

People as Resource

Fastrack Revision

- ▶ **Human capital** is the stock of skill and productive knowledge embodied in the population of a country. Population becomes human capital when there is investment made in the form of education, training and medical care.

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Countries like Japan have developed and become rich by investing in the field of education and health.

- ▶ Investment in human capital, through education, training, medical care, etc., yields a return as more educated and better trained persons earn higher incomes.

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Trade, transport, communication, banking, education, health, tourism, insurance, etc., comprise the tertiary sector.

- ▶ When the existing human resource/capital is further developed by provision of healthcare and education facilities, then it is referred to as **human capital formation**. It adds to the productive power of the country and contributes towards increasing the Gross National Product (GNP) or national income of a country.
- ▶ The activities which add value to the national income are called **economic activities**. These activities are further classified as follows:
 - ▶ **Market Activities:** These activities involve remuneration to anyone who performs, an activity either for salary or for profit. These include production of goods and services, including government services. These activities can be performed in primary sector, secondary sector and tertiary sector.
 - ▶ **Non-market Activities:** These activities involve production for self-consumption or self-use or other non-remunerative activities are included.
- ▶ The quality of population represents the social, economic and cultural growth of a country. It is highly dependent on education and health facilities.
- ▶ Education is an important input for human capital formation. It opens new horizon by providing new aspirations and developed values of life. It enhances the national income, cultural richness and increases the efficiency of governance.
- ▶ Government is taking steps to provide universal access, ensure retention and quality in elementary education and encourage education among girls.

- ▶ Sarva Shiksha Abhiyan was a significant step towards providing elementary education to all children in the age group of 6 to 14 years by 2010.
- ▶ Mid-day meal scheme has also been introduced to encourage and retain attendance of the students and to improve their nutritional status.
- ▶ Because of the efforts of the government, the literacy rates have increased from 18% in 1951 to 74% in 2010-11.
- ▶ Health helps a person to realise his potential and to fight illness. Unhealthy person becomes a liability for an organisation as well as nation. Health is an indispensable basis for realising one's well-being.
- ▶ Over the last five decades, India has built up a vast health infrastructure and manpower and the following improvements have been noticed:
 - ▶ Life expectancy has increased to 68.3 years in 2016 from 26 in 1940s.
 - ▶ Infant Mortality Rate (IMR) has declined to 34 per 1,000 births in 2016, from 147 in 1951.
 - ▶ Crude Birth Rate (CBR) has dropped to 20.4 and Crude Death Rate (CDR) to 6.4.

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The 12th plan endeavoured to raise the country's Gross Enrolment Ratio (GER) in higher education in the 18 to 23 years age group to 25.2% by 2017-18 and to reach target of 30% by 2020-21.

- ▶ Unemployment is said to exist when people, who are willing to work at the existing wage rates, cannot find jobs.
- ▶ In case of India, we have unemployment in rural and urban areas. In case of rural areas, there is seasonal and disguised unemployment. Urban areas have mostly educated unemployment.
- ▶ The unemployment crisis has the following effects:
 - ▶ It leads to wastage of manpower resource.
 - ▶ It tends to increase economic overload.
 - ▶ The quality of life of an individual as well as society is adversely affected.
 - ▶ There is a general decline in health status.
 - ▶ Feeling of hopelessness and despair occurs among the youth.
 - ▶ The dependence of the unemployed on the working population increases.
 - ▶ There is inability of educated people in finding gainful employment.



Practice Exercise

Multiple Choice Questions

- Q 1. The form of investment in human capital is/are:**
 a. education b. training
 c. medical care d. All of these
- Q 2. Market activity is known as production for:**
 a. exchange b. earning income
 c. earning profit d. All of these
- Q 3. A woman cooks food for her family. This activity is:**
 a. economic activity b. non-economic activity
 c. Both a. and b. d. None of these
- Q 4. Production for self-consumption is:**
 a. non-production activity b. non-market activity
 c. non-economic activity d. None of these
- Q 5. The quality of population depends on:**
 a. literacy rate b. health
 c. skill d. All of these
- Q 6. Bribe taken by parent is a/an:**
 a. economic activity b. marketing activity
 c. non-economic activity d. None of these
- Q 7. Increase in longevity of life is an indicator of:**
 a. good quality of life
 b. Improvement in health sector
 c. better HDI (Human Development Index)
 d. All of the above
- Q 8. One who can read and write in any language with understanding is termed as:**
 a. student b. adult c. child d. literate
- Q 9. India's position scientifically and technically as manpower in the world is:**
 a. first b. second c. third d. fourth
- Q 10. The scheme for the establishment of residential schools to impart education to talented children from rural areas is:**
 a. Kendriya Vidyalayas b. Navodaya Vidyalayas
 c. Sarvodaya Vidyalayas d. None of these
- Q 12. Services of housewives are included in:**
 a. national income
 b. domestic income
 c. household income
 d. None of the above
- Q 13. People as a resource refers to the:**
 a. educational skills b. productive skills
 c. health skills d. None of these
- Q 14. Which of the following is/are primary sector activities?**
 (i) Forestry (ii) Poultry farming
 (iii) Animal husbandry (iv) Manufacturing
 a. Only (i) b. (i), (ii) and (iii)
 c. (ii), (iii) and (iv) d. All of these
- Q 15. Sprinkling crops with insecticide is an activity of which sector?**
 a. Primary sector
 b. Secondary sector
 c. Tertiary sector
 d. Manufacturing sector
- Q 16. Which one of the following is included in secondary sector?**
 a. Trade b. Marketing
 c. Manufacturing d. Education
- Q 17. What does tertiary sector provides?**
 a. Services
 b. Goods
 c. Both goods and services
 d. None of the above
- Q 18. The women in India paid low because:**
 a. they are idle
 b. they have meagre education
 c. they work in unorganised sector
 d. Both b. and c.
- Q 19. Infant mortality rate refers to the death of a child under the age of:**
 a. 1 year b. 2 years
 c. 3 years d. 4 years
- Q 20. is the number of women per thousand of men in a population.**
 a. Death rate b. Birth rate
 c. Sex ratio d. Infant mortality rate
- Q 21. Choose the correct option regarding quality of education.**
 a. Lack of universities
 b. Dropout in primary school education
 c. Lack of colleges
 d. None of the above

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Navodaya Vidyalayas (i.e., model schools) have been opened in each district as ideal schools whose facilities and methods can be replicated by other schools.

- Q 11. Choose the non-market activities:**
 (i) Vilas sells fish in the village market
 (ii) Vilas cooks food for his family
 (iii) Sakal works in a private firm
 (iv) Sakal looks after his younger brother and sister
 a. (i) and (ii) b. (iii) and (iv)
 c. (i) and (iii) d. (ii) and (iv)

Seasonal unemployment is related to which regions?

- a. Urban regions
- b. Rural regions
- c. Both a. and b.
- d. None of these

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Seasonal unemployment exists when a person willing to do work is not able to find work for a certain season or period. It is mainly found in rural areas where people are mostly dependent on agriculture.



Q 23. One who is willing to work but is unable to find work is called:

- a. Unemployed
- b. Employed
- c. Undisguised
- d. Disguised

Q 24. The persons who are not working by their own will are covered under:

- a. seasonal unemployment
- b. disguised unemployment
- c. educated unemployment
- d. None of the above

Q 25. Educated unemployment is related to which regions?

- a. Rural regions
- b. Urban regions
- c. Both rural and urban regions
- d. None of the above

Q 26. More than required people employed for a particular job is known as:

- a. Disguised unemployment
- b. Seasonal unemployment
- c. Optional unemployment
- d. Undisguised unemployment

Q 27. Disguised unemployment can be traced to:

- a. banking
- b. transport
- c. mining
- d. agriculture

Q 28. Match the following:

| Column I | Column II |
|---------------------------|--|
| 1. Seasonal unemployment | A. Educated people are not able to get a job. |
| 2. Disguised unemployment | B. People are unemployed during some months in a year. |
| 3. Educated unemployment | C. More people do a job than actually required. |

- | | | | | | |
|------|---|---|------|---|---|
| 1 | 2 | 3 | 1 | 2 | 3 |
| a. B | C | A | b. C | A | B |
| c. A | C | B | d. C | B | A |

Q 29. Which of the following programme has been initiated to increase the enrolment in elementary education?

- a. Sarva Shiksha Abhiyan
- b. Bridge courses
- c. Mid-day Meal Scheme
- d. All of the above

Q 30. Which of the following person is having seasonal employment?

- a. A farm labourer
- b. A construction worker
- c. A miner
- d. A beggar

Q 31. Read the following statements carefully and choose the correct option:

Statement (I): People dependent upon agriculture usually face problem of seasonal unemployment.
Statement (II): Urban areas have mostly educated unemployment.

- a. Statement (I) is correct and (II) is incorrect.
- b. Statement (I) is incorrect and (II) is correct.
- c. Both statements are incorrect.
- d. Both statements are correct.

Q 32. Read the following statements carefully and choose the correct option:

Statement (I): The expenditure on education as a percentage of GDP has declined to 2.7% in 2017-18.

Statement (II): In 2017-18, literacy rate varied from 80.5% in Kerala to 70.9% in Bihar.

- a. Statement (I) is correct and (II) is incorrect.
- b. Statement (I) is incorrect and (II) is correct.
- c. Both statements are incorrect.
- d. Both statements are correct.



Assertion & Reason Type Questions

Directions (Q. Nos. 33-40): In the following questions given below, there are two statements marked as Assertion (A) and Reason (R). Read the statements and choose the correct option:

- a. Both Assertion (A) and Reason (R) are true and Reason (R) is the correct explanation of Assertion (A).
- b. Both Assertion (A) and Reason (R) are true, but Reason (R) is not the correct explanation of Assertion (A).
- c. Assertion (A) is true, but Reason (R) is false.
- d. Assertion (A) is false, but Reason (R) is true.

Q 33. Assertion (A): Literacy rate is high among the males of India.

Reason (R): The opportunity to get education is more among males as compared to females due to male-dominating society in India.

Q 34. Assertion (A): Women, who are engaged in economic activities, generally take up teaching and medicine.

Reason (R): Women are paid more wages as compared to men.

Q 35. Assertion (A): The 11th plan endeavoured to raise the country's Gross Enrolment Ratio in higher education in the age-group of 18 to 23 years.

Reason (R): The plan also focuses on distant education, convergence of formal, non-formal, distance, and IT education institutions.

Q 3. Assertion (A): Women are less educated than men.
Reason (R): This is due to gender inequality and social boundations in India.

Q 37. Assertion (A): Educated unemployment is posing a great threat to our country.

Reason (R): In educated unemployment, people appear to be employed but their productivity is zero.

Q 38. Assertion (A): Activities which contribute to the national income are called economic activities.

Reason (R): Economic activities are not paid for and the factors are not remunerated.

Q 39. Assertion (A): The level of unemployment varies with economic conditions and other circumstances.

Reason (R): Unemployment can be expressed as a percentage of the total available workforce.

Q 40. Assertion (A): The quality of population depends upon the literacy rate, health of a person, life expectancy and skill formation acquired by the people of the country.

Reason (R): The quality of the population decides the growth rate of the country leading to the growth of society.

Answers

- | | | | | |
|---------|---------|---------|---------|---------|
| 1. (d) | 2. (d) | 3. (a) | 4. (b) | 5. (d) |
| 6. (c) | 7. (a) | 8. (d) | 9. (c) | 10. (b) |
| 11. (d) | 12. (d) | 13. (b) | 14. (b) | 15. (a) |
| 16. (c) | 17. (a) | 18. (d) | 19. (a) | 20. (c) |
| 21. (b) | 22. (b) | 23. (a) | 24. (d) | 25. (b) |
| 26. (a) | 27. (d) | 28. (a) | 29. (d) | 30. (a) |
| 31. (d) | 32. (a) | 33. (a) | 34. (c) | 35. (b) |
| 36. (a) | 37. (c) | 38. (c) | 39. (b) | 40. (b) |



Source Based Questions

Source 1

Read the source given below and answer the questions that follow by choosing the most appropriate option:

'People as Resource' is a way of referring to a country's working people in terms of their existing productive skills and abilities. Looking at the population from this productive aspect emphasises its ability to contribute to the creation of the Gross National Product. Like other resources population also is a resource — a 'human resource'. This is the positive side of a large population that is often overlooked when we look only at the negative side, considering only the problems of providing the population with food, education and access to health facilities. When the existing 'human

resource' is further developed by becoming more educated and healthy, we call it 'human capital formation' that adds to the productive power of the country just like 'physical capital formation'. Investment in human capital (through education, training, medical care) yields a return just like investment in physical capital. This can be seen directly in the form of higher incomes earned because of higher productivity of the more educated or the better trained persons, as well as the higher productivity of healthier people.

Q 1. A way of referring to a country's working people in terms of their existing productive skills and abilities is:

- a. people as a resource
- b. living resource
- c. capital resource
- d. productive resource

Q 2. Through which of the following investment in human capital yields a return just like investment in physical capital?

- a. Education
- b. Training
- c. Medical care
- d. All of these

Q 3. How is human resource different from other resources like land and physical capital?

- a. It is an active and living resource.
- b. It is an indispensable resource.
- c. It makes use of other resources like land, physical capital etc.
- d. All of the above

Q 4. The stock of skill and productive knowledge present in them is called:

- a. Human capital
- b. Physical capital
- c. Productive capital
- d. Investment capital

Q 5. Identify the incorrect statement regarding the role of education in human capital formation.

- a. It helps the people to make better use of economic opportunities available before them.
- b. It increases the quality of labour and helps to enhance the total productivity.
- c. It is an indispensable basis for realising one's well being.
- d. It results in the growth of the economy.

Q 6. Why does investment in human capital help to earn higher income?

- a. Higher productivity of the more educated or the better trained persons.
- b. Higher productivity of healthier people.
- c. Higher human capital formation.
- d. Both a. and b.

Answers

1. (a) 2. (d) 3. (d) 4. (a) 5. (c) 6. (d)



2

Read the source given below and answer the questions that follow by choosing the most appropriate option:

In case of India we have unemployment in rural and urban areas. However, the nature of unemployment differs in rural and urban areas. In case of rural areas, there is seasonal and disguised unemployment. Urban areas have mostly educated unemployment. Seasonal unemployment happens when people are not able to find jobs during some months of the year. People dependent upon agriculture usually face such kind of problem. There are certain busy seasons when sowing, harvesting, weeding and threshing is done. Certain months do not provide much work to the people dependent on agriculture. In case of disguised unemployment people appear to be employed. They have agricultural plot where they find work. This usually happens among family members engaged in agricultural activity. The work requires the service of five people but engages eight people. Three people are extra. These three people also work in the same plot as the others. The contribution made by the three extra people does not add to the contribution made by the five people. If three people are removed the productivity of the field will not decline. The field requires the service of five people and the three extra people are disguised unemployed.

- Q 1. Which of the following unemployment is mostly seen in urban areas?**
- Seasonal unemployment
 - Disguised unemployment
 - Educated unemployment
 - Self-employment
- Q 2. Which of the following is a case of disguised unemployment?**
- Agriculture
 - Manufacturing
 - Service
 - None of these
- Q 3. Which of the following resources are wasted by unemployment?**
- Mineral resources
 - Human resources
 - Agricultural resources
 - Economic resources
- Q 4. Which of the following cause(s) is/are responsible for unemployment in India?**
- Population explosion
 - Defective educational system
 - Defective economic planning
 - All of the above
- Q 5. 'Employment structure is characterised by self-employment in the primary sector.' Which of the following sector is discussed here?**
- Agricultural sector
 - Mining sector
 - Education sector
 - Unorganised sector

- Q 6. There are two statements marked as Assertion (A) and Reason (R). Read them and choose the correct option:**

Assertion (A): Unemployment tends to increase the dependence of the unemployed persons on the people who are working.

Reason (R): Unemployment has a detrimental effect on the growth of the economy as it wastes resources that can be gainfully employed.

- Both Assertion (A) and Reason (R) are true and Reason (R) is the correct explanation of Assertion (A).
- Both Assertion (A) and Reason (R) are true, but Reason (R) is not the correct explanation of Assertion (A).
- Assertion (A) is true, but Reason (R) is false.
- Assertion (A) is false, but Reason (R) is true.

Answers

1. (c) 2. (a) 3. (b) 4. (d) 5. (a) 6. (b)

Source 3

Read the source given below and answer the questions that follow:

Sarva Shiksha Abhiyan is a significant step towards providing elementary education to all children in the age group of 6–14 years by 2010. It is a time-bound initiative of the Central Government, in partnership with the States, the local government and the community for achieving the goal of universalisation of elementary education. Along with it, bridge courses and back-to-school camps have been initiated to increase the enrolment in elementary education. Mid-day meal scheme has been implemented to encourage attendance and retention of children and improve their nutritional status. These policies could add to the literate population of India.

The Gross Enrolment Ratio (GER) in higher education in the age group of 18 to 23 years is 26.3% in 2018–19, which would be broadly in line with world average. The strategy focuses on increasing access, quality, adoption of state-specific curriculum modification, vocationalisation and networking on the use of information technology. There is also focus on distance education, convergence of formal, non-formal, distance and IT education institutions.

- Q 1. Mention any two features of Sarva Shiksha Abhiyan.**

Ans. The two main features of Sarva Shiksha Abhiyan are:

- To provide useful and elementary education for the children in the age group of 6–14 years.
- To bridge social, regional and gender gaps with the active participation of the community in the management of schools.

Q 2. **Has mid-day meal scheme been implemented?**
 Ans. Mid-day meal scheme has been implemented to encourage attendance and retention of children and improve their nutritional status.

Q 3. **Name the initiatives taken by the government to improve elementary education in India.**

Ans. The initiatives taken by the government to improve elementary education in India are:

- (i) Sarva Shiksha Abhiyan
- (ii) Mid-day Meal Scheme
- (iii) Opening of Navodaya Vidyalayas
- (iv) Development of Vocational Streams
- (v) Bridge courses and back-to-school camps.

Very Short Answer Type Questions

Q 1. **What do you understand by human capital?**

Ans. Human capital is the stock of skill and productive knowledge embodied in the population of a country.

Q 2. **'Investment in human capital yields a return'. Do you agree? Give reason.**

Ans. Yes, I agree. More educated and better trained persons earn higher incomes.

Q 3. **When does population become human capital?**

Ans. Population becomes human capital when the investment is made in the form of education, training and medical care.

Q 4. **How is human resource superior to land and capital?**

Ans. Human resource is superior to land and capital as it can make use of land and capital.

Q 5. **What are market activities?**

Ans. Activities performed either for salary or for profit are referred to as market activities.

Q 6. **In which category of activity begging is included?**

Ans. Begging does not involve production of any goods or services and does not add to national income also. So, it is included in a non-economic activity.

Q 7. **Which investments in human resources should be done for better economic growth?**

Ans. Healthcare and education are the sectors which relate completely to human resources and so, investment should be done in these for having better economic growth.

Q 8. **In which category of activity will you place a social worker educating poor children for free?**

Ans. The social worker is not earning any money; thus, his activity will be classified as a non-market activity.

Q 9. **Study the picture given below and answer the question that follows:**



Based on the picture, classify the activities into three sectors.

Ans. Farming—Primary sector.
 Factory—Secondary sector.
 Water transport—Tertiary sector.

Q 10. **Japan has developed and become rich. How?**

Ans. Japan has developed and become rich by investing in the field of education and health.

Q 11. **How does education help people?**

Ans. Education helps people to make better use of the economic opportunities available for them.

Q 12. **Name any two determinants of the earning of any individual.**

Ans. The two determinants of the earning of any individual are:
 (i) Education. (ii) Skill.

Q 13. **Which type of population is a liability for an economy?**

Ans. Illiterate and unhealthy population is the liability for an economy.

Q 14. **What is meant by vocational education? State its one characteristic.**

Ans. Vocational education means training for a specific vocation i.e., training for being employed in a particular job.

Characteristic: Vocational education is an education catering to the requirements of the economy.

Q 15. **Why education has an important role in human capital formation?**

Ans. Education broadens the knowledge of people and provides them training, thus it has an important role in human capital formation.

Q 16. **Sarva Shiksha Abhiyan is meant to provide what kind of education?**

Ans. Sarva Shiksha Abhiyan is meant to provide elementary education (upto class VIII) to children in the age group of 6 to 14 years.

Q 17. **For which kind of school children Navodaya Vidyalayas have been started?**

Ans. Navodaya Vidyalayas have been started for talented school children residing in rural areas.

How will you define the life expectancy of a newborn baby?

Life expectancy is defined as the average length of time in years that a newborn baby will live.

Q 19. What is Infant Mortality Rate (IMR)?

Ans. Infant Mortality Rate (IMR) is the number of deaths of infants under one year of age per 1,000 live births.

Q 20. Which person out of a farm labourer, a construction worker and a miner is having seasonal employment?

Ans. Miners and construction workers normally work in all seasons. Only a farm labourer will work for some part of the year and thus is having seasonal employment.



Short Answer Type Questions

Q 1. Describe the role of human capital in the production process. Name two investments that can improve the quality of human capital.

Ans. Human capital has the following role in the production process:

- (i) Human capital is the most important capital as all other types of capital can be used only by humans.
- (ii) Humans develop and process resources and use them to produce another goods and commodities. These resources are of no use and are not considered as resources without human capital.
- (iii) The development of human capital helps in the development of production process which ultimately leads to success.

The two investments that can improve the quality of human capital are investment on health and education.

COMMON ERROR

Sometimes students forget to answer the second part of the question so read the question properly while answering.

Q 2. 'Investment in human resource via, education and health can give high rates of return in future.' Support the statement with suitable arguments.

OR

'Investment in human capital yields a return just like investment in physical capital.' Explain.

OR

How does investment in human resource give higher return in future? Explain any three points.

Ans. The given statement is supported through the following arguments:

- (i) One can earn higher income because more educated or better trained persons have higher productivity.

- (ii) Investment in health increases the efficiency of the human resource and enables them to earn more.

Q 3. 'Countries like Japan did not have any natural resources, still they are developed countries'. Give reasons.

Ans. Japan is a developed country despite being poor in natural resources due to the following reasons:

- (i) It has invested in human resources.
- (ii) It has invested in the field of health and education.
- (iii) The skilled and trained people have made efficient use of resources like land and capital which has made the country rich.
- (iv) Efficient technology has helped in the development and have made the country rich.
- (v) It imports the required resources for their industries.

Q 4. How is human resource different from other resources like land and physical capital?

Ans. Differences between human resources and physical resources are:

| S. No. | Basis of Difference | Human Resources | Land and Physical Capital Resources |
|--------|-----------------------|---|---|
| (i) | Active/Passive factor | They are <u>active factors of production.</u> | These are <u>passive factors of production.</u> |
| (ii) | Factor of production | They are <u>primary factors of production as they can make use of land and capital.</u> | These are <u>secondary factors of production as they cannot become useful on their own.</u> |

Q 5. How are the market activities different from non-market activities?

Ans. Difference between market activities and non-market activities are:

| S. No. | Basis of Difference | Market Activities | Non-market Activities |
|--------|---------------------|--|--|
| (i) | Meaning | These activities involve <u>activities performed for salary or profit.</u> | Non-market activities involve <u>production for self-consumption.</u> |
| (ii) | Comparison | These include <u>production of goods or services including government service.</u> | These include <u>consumption and processing of primary product and own account production of fixed assets.</u> |

are the various activities undertaken in primary sector, secondary sector and tertiary sector?

Ans. Economic activities undertaken in primary, secondary and tertiary sectors are as follows:

- (i) **Primary Sector:** This sector involves production of raw materials and food products, e.g., farming, mining, fishing, foresting, animal husbandry, flower cultivation, etc.
- (ii) **Secondary Sector:** This sector involves manufacturing of finished goods, e.g., construction work, tailoring, working in industries, etc.
- (iii) **Tertiary Sector:** This sector involves all activities that support the primary and secondary sectors, e.g., banking, transportation, insurance, communication, financing, courier, etc.

Q 7. What do you know about 'Sarva Shiksha Abhiyan'?

Ans. Sarva Shiksha Abhiyan is a significant step towards providing elementary education to all children in the age group of 6 to 14 years by 2010 and has the following goals:

- (i) It is a time-bound initiative of the Central Government in partnership with the states, the local government and the community to achieve the goal of universalisation of elementary education.
- (ii) Bridge courses and back-to-school camps have been introduced to increase the enrolment in the elementary education.
- (iii) The programme is an attempt to provide an opportunity for improving human capabilities of all children through provision of community owned quality education in a mission mode.

Q 8. What part does health play in individual's working life?

Ans. Health is an important aspect of an individual's life having the following role:

- (i) It involves the physical, mental, economic and social well-being of an individual.
- (ii) Good health increases the learning capacity of a worker. One cannot work properly if he/she is sick or physically weak.
- (iii) A sick labourer, without access to medical aid withholds his own productivity and that of the nation also. Hence, sound health is very much essential in an individual's working life.

Q 9. Explain the unemployment problem of urban areas.

OR

Which kind of unemployment dominates urban areas?

Ans. In the case of urban areas, educated unemployment has become a common phenomenon.

Many youth with matriculation, graduation and post-graduation degrees are not able to find job. A study showed that unemployment of graduate and post-graduate has increased faster than among matriculates.

Q 10. Explain the employment scenario in the three sectors.

Ans. The employment scenario can be explained through the following points:

- (i) Agriculture is the most labour absorbing sector of the economy.
- (ii) In secondary sector, small scale manufacturing is the most labour absorbing.
- (iii) In tertiary sector, new services are now appearing like biotechnology, information technology, etc. which have created substantial employment opportunities.



TIP

Do not forget to cite examples for all the sectors to explain the employment scenario.

Q 11. 'Domestic work done by women is not accounted in the national income.' Give two reasons.

Ans. Two reasons for this are as follows:

- (i) Domestic activities have a negligible impact on the economy.
- (ii) These services are not produced for the market. So, their valuation becomes difficult.



Long Answer Type Questions

Q 1. 'Large population can be turned into a productive asset'. Explain.

Ans. People are the important resource of a country and they can be turned into a productive asset if a country invests more on their welfare.

The given statement can be explained as follows:

- (i) Better education and training to people helps to develop more skilled and innovative workforce which can contribute in the growth of the economy.
- (ii) Investment in the form of education ensures good employment opportunities to the people who cannot raise their standard of living through earnings but will contribute to the national income of the country.
- (iii) Investment on healthcare facilities of the population allows people to avail these facilities and can lead to healthy environment for them to flourish and develop.
- (iv) Creating jobs in different sectors of economy may help to reduce the unemployment ratio.



- (v) Investment in the rural and backward regions as well as in modernisation of agriculture helps to bridge urban-rural divide and thus, the population of rural and backward areas can be transformed into an asset.

Q 2. Explain the differences between economic activity and non-economic activity. Give example.

Ans. Difference between economic activity and non-economic activity are:

| S. No. | Basis of Difference | Economic Activities | Non-economic Activities |
|--------|---------------------|---|---|
| (i) | Remunerated | The factors are remunerated. | The factors are not remunerated. |
| (ii) | National income | These contribute to national income. | These do not contribute to national income. |
| (iii) | Purpose | These include all the activities done to earn money. | These include all the activities done for personal satisfaction. |
| (iv) | Income | These activities lead to an increase in the personal income as well as the national income. | These activities do not lead to an increase in the personal income and national income. |
| (v) | Example | If a woman is chef in a hotel, she gets paid for it. This is an economic activity. | When she cooks food for her family she is performing a non-economic activity. |

Q 3. What is the role of education in human capital formation?

Ans. Role of education can be understood with the help of the following points:

- (i) Education is one of the main factors of economic and social development.
- (ii) It helps in increasing the mental horizon of the people and is a must to develop human personality.
- (iii) It helps in the development of science and technology.
- (iv) It encourages economic development through greater participation of the people in the affairs of the country.
- (v) It increases the efficiency of the workers.
- (vi) It enhances the national income, cultural richness and increases the efficiency of governance.

Q 4. Describe the policy of government in the field of education.

Ans. According to National Education Policy 1986, the government considers human resource as a positive

asset, which needs to be cherished, nurtured and developed. Following efforts are made for the same:

- (i) There is a provision made for providing universal access, retention and quality in elementary education with special emphasis on girl education.
- (ii) There is also an objective for the establishment of schools like Navodaya Vidyalaya in each district whose facilities and methods can be replicated by other schools.
- (iii) Vocational streams have been developed to equip large number of high school students with occupations related to knowledge and skills.
- (iv) Bridge courses and back-to-school camps have been initiated to increase the enrolment in elementary education.
- (v) The expenditure on provision of education has increased.

Knowledge BOOSTER



The expenditure on education as a percentage of Gross Domestic Product (GDP) has risen from 0.64% in 1951-52 to 3% in 2015-16.

Q 5. Give an account of National Health Policy. Mention any five points.

Ans. The National Health Policy contains the following five important points:

- (i) Improvement in the health status of the population has been the priority of the policy.
- (ii) The National Health Policy, 2002 aims at achieving an acceptable standard of health for the country.
- (iii) To achieve this objective, a comprehensive approach is advocated which includes improvements in individual healthcare, public health, sanitation, clean drinking water, access to food and knowledge of hygiene and feeding practices.
- (iv) The country has a well structured three-tier public health infrastructure, comprising of Community Health Centres, Primary Health Centres and Sub-centres spread across rural and semi-urban areas and tertiary medical care providing multi-speciality hospitals and medical colleges located almost exclusively in the urban areas.
- (v) Over the last five decades, India has built up a vast health infrastructure and has developed manpower required at primary, secondary and tertiary sector, government as well as in the private sector.





about the policy explaining its objectives and scenario in India.

Q 6. Describe the unfavourable effects of population growth in a country like India.

Ans. The unfavourable effects of population growth in a country like India are:

- (i) **Poverty:** With the increase in family size, the poorer families go deeper into poverty since the family income remains the same.
- (ii) **Unemployment:** Increase in population leads to increase in unemployment as more of the people require to be employed in comparison to the available jobs.
- (iii) **Illiteracy:** Excessive growth in population leads to less of education opportunities available for students due to the availability of limited educational resources.
- (iv) **Food Shortage:** High population causes higher pressure on agriculture to produce more besides people not able to get adequate supply of food.
- (v) **Strain on Natural Resources:** Population growth leads to excessive strain on the natural resources available such as fuel, vegetation, water, minerals, etc.

Q 7. Define unemployment. Name the two types of unemployment prevailing in India. Discuss its effects in India.

Ans. Unemployment is a situation when people who are willing to work at the going wages cannot find jobs.

The two types of unemployment found in India are:

- (i) **Seasonal Unemployment:** This occurs when people are not able to find jobs during some months of the year. Such a problem is faced by people dependent upon agriculture.
- (ii) **Disguised Unemployment:** This occurs when all the members of a family are engaged in agricultural activity but they all may not be required.

The effects of unemployment in India are:

- (i) It causes loss of human resources.
- (ii) Unemployment generates poverty.
- (iii) Social security is hampered as a result of unemployment.
- (iv) It gives birth to political instability in the country.
- (v) Labourers are exploited to the maximum possible extent in the state of unemployment.

Q 8. What are the disadvantages of unemployment? Explain.

OR

'Unemployment has detrimental impact on the overall growth of an economy.' Explain.

Ans. The following are the disadvantages of unemployment:

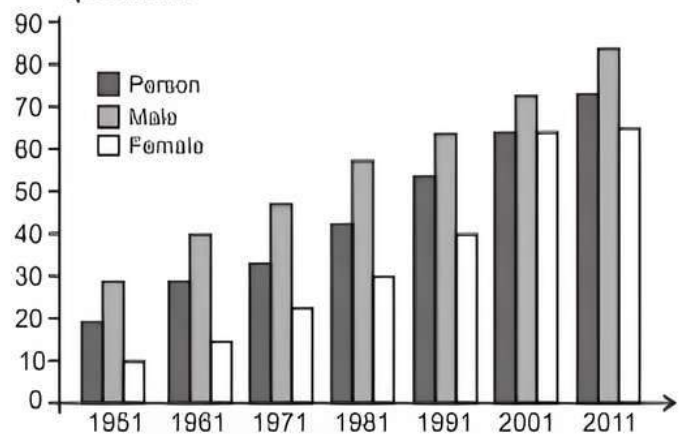
- (i) Unemployment leads to wastage of human resources.
- (ii) The basic cause of poverty is unemployment. People do not have enough money to support their family.
- (iii) Unemployment tends to increase the economic overload. The dependence of the unemployed on the working population increases.
- (iv) The quality of life of an individual as well as of the society is adversely affected.
- (v) Unemployment leads to class conflict that compounds the problem of social turmoil.



TIP

The explanation of the statement must be in the form of disadvantages and not prior description.

Q 9. Study the graph carefully and answer the following questions:



- (i) Has the literacy rates of the population increased since 1951?
- (ii) In which year India has the highest literacy rates?
- (iii) Why literacy rate is high among the males of India?
- (iv) Why are women less educated than men?
- (v) How would you calculate literacy rate in India?

Ans. (i) Yes, the literacy rates of the population have increased since 1951 as shown above in image.
 (ii) India has the highest literacy rates in 2011.
 (iii) India traditionally has a patriarchal male-dominated society where more importance is given to males. Culturally due to division of labour, the males go out of their homes and get better access to education. Poor families due to monetary constraints prefer to send only their sons to school and not their daughters.

Women are less educated than men because more preference is given to the boys or sons in the family for education as they are considered as future of the family. Traditionally, the girls were expected to stay at home and look after domestic chores. So, education among girls was

not encouraged. Because, of the above reasons, the women are less educated than men.

(v) The literacy rate can be calculated on the basis of the formula i.e., $\frac{\text{the number of literate people}}{\text{the population multiplied by 100}}$.

Q 10. Discuss the following table and answer the questions:

| Year | Number of Colleges | Number of Universities | Students | Teachers in Universities & Colleges |
|---------|--------------------|------------------------|-------------|-------------------------------------|
| 1950-51 | 750 | 30 | 2.63.000 | 24.000 |
| 1990-91 | 7346 | 177 | 49.25.000 | 2.72.000 |
| 1998-99 | 11089 | 238 | 74.17.000 | 3.42.000 |
| 2010-11 | 33.023 | 523 | 186.70.050 | 8.16.966 |
| 2012-13 | 37.204 | 628 | 223.02.938 | 9.25.396 |
| 2014-15 | 40.760 | 711 | 265.85.437 | 12.61.350 |
| 2015-16 | 41.435 | 753 | 284.84.741 | 14.38.000 |
| 2016-17 | 42.338 | 795 | 294.27.158* | 14.70.190* |

(i) What is the increase noticed among the teachers in the year 1998-99?

(ii) Is the increase in the number of colleges adequate to admit the increasing number of students?

(iii) Do you think we should have more number of universities?

(iv) What is your idea about future colleges and universities?

- Ans. (i) There was an increase of 21 thousand teachers in the year 1998-99 compared to 1996-97.
- (ii) No, the increase in the number of colleges is not adequate to admit the increasing number of students because the number of students is increasing at a faster rate compared to the colleges being established.
- (iii) Seeing the ever-increasing number of students, we should establish more universities to cater to their needs. But at the same time, greater stress should be on opening more and more colleges.
- (iv) In future colleges and universities, stress should be on vocationalisation of education. There should also be a focus on distance education and convergence of formal and informal.



Chapter Test

Multiple Choice Questions

Q 1. Decrease in IMR (Infant Mortality Rate) of a country signifies:

- Increase in life expectancy
- Increase in GNP
- economic development of a country
- Increase in number of colleges in a country.

Q 2. Which one of the following is considered important to create a 'virtuous cycle' by the parents?

- To send their children to the school.
- To provide good food to their children.
- To join their children in corporate schools.
- To take care of the health and education of their children.

Q 3. Increase in longevity of life is an indicator of:

- good quality of life
- Improvement in health sector
- better Human Development Index
- All of the above

Q 4. Why is literacy rate low in females?

- Lack of equal education opportunities
- Lack of transport facilities
- Lack of infrastructure
- Lack of income

Q 5. Why are rural women employed in low-paid jobs?

- They do not need to work in high-paid jobs.
- They lack in education or the necessary skill.
- They are not aware of the wage structure.
- They are not allowed by their families to do high paid jobs.

Assertion and Reason Type Questions

Directions: Q. Nos. 6-7): In the following questions given below are two statements marked as Assertion (A) and Reason (R). Read them and choose the correct option:

- Both Assertion (A) and Reason (R) are true and Reason (R) is the correct explanation of Assertion (A).
- Both Assertion (A) and Reason (R) are true, but Reason (R) is not the correct explanation of Assertion (A).
- Assertion (A) is true, but Reason (R) is false.
- Assertion (A) is false, but Reason (R) is true.

Q 6. Assertion (A): Increase in unemployment is an indicator of a depressed economy.

Reason (R): Unemployment tends to increase economic overload and the dependence of the unemployed on the working population increases.

Q 7. Assertion (A): Women with high education and skill are paid equally as men.

Reason (R): Education and skill are the major determinants of earning of any individual in the market.

Source Based Questions

Q 8. Read the source given below and answer the questions that follow by choosing the most appropriate option:

Education helps individual to make better use of the economic opportunities available before him. Education and skill are the major determinants of the earning of any individual in the market. A majority of women have meagre education and low skill formation. Women are paid low compared to men. Most women work where job security is not there. Various activities relating to legal protection is meagre. Employment in this sector is characterised by irregular and low income. In this sector there is an absence of basic facilities like maternity leave, childcare and other social security systems. However, women with high education and skill formation are paid at par with the men. Among the organised sector, teaching and medicine attract them the most. Some women have entered administrative and other services including job, that need high levels of scientific and technological competence.

(i) Which of the following is the major determinant of the earning of any individual?

- Education
- Skill
- Income
- Both a. and b.

(ii) Why are women less educated than men still today?

- Due to division of labour.
- No encouragement to education among girls.
- Preference is given to the boys or sons in the family for education.
- Low monetary constraints.

(iii) Which of the following is a peculiar problem of urban India?

- Seasonal unemployment
- Disguised unemployment
- Educated unemployment
- Rural unemployment

(iv) Identify the incorrect statement about the role of education in human capital formation.

- It helps to achieve and realise their full potential.
- It helps to make people successful in their life.
- It narrows down the knowledge among people.
- It helps to seek better jobs and higher productivity.

(v) Which of the following facilities are not found in Primary Sector in which most of the women work?

- Job security
- Legal protection
- Irregular and low income
- All of the above

(vi) There are two statements marked as Assertion (A) and Reason (R). Read them and choose the correct option:

Assertion (A): Education leads to ready unemployment.

Reason (R): Education develops life values and gives rise to new aspirations.

- Both Assertion (A) and Reason (R) are true and Reason (R) is the correct explanation of Assertion (A).
- Both Assertion (A) and Reason (R) are true, but Reason (R) is not the correct explanation of Assertion (A).
- Assertion (A) is true, but Reason (R) is false.
- Assertion (A) is false, but Reason (R) is true.

Very Short Answer Type Questions

Q 9. Sarva Shiksha Abhiyan is meant to provide what kind of education?

Q 10. How will you define the life expectancy of a newborn baby?

Short Answer Type Questions

Q 11. When does population become human capital?

Q 12. Why did Japan emerge as a developed country in spite of its poor natural resource?

Q 13. Mention any three features of National Health Policy.

Q 14. How are the children of educated parents different from those of uneducated parents?

Q 15. Why does unemployment have a detrimental effect on the overall growth of an economy?

Long Answer Type Questions

Q 16. What are the initiatives taken by the government to improve elementary education in India?

Q 17. What are the different strategies made by the government to solve unemployment in India?