Here are short notes and explanations for each of the development economics concepts from your past papers (2017–2023), organized for easy revision:

2017

1. Economic Development:
A long-term process that improves the quality of life in a country through better education, health, income, and infrastructure. It’s broader than just economic growth.

2. Vicious Circle of Poverty:
A poverty trap where low income leads to low savings → low investment → low productivity → continues poverty cycle.

3. Unemployment (and Measurement):
People willing to work but can't find jobs.
Measured by:
Unemployment Rate = (Unemployed / Labor Force) × 100

4. Demographic Transition:
Shows how population growth changes over time:

Stage 1: High birth & death rates

Stage 2: Death rate falls

Stage 3: Birth rate falls

Stage 4: Low birth & death rates

5. Human Capital:
Skills, knowledge, education, and health that people have, which contribute to economic productivity.

2018

1. Major Components of Economic Growth:

Capital formation

Technological advancement

Human resource development

Increase in productivity

2. Size vs Functional Income Distribution:

Size: Income inequality across people or households

Functional: How income is distributed among labor, land, and capital

3. Capital Accumulation in Development:
More machines, tools, and infrastructure lead to increased production and job creation.

4. Breaking Vicious Circle of Poverty:

Education & skills training

Foreign aid and investment

Industrialization

Govt. policies to boost savings/investment

5. Environmental Problems in Pakistan:

Air & water pollution

Deforestation

Climate change impacts

Poor waste management

2019

1. Economic Development:
(Same as 2017)

2. Millennium Development Goals (MDGs):
UN's 8 goals to reduce poverty, hunger, illiteracy, and improve health by 2015.

3. Core Values of Development:

Sustenance: Basic needs

Self-esteem: Dignity & respect

Freedom: From oppression & poverty

4. Features of Underdeveloped Countries:

Low income

High birth rates

Poor health/education

Agriculture-based economy

5. Development as a Process:
It’s not one-time—it involves continuous structural, social, and economic changes.

2020

1. Sustainable Development:
Meeting today’s needs without harming future generations’ ability to meet theirs.

2. Human Capital:
(Same as 2017)

3. Types of Unemployment:

Frictional: Between jobs

Structural: Skills mismatch

Cyclical: Due to recession

Seasonal: Agriculture/tourism-related

4. Growth vs Development:

Growth: Increase in GDP

Development: Better health, education, standard of living

5. Causes/Effects of Low Living Standards:

Causes: Poverty, poor health, unemployment

Effects: Hunger, illiteracy, low productivity

2022

1. Objectives of Economic Development:

Reduce poverty

Increase income

Education/health for all

Create employment

Improve infrastructure

2. 5 Low-Income Countries:
Examples: Chad, Afghanistan, Niger, Haiti, Mozambique

3. Role of Science & Technology:

Increase production

Better communication

Improve education & health

Innovation leads to efficiency

4. Causes of Unemployment in Developing Countries:

1. Population growth

2. Lack of industries

3. Poor education system

4. Outdated skills

5. Political instability

5. Current vs Capital Account:

Current: Trade of goods/services

Capital: Investments, loans, assets

Industrialization Without Pollution:

Use green energy

Pollution control laws

Modern eco-friendly technology

Spread industries to rural areas

2023: Concepts
Here are detailed explanations of the listed terms in the context of Development Economics:

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1. Underdevelopment
Refers to a condition where a country experiences low levels of income, high poverty, poor health, limited education, and underutilization of resources. Such countries typically rely on agriculture, have low industrialization, and face structural challenges.

2. Per Capita Income

The average income earned per person in a given area in a specified year. It is calculated as:
Per Capita Income = National Income ÷ Total Population
It's used to compare the economic well-being of different countries.

3. Disposable Income
The income left with individuals after deducting taxes and mandatory charges. It represents the amount available for spending and saving.

4. Production Function
A mathematical representation showing the relationship between inputs (like labor and capital) and output. It's commonly written as:
$Q = f(L, K)$
Where Q = output, L = labor, K = capital.

5. National Innovation System
A framework involving institutions (like universities, research centers, industries) that promote innovation and technology development, leading to economic progress.

6. Greenfield Investment
Foreign direct investment (FDI) where a company builds new operational facilities from the ground up in a foreign country. It helps generate employment and infrastructure development.

7. Fiscal Deficit
Occurs when a government's total expenditures exceed its total revenue (excluding borrowings). It indicates government borrowing needs.

8. Developmental Expenditures
Government spending aimed at economic development, such as education, health, infrastructure, and technological development.

9. Circular Debt
A situation where different institutions in the power or energy sector owe money to each other, causing cash flow issues and inefficiencies, especially common in Pakistan's energy sector.

10. Globalization of Markets
Integration of domestic markets with international markets, leading to increased trade, investment, technology flow, and cultural exchange.

11. Indirect Taxes
Taxes imposed on goods and services rather than on income or profits. Examples include sales tax, value-added tax (VAT), and excise duty.

12. Dualism
The coexistence of two distinct sectors (modern and traditional) in an economy. For example, an urban industrial sector existing alongside a rural agricultural sector.

13. Capital Output Ratio (COR)
A measure of how much capital is needed to produce one unit of output.
COR = Capital Investment / Increase in Output
A lower COR indicates better efficiency in using capital.

14. Absolute Poverty
A condition where individuals lack the basic necessities of life, such as food, shelter, and healthcare. It is measured using a fixed poverty line, like living on less than $2.15 per day (World Bank).

15. Real GDP per Capita
GDP adjusted for inflation divided by the population. It shows the average real income per person and is a key indicator of living standards.