

Class X - Social Science Study Material

Economics : Chapter-01(Module-1)

DEVELOPMENT

1. The idea of development or progress has always been with us.
2. We have aspirations or desires about what we would like to do and how we would like to live.
3. In this chapter, we shall make a beginning for understanding development.
4. It is only through a democratic political process that these hopes and possibilities can be achieved in real Life.

WHAT DEVELOPMENT PROMISES — DIFFERENT PEOPLE, DIFERENT GOALS:

1. People seek things that are most important for them, i.e. that which can fulfill their Aspirations or desires.
2. In fact, at times, two persons or groups of persons may seek things which are conflicting.
3. So two things are quite clear:
 - (i) Different persons can have different developmental goals.
 - (ii) What may be developed for one may not be developed for the other. It may even be destructive for the other.

INCOME AND OTHER GOALS:

1. What people desire are regular work, better wages and decent price for their crops or Other products that they produce. In other words, they want more income.
2. People also seek things like equal treatment, freedom, security, and respect for others.
3. In some cases, these may be more important than more income or more consumption because material goods are not all that you need to live.
4. Money, or material things that one can buy with it, is one of the factors on which our life depends on non-material things mentioned above.
5. There are many things that are not easily measured but they mean a lot to our lives. These are often ignored.
6. However, it would be wrong to conclude that what cannot be measured is not important.
7. Similarly, for development people look at a mix of goals.
8. The developmental goals that people have are not only about better income but also about other important things in Life.

NATIONAL DEVELOPMENT:

1. It is very important to keep in mind that different persons could have different as well as conflicting notions of a country's development.
2. National development means thinking about fair and just path for all, whether there is a better way or doing things.

HOW TO COMPARE DIFFERENT COUNTRIES OR STATES?

1. Usually, we take one or more important characteristics of persons and compare them based on these characteristics.
2. For comparing countries, their income is considered to be one of the most important attributes.
3. Countries with higher income are more developed than others with less income.
4. The income of the country is the income of all the residents of the country. This gives us the total income of the country.
5. For comparison between countries, total income is not such a useful measure.
6. Hence, we compare the average income which is the country's total income divided by its total population. The average income is also called per capita Income.
7. In World Development Report 2006 brought out by the World Bank, Countries with per capita income of Rs.4,53,000 per annum and above in 2004, are called rich countries and those with per capita income of Rs. 37,000 or less are called low-income countries.
8. India comes in the category of low income countries because its per capita income in 2004 was just Rs.28,000 per income.

INCOME AND OTHER CRITERIA:

1. Let us compare the per capita income of Punjab, Kerala and Bihar.
2. Punjab has the highest per capita income and Bihar is at the bottom.
3. So, if per capita income were to be used as the measure of development, Punjab will be considered as the most developed state of the three.