce goods but, this sector does not produce goods by itself. But the activities under this sector help in the development of the primary and secondary sectors. These activities are an aid or support for the production process. For example, transport, communication, storage, banking, insurance, trade activities etc. For this reason this sector is also known as service sector.

Q10. What do you understand by disguised unemployment? Explain with an example each from the urban and rural areas.

Answer: Disguised Unemployment is a kind of unemployment in which there are people who are visibly employed but are actually unemployed. This situation is also known as Hidden Unemployment. In such a situation more people are engaged in a work than required.

For example in rural areas, this type of unemployment is generally found in agricultural sector like - in a family of 9 people all are engaged in the same agricultural plot. But if 4 people are withdrawn from it there will be no reduction in output. So, these 4 people are actually disguisedly employed.

In urban areas, this type of unemployment can be seen mostly in service sectors such as in a family all members are engaged in one petty shop or a small business which can be managed by less number of persons.

Q11. Distinguish between open unemployment and disguised unemployment.

Answer: Open Unemployment - When a country's labour force does not get opportunities for adequate employment, this situation is called open unemployment. This type of unemployment is generally found in the industrial sector of our country. This is also found among the landless agricultural labourers in rural areas.

Disguised Unemployment - This is a kind of unemployment in which

there are people who are visibly employed but actually they don't have full employment. In such a situation more people are engaged in a work than required. This type of unemployment is generally found in unorganized sector where either work is not constantly available or too many people are employed for the same work that does not require so many hands.

Q12. Tertiary sector is not playing any significant role in the development of Indian economy. Do you agree/ Give reasons in support of your answer.

Answer: No, I do not agree with the statement that tertiary sector is not playing any significant role in the development of Indian economy. The reasons are as follows:

1. In terms of GDP this sector emerged as the largest producing sector in India surpassing the primary and secondary sectors. In 1973, the share of the tertiary sector in GDP was about 35% which increased to more than 50% in 2003. Over the thirty years between 1973 and 2003, while production in all three sectors increased, it has been the most in tertiary sector.
2. In terms of employment also the rate of growth of employment in tertiary sector between the same period was nearly 250%. This was negligible in primary sector.

***** END *****