

Gujarat Board Textbook Solutions Class 12 Economics

Chapter 11 Emerging Issues in Indian Economy

1. Choose the correct option for the following questions :

Question 1. In which year were economic reforms introduced in India?

- (A) 1990
- (B) 1991
- (C) 1999
- (D) 2008

Answer:

- (B) 1991

Question 2. What type of effects are there for migration due to attraction (pull factors)?

- (A) Negative
- (B) Positive
- (C) Zero
- (D) Relative

Answer:

- (D) Relative

Question 3. By 2050, how much of the world population will be in cities?

- (A) 1/2
- (B) 1/4
- (C) 2/3
- (D) 3/4

Answer:

- (C) 2/3

Question 4. The definition of an urban area given in which year was liberal?

- (A) In 1991
- (B) In 1981
- (C) In 1971
- (D) In 1951

Answer:

- (A) In 1991

Question 5. Approximately, what was the percentage of population living in cities in 2011? .

- (A) 20%
- (B) 32%
- (C) 35%
- (D) 25%



Answer:

(B) 32%

Question 6. According to the Indian Constitution, compulsory and free education should be made available to the children of which age group?

(A) 4-14 years

(B) 5-15 years

(C) 6-14 years

(D) 7-15 years

Answer:

(C) 6-14 years

Question 7. What was the extent of literacy in _____ India in 2011?

(A) 50%

(B) 60%

(C) 70%

(D) 74%

Answer:

(D) 74%

Question 8. When was railway started for the first time in India?

(A) In 1953

(B) In 1853

(C) In 1975

(D) In 1901

Answer:

(B) In 1853

Question 9. In which year was ONGC set up?

(A) In 1947

(B) In 1951

(C) In 1955

(D) In 1959

Answer:

(D) In 1959

2. Answer the following questions in one line :

Question 1. What is meant by internal migration?

Answer:

Movement of a person from one place to another within the geographical boundary of a country is known as internal migration.

Question 2. What is meant by development based migration.

Answer:

When people residing in a particular region are made to migrate to another region so that some developmental project can be undertaken at that place. It is known as development based migration. For example, lot of people were made to migrate when Gujarat started Sardar Sarovar Yojana.

Question 3. What is meant by urbanisation?

Answer:

Urbanization is a socio-economic process in which the population gets concentrated or centralized i.e. increases in one area. This eventually converts that area into a town or a city.

Question 4. What are the ways through which electricity can be produced.

Answer:

Electricity can be produced in the following ways:

- (A) Thermal power – Through coal,
- (B) Hydro power – Through water,
- (C) Nuclear power – Through nuclear energy and
- (D) Others – Windmill, biogas, solar energy, etc.

Question 5. Give the full form of ONGC.

Answer:

Oil and Natural Gas Commission.

3. Answer the following questions in brief :**Question 1. Give the meaning of migration.**

Answer:

Migration:

- Movement of a person from one place to another place, away from native place either within or outside the country for job, occupation, business or in search of better standard of living, on a permanent basis is called migration.
- Migration becomes faster with a faster increase in economic growth. Fast-rising economy encourages people living in lesser developed areas to move and settle at places that may be distant but well developed. They migrate in search of employment and to stabilize their family and attain a higher standard of living.

On the basis of this definition, we can say that migration

1. Is a long term aspect within or outside the country
2. Is for job, occupation, business or for the betterment of living standard.



Question 2. What are the pull factors for migration?

Answer:

Migration due to attraction (pull factors):

- When a person gets attracted to the life style and modern infrastructural facilities of urban areas and migrates there, it is known as migration due to attraction.
- Since the modern, life-style and infrastructure are pulling (attracting) the person these factors are called pull factors.

Example:

- Migration of people from village to city can be considered as migration due to attraction because compared to villages, the life style, transportation, communication system, education, health services, etc. along with job opportunities and business prospects are much better and more in the cities.
- Migration to other countries owing to above mentioned reasons is called migration due to attraction.

Question 3. Give meaning of urbanisation.

Answer:

Urbanization:

- The migration of people from rural areas to urban areas is known as urbanization.
- Urbanization is a socio-economic process in which the population gets concentrated or centralized i.e. increases in one area. This eventually converts that area into a town or a city. This concept is also known as centralization of population.

Question 4. State the different ways in which urbanisation takes place.

Answer:

Generally, three types of urbanization take place. They are:

1. In towns and cities, birth rate tends to be higher than the death rate and hence the urban population increases at a higher rate. This is known as natural population growth.
2. Due to the change in the definition of village and town areas, many rural areas have been upgraded and now they fall in the categories of cities. This results in an increase in urban population. This can be seen in cities like Ahmedabad, Vadodara, Surat, Rajkot, etc.
3. There is large scale migration of people from rural to urban areas which increases the urban population.



Question 5. State point wise, the negative effects of urbanisation.

Answer:

Negative effects of urbanization:

1. Income inequalities:

Urbanization creates income inequalities. In urban areas, on one hand there are intellectuals who are very highly educated, entrepreneurs and business magnates whose income levels are very high. While on the other hand, there are poor labourers who are illiterates, who do not have any expertise and who do not know anything except physical labour and hence have very low incomes.

Thus, one can witness very large income inequalities in urban areas.

2. Social inequalities:

The rich and the educated class of the urban areas have modern thinking while the uneducated poor class has frank and age-old thinking. Hence, such poor get exploited in urban areas. This creates social inequalities.

3. Problems of slum-dwelling:

Labour class people coming to cities from villages have lower incomes and hence cannot afford to buy pucca house. As a result, they forcibly live in hutments and dirty slums.

4. Problem of law and order:

Uncontrolled urbanization leads to population explosion in urban areas. The per capita vehicle in cities is high and it rises continuously.

- In case when migrants are not able to get proper employment and earn enough income they move to theft, dacoity, etc.
- It becomes extremely difficult for the limited police personnel to control the city properly. The day to day law and order situation looks weak and inefficient. -> In situations like riots and natural calamities, it becomes a very challenging task for them to look after the safety and security of such a large urban population.

5. Question of infrastructural facilities:

There is shortage of transportation, health, roads, shortage of pure drinking water and other such infrastructural facilities. This results in problems of water borne diseases, sanitation, shortage of electricity due to the failure of the local administration system, etc.

6. Problems of environmental pollution:

- Urbanization is the result of industrialization. Uncontrolled growth in industries increases pollution to manifolds.
- This also results in dirt and filth which eventually leads to various diseases. For example, more than 50% of poor population suffers from skin and respiratory diseases in big developed cities.

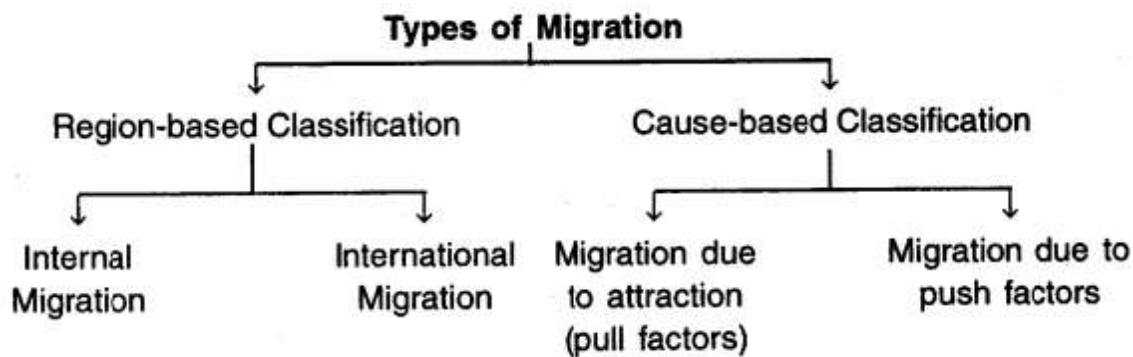


4. Give answers to the point for the following questions :

Question 1. Explain the types of migration.

Answer:

Types of Migration:



Question 2. Explain in brief, the measures to reduce the problems of urbanisation.

Answer:

Measures to reduce the problems of urbanization:

1. Policy related steps:

Government has taken the following policy related measures to reduce the problems of urbanization:

- (a) To control excessive urbanization, the government has put control on setting up industries in those cities where the population is more than 10 lakh.
- (b) Government has started encouraging development of small sized towns so that big cities can be stopped from further urbanization.
- (c) The Indian Government has adopted policies that can prevent big cities from becoming bigger and at the same time small and medium sized towns of all the towns can also develop.
- (d) Indian Government has adopted a policy of developing satellite tower near big cities.

2. Increasing employment opportunities:

- To control the negative effects of urbanization, Government has implemented several employment oriented programmes to enhance self-employment opportunities in cities.
- Government aims at maximum spread of these programmes so that the urban poor can take the benefit. This in turn will increase their income and improve their standard of living.

3. Strengthen the infrastructural facilities:

- To ensure that the infrastructural facilities like water, road, transportation, communication system, drainage, sanitation, etc. reach each land every person the government should make its system strong. . .

- To take the infrastructure at a much higher level the Central Government has implemented a plan to convert some cities into smart cities.
- The government should make efforts to construct houses for slum dwellers. With this objective the Central Government has initiated various housing schemes for the poor and middle income group people.

4. Education and health facilities:

- The rich and the affluent people of the cities are easily able to afford the ultra-modern education and health facilities but the poor class are not. This causes negative effects of urbanization. Steps must be taken to reduce this.
- If proper arrangements are made to avail these facilities even to the poor, then the negative effects of urbanization can be minimized.

5. Development of cottage and small scale industries:

Government should also pay good attention for developing subsidiary industries like cottage and small scale industries. This would help in reducing socio-economic inequalities caused due to urbanization.

6. Development of infrastructural facilities in rural areas:

Government should make effort to improve infrastructural facilities such as education, transportation, communication, roads, electricity, irrigation, etc. of smaller towns and cities. Doing so, people will not be forced to migrate to urban areas. This will further reduce the burden on cities and the negative effects of urbanization can be controlled.

7. Strengthen the administrative system:

- To control the problems related to urbanization, the law and order situation should be improved. This requires that the administrative system should be strengthened and inefficiencies in administrative co-ordination should be eliminated.
- Good governance should be put into practice to solve the problems.
- Citizens should be continuously made aware about law and order so that administrators can improve the law and order situation in the city.

Question 3. Write short note : Petroleum

Answer:

- Petroleum is one of the most important sources of energy. It is a driving force for all vehicles. All modern production depends on the petroleum.
- Modernization and industrialization are the key reasons for extremely high demand of petroleum and petroleum products.
- Development also boosts transportation. This results in rise in number of private and public vehicles which in turn continuously increases the demand for petroleum.



Petroleum in India:

- Owing to a very large population, fast development and low petroleum reserves, India has to depend heavily on foreign countries for importing petroleum from them.
- In India, oil reserves were first found in Assam.
- Realizing the importance of petroleum for economic development, ONGC (Oil and Natural Gas Commission) was set up in 1956. Later, in 1993, government converted into corporation and since then it is known as Oil and

Natural Gas Corporation.

- Through ONGC, the Government has tried hard to produce petroleum products on a large scale from across India.
- In Gujarat, petroleum resources have been discovered in Kadi, Kalol, Ankleshwar, etc.
- ONGC has set-up an off-shore drilling platform at Bombay High near Mumbai to drill petroleum from sea.

Limitations:

- In spite of all these efforts, India's contribution in petroleum production is just 0.4% of the total world production.
- The present world production and a continuous rise in demand shows that the petroleum reserves will be able to meet the world demand only for limited years. Hence, the countries of the world have seriously started thinking to make use of alternative energy sources. India has also initiated several research programmes to find out alternative means of petroleum.
- India has started using natural gas as an alternative fuel. It is found near the regions of petroleum.
- Natural gas is mainly used in thermal power stations, cooking gas and as . fuel for running vehicles.
- India produces about 0.5% natural gas of the total world production.

A big advantage of natural gas is that does not pollute the environment like petroleum. Hence, government is trying to promote it more and more in vehicles too.

Question 4. State the importance of education.

Answer:

Importance of education:

Education plays a very crucial role in the development of economy. Several importance of education are –

1. When an individual acquires knowledge he becomes eligible for several good opportunities. By grabbing and working on them his standard of living improves.
2. Education improves a person's ability to exchange ideas and uplift his self-confidence. ,



3. A well-educated person can make profitable decisions. This helps him to create a work-life environment for leading a good and successful life.
4. Education makes a person efficient to utilize the opportunities that are generated in the society through development.
5. Education can improve productivity of factory labourers.
6. Through education one can be provided systematic technological knowledge about a respective field. One can also be educated about modes of financial help available for various business needs. The various methods of production can be put into use and agricultural productivity can be increased in the field of agriculture.
7. Through effective education, a person's active participation in social issues can be increased.
8. It is essential to increase and expand education to make a person understand the environmental hazards. This will then help the society at large in creating environmental balance and maintaining soil fertility.
9. Through education awareness can be brought regarding cleanliness and health.

Question 5. Write short note on the development of Indian railway.

Answer:

Indian Railways:

- World over, railways are considered to be a revolutionary development in the field of transportation.
- The Indian Railways was started on 16th April, 1853 by the British Government for their trade benefits.
- The first railway line was put-up between Bombay and Thane covering a distance of 22 miles (approximately 34 kilometers).
- After independence, the administration of railways came into the hands of the Indian Government. The government established a separate department to administer the rail network of India.
- Today, India's rail network is at 1st position in Asia and at 4th in the world.
- Indian Railways is India's biggest public enterprise employing more than 14 lakh people.
- In 2012, 8200 million passengers travelled through railways and goods weighing 970 million tonnes were transported.



5. Answer the following questions in detail :

Question 1. Explain the causes of migration.

Answer:

There are four main causes for migration. They are:

1. Economic causes,
2. Social causes,
3. Political causes and
4. Environmental causes (Natural calamities)

1. Economic causes:

- For employment, occupation and business: A person migrates to another place for employment, occupation and business.
- Transfer: When a person employed by a company is transferred from one place to another distant place, he is forced to move to that place.
- Extant of natural resources: When a particular place has abundance of natural resources, but quite less population relatively, people migrate to that place.
Example: Mines of gold and diamond, regions where petroleum is found, oil refineries, etc. are places that require technical staff in a huge number. Hence, people migrate to places like UAE, Australia, New Zealand, Canada, etc. where such opportunities are widely available.
- To attain better quality education: A person aspiring for better education migrates to places that offers such facilities and later settles their permanently.
- To get modern health services: When a person does not get required health services in his own region, he forcibly migrates either temporarily or even permanently to places that offers better health facilities.
- Planned migration: When a family sends one or more persons away from the native place for economic activity to a distant place it is called planned or organized migration.

2. Social causes:

- Marriage: After marriage when a woman leaves her native and migrates to live in a different place with her husband it is called social migration.
- To get respite from social rituals: The social set-up of villages is quite traditional compared to that of cities. Urban societies also have liberal thinking and modern life style. As a result, village youth get attracted to such a lifestyle and like to settle in urban areas.



3. Political reasons:

- War and unrest: A region which is war-prone witnesses several small and big wars time and again. This makes the area unrest and unsafe with unstable employment opportunities.
Hence, people residing in those areas migrate to safe, peaceful and progressive areas that give ample amount of employment opportunities.
- Avoid friction: People migrate from places where riots and friction takes place frequently to safer and peaceful places.

4. Natural calamities or environmental factors:

People tend to migrate to safer places from places where natural calamities such as flood, famine, earthquake, etc. occur frequently.

Developmental migration:

- In order to develop a particular region if people residing in that region are made to migrate to another region it is called developmental migration. For example, lots of people were made to migrate when Gujarat started Sardar Srovar Yojana.
- Similarly, when projects related to National Park or afforestation are executed, people residing in those areas are made to move to different areas.

Question 2. Discuss the positive effects of migration.

Answer:

Positive effects of migration:

1. Growth of income:

People migrate mainly to either generate or increase their income.

- People moving to cities from villages for livelihood send a major portion of their income to their families. This in turn improves the standard of living of people living in villages.
- People also invest a part of this income in agriculture. This boosts agricultural production and productivity. Thus, agri-business and agro industries also grow with this.

2. Contribution towards a faster economic development:

- When Indians migrate to other countries, they send a part of their earnings to their families.
- They also invest a part of their income in Indian businesses, trading and industries. The investment comes to India in foreign currency. Hence, our foreign exchange, increases which then results in faster economic growth and economic development of our country.



It should be noted that the migration has risen especially after the new economic reforms of 1991. This has led to greater inflow of foreign exchange in India and faster rise in its economic development.

- Another advantage of migration is that when Indians go abroad for higher education they gain rich experience from the foreign systems and methodologies. When they return they use the same in India and help India develop more.

Question 3. Discuss the negative effects of migration.

Answer:

Negative effects of migration:

1. Unregulated urbanization:

- Poor migrants are generally very less educated and do not possess much skills. When they migrate from villages to cities they cannot afford to buy proper houses. Hence, they have to helplessly live in slums and in the city peripheries.
- Hutments and slums expand. All this results in uncontrolled urbanization in cities.

2. Shortage of infrastructural facilities:

- Facilities in the cities are planned considering its population. Sharp rise in urbanization, hutments and dirty slum dwellings make it difficult for the city administrators to provide enough water, drainage, road, transportation, communication, toilets, education, school, health services, etc. considering the limited resources and budget.
- As a result, serious problems like dirt, filth and life-threatening diseases spread among poor.

3. Problem of environmental pollution:

- Increased hutments and dirty slum dwellings give rise to shortage of toilets and drainage, waste removal system and hence increases environmental pollution.
- Cities like Ahmedabad, Ankleshwar, Surat, Mumbai, Kolkata, Delhi, etc. are few of the top cities facing these problems at a large scale.
- Over-migration in cities of Gujarat, especially Ahmedabad increases problem of transportation tremendously. Use of both public as well as private transport increases and hence serious problems of air pollution are created.
- Migration also causes noise pollution and water pollution.

4. Social evils:

- At times, people who migrate from villages to cities in search of a higher and regular income are unable to get desired job or life style.



- Owing to extreme poverty and helplessness sometimes these people get involved to antisocial activities like theft and loots which disturbs the social life of cities.
- Social frictions arise because of differences in the language, culture, life style, etc. between migrants and local people.

Question 4. Explain the effects of urbanisation.

Answer:

Effects of urbanization:

At world level, after China, the fastest urbanization is happening in India.

There are two major effects of urbanization. They are:

- (A) Positive effects of urbanization and
- (B) Negative effects of urbanization

(A) Positive effects of urbanization:

1. Increase in infrastructural facilities:

- Due to urbanization, infrastructural facilities like education, health, banking, transportation, communication, insurance, electricity, etc. keep on increasing in the urban areas.
- Development and maintenance of these facilities create more employment opportunities. When people get employment their purchasing power for goods and services increases. This increases demand for goods and services which in turn leads to setting up more industries.
- Thus, the cycle of setting up of more industries
- Creation of more employment opportunities
- Rise in income and rise in purchasing power
- Rise in purchasing power necessitating the setup of new industries. This cycle keeps going on.

2. Reduction in poverty:

Poverty and unemployment are mutually related. Due to urbanization, industry and service sector creates large scale employment in cities which reduces poverty.

Moreover, rural poor and unemployed who come to urban areas get employment according to their capabilities and skills. This also helps in reducing poverty.

3. Cultural development:

Cities have well-developed educational facilities that too for various discipline. People take benefit of these facilities and gain overall development which in turn helps in establishing a rich cultured society.

Libraries with modern amenities, book stalls and various cultural programmes that take place in cities enrich people culturally.

4. Ultra-modern health services:

Rise in urban population demands more and better health-care facilities. Today, we can see number of multispecialty hospitals flourishing in cities like Ahmedabad where ultra-modern treatment is available for every disease at one place.

Along with private hospitals, government and local self-government institutions also set-up hospitals for the benefit of the poor and the middle class. Better health facilities create a positive impact on the health and the productivity of people.

5. Social effects – modern thinking:

Cities have better education, cultural development and modern means of communication. As a result, the thinking of urban population is modern compared to villages.

Migrants from villages quickly adapt themselves to the modern world by having a decent and polite approach.

6. High standard of living:

Urbanization increases the income of people. This combined with the growth and development of modern infrastructural facilities makes the standard of living of people higher as compared to those living in rural areas.

(B) Negative effects of urbanization:

1. Income inequalities:

Urbanization creates income inequalities. In urban areas, on one hand there are intellectuals who are very highly educated, entrepreneurs and business magnates whose income levels are very high. While on the other hand, there are poor labourers who are illiterates, who do not have any expertise and who do not know anything except physical labour and hence have very low incomes.

Thus, one can witness very large income inequalities in urban areas.

2. Social inequalities:

The rich and the educated class of the urban areas have modern thinking while the uneducated poor class has frank and age-old thinking. Hence, such poor get exploited in urban areas. This creates social inequalities.

Problems of slum-dwelling:

Labour class people coming to cities from villages have lower incomes and hence cannot afford to buy pucca house. As a result, they forcibly live in hutments and dirty slums.

3. Problem of law and order:

Uncontrolled urbanization leads to population explosion in urban areas. The per capita vehicle in cities is high and it rises continuously.

In case when migrants are not able to get proper employment and earn enough income they move to theft, dacoity, etc.



It becomes extremely difficult for the limited police personnel to control the city properly. The day to day law and order situation looks weak and inefficient. -> In situations like riots and natural calamities, it becomes a very challenging task for them to look after the safety and security of such a large urban population.

4. Question of infrastructural facilities:

There is shortage of transportation, health, roads, shortage of pure drinking water and other such infrastructural facilities. This results in problems of water borne diseases, sanitation, shortage of electricity due to the failure of the local administration system, etc.

5. Problems of environmental pollution:

- Urbanization is the result of industrialization. Uncontrolled growth in industries increases pollution to manifolds.
- This also results in dirt and filth which eventually leads to various diseases. For example, more than 50% of poor population suffers from skin and respiratory diseases in big developed cities.

Question 5. Explain in detail, about India's educational scenario.

Answer:

In India, one can get educated either in government run institutions or private.

On the basis of age of the child, education in India is classified into following stages:

- Primary education: Standard 1 to 5
- Higher Primary education: Standard 6 to 8
- Secondary education: Standard 9 to 10
- Higher Secondary education: Standard 11 to 12
- College or higher education : Standard 12 onwards
- Apart from this if one wishes, he can also stop schooling after class 8 and join ITI to gain expertise in some technical field of his choice.

The educational sector can be studied in two aspects. They are:

(A) Positive aspect:

- The Constitution of India has made primary education for children between. 6-14 years age group, free and compulsory. It is the responsibility of the state government to see that they follow these guidelines and provide education in their respective states.
- There has been a huge development and expansion right from kindergarten up to the higher education institutes during the various plans. As a result, by 2013-14, there were 1.4 million primary schools in India where 7.7 million teachers taught.
- Gujarat state has made special effort by launching programmes like 'Gunotsav' and 'Praveshotsav' to encourage more enrollments in schools.



- In 2013-14, 95% children were registered in primary education.
- 'Education to All' (Sarva Shikhsan Abhiyan) programme and RTE (Right to Education) have worked considerably to spread awareness for providing education to every child of the country.

(B) Negative aspect:

In spite of several effort of the government, education sector is still weak. Poverty and illiteracy to educate the existing and next generation are the chief reasons for underdevelopment of educational sector.

- Even today, the situation of primary education in small villages is a matter of great concern. 29% of the children drop out of school before completing their 5th standard.
- Over and above this India also does not have trained teachers in proper number. In 2013-14, the student-teacher ratio was 46: 1 and that in higher primary education was 34:1.
- In 2013-14, 69% pupils were enrolled in secondary standards and only 25% in higher education.
- The scenario of education in India can be understood from the table below.

Extent of literacy:

Year	Extent of literacy in India (percent)	Extent of literacy in Gujarat (percent)
1981	43.57	44.92
1991	52.21	61.29
2001	64.83	69.14
2011	74.04	79.31

Source: Census of India

Conclusion:

Thus, in spite India has made several efforts to educate its masses, a big percentage of population is still illiterate.