



Question 11. Define the liberty indicator. Give some examples of liberty indicators.

Answer. Liberty indicator has actually been added as a measure of 'the extent of democratic participation in social and political decision-making' but it has not been given any extra weight. Some of the examples of liberty indicators are : literacy rate, women participation in politics, etc.

Question 12. Evaluate the various factors that led to the rapid growth in economic development in China.

Answer. Reforms were initiated in China in 1978. China did not have any compulsion to introduce reforms.

1. Pre-Reform Period : Failures

- (a) There was slow pace of growth and lack of modernisation in the Chinese economy under the Maoist rule.
- (b) It was felt that Maoist vision of economic development which was based on decentralisation, self-sufficiency and shunning of foreign technology, goods and capital, had failed.
- (c) Despite extensive land reforms, collectivisation, the Great Leap Forward and other initiatives, the per capita grain output in 1978 was the same as it was in the mid-1950s.

Pre-Reform Period: Success

- (a) There was existence of infrastructure in the areas of education and health.
- (b) There were land reform.
- (c) There was decentralised planning and existence of small enterprises.
- (d) There was extension of basic health services in rural areas.
- (e) Through the commune system, there was more equitable distribution of foodgrains.

2. Post-Reform Period (after 1978): Success

- (a) In agriculture, by handing over plots of land to individuals for cultivation, it brought prosperity to a vast number of poor people.
 - (b) It created conditions for the subsequent phenomenal growth in rural industries and built up a strong support base for more reforms.
 - (c) More reforms included the gradual liberalisation of prices, fiscal decentralisation, increased autonomy for state owned enterprises (SOEs), the introduction of a diversified banking system, the development of stock markets, the rapid growth of the non-state sector, and the opening to foreign trade and investment.
 - (d) The restructuring of the economy and resulting efficiency gains have contributed to a more than ten-fold increase in GDP since 1978. Measured on a Purchasing Power Parity (PPP) basis, China in 2005 stood as the second largest economy in the world after the US.
 - (e) China's economic growth as measured in terms of GDP on an average is 10.9% per year. In economic size, China is surpassed today only by the US, Japan, Germany and France.
 - (f) If its present growth trend continues, China is likely to be the world's largest economic power by any measure by the year 2025.
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- (g) China had success when it enforced one-child norm in 1979. The

low population growth of China can be attributed to this one factor. Thus, China's structural reforms introduced in 1978 in a phased manner offer various lessons from its success story.

Question 13. Group the following features pertaining to the economies of India, China and Pakistan under three heads.

1. One-child norm
2. Low fertility rate
3. High degree of urbanisation
4. Mixed economy
5. Very high fertility rate
6. Large population
7. High density of population
8. Growth due to manufacturing sector
9. Growth due to service sector

Answer.

1. China
2. China
3. Pakistan and China
4. India and Pakistan
5. Pakistan
6. India and China
7. India
8. China
9. India.

Question 14. Give reasons for the slow growth and re-emergence of poverty in Pakistan.

Answer. Reforms were initiated in Pakistan in 1988.

1. Pre-Reform Period : Failure

- (a) The proportion of poor in 1960s was more than 40 per cent.
- (b) The economy started to stagnate, suffering from the drop in remittances from the Middle East.
- (c) A growth rate of over 5% in the 1980s could not be sustained and the budget deficit increased steadily.
- (d) At times foreign exchange reserves were as low as 2 weeks of imports.

2. Post-Reform Period (after 1988): Failure

The reform process led to worsening of all the economic indicators.

- (a) The growth rate of GDP and its sectoral constituents have fallen in the 1990s.
- (b) The proportion of poor declined to 25 per cent in 1980s and started rising again in 1990s. The reasons for the slow-down of growth and re-emergence of poverty in Pakistan's economy are:
 - (i) Agricultural growth and food supply situation were based not on an institutionalised process of technical change but on good harvest. When there was a good harvest, the economy was in a good condition; when it was not, the economic indicators showed stagnation or negative trends.
 - (ii) Fall in foreign exchange earnings coming from remittances from Pakistani workers in the Middle East and the exports of highly volatile agricultural products.
 - (iii) There was also growing dependence on foreign loans on the one hand and increasing difficulty in paying back the loans on the other.

Question 15. Compare and contrast the development of India, China and Pakistan with respect to some salient human development indicators.

Answer. It is clear that:

1. China is moving ahead of India and Pakistan. This is true for many indicators—income indicator such as GDP per capita, or

proportion of population below poverty line or health indicators such as mortality rates, access to sanitation, literacy, life expectancy or malnourishment.

2. Pakistan is ahead of India in reducing proportion of people below the poverty line and also its performance in education, sanitation and access to water is better than that of India. Both China and Pakistan are in similar position with respect to the proportion of people below the international poverty rate of \$1 a day, whereas the proportion is almost two times higher for India.
3. In China, for one lakh births, only 38 women die whereas in India it is 230 and in Pakistan it is 260.
4. India and Pakistan are ahead of China in providing improved water sources.

Question 16. Comment on the growth rate trends witnessed in China and India in the last two decades.

Answer. Growth of Gross Domestic Product (%), 1980-2009 In 1980s, China had remarkable growth rate of 10.3% when India was finding it difficult to maintain a growth rate of even 5%. After two decades, there was a marginal improvement in India's and China's growth rate.

Question 17. Fill in the blanks:

1. First Five Year Plan of commenced in the year 1956. (Pakistan/China)
2. Maternal mortality rate is high iri (China/Pakistan)
3. Proportion of people below poverty line is more in (India/Pakistan)
4. Reforms in were introduced in 1978. (China/Pakistan).

Answer. (1) Pakistan, (2) Pakistan, (3) India, (4) China.

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