

# 10<sup>th</sup> - Development



All of us have aspirations or desires for development, but the perspective of development varies from person to person, region to region, state to state and country to country. The way we live now, is a byproduct of development done in past and simultaneously, our future depends on our present planning and action.

**Meaning of development:** Development applies to all round development of a country. The society has various aspects of development. Such as freedom, participative involvement economic equality, security, life with dignity, etc.

Development involves thinking about these aspects and planning for the way through which desires can be fulfilled. All these can be achieved through a democratic political process, where all people participate without any discrimination.

**Development promises: different people and different goals**

Progress or development has always been an important concept pursued by human beings. Different people seek different things and have different goals for development.

Various categories of people will have a different set of developmental goals which are often conflicting. e.g., a girl expects equal freedom and opportunity like her brother and expects her brother's involvement in household work. Her brother may not like this.

Another example is, industrialists want more dams for their electricity requirement, but dams displace local community, submerge forestland and whole ecological set-up may be completely destroyed.

Development perspective is contrasting and sometimes conflicting. So, we can conclude that:

- (i) Different persons can have different developmental goals.
- (ii) Development for one may not be development for another, It may even be destructive for the other.

**Income and other goals:** Income is considered the most important component of development. People require regular work, better wages and decent price of their crops or other products that they produce i.e., they require more income.

However, it is not the only component they want, beside working more income, people also seek equal treatment, freedom, education, security, respect for their job, peace, a pollution-free environment and so on.

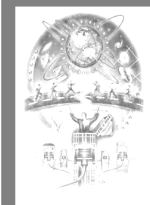
These other components are as important as income or consumption, because material goods are not all that we used to live. It is quality of life that matters most. Hence, for development people look at a mix of goals and developmental goals include both economic development and better quality of life.

**National Development:** The individuals seek different goals and their motive of national development is also likely to be different. While planning for national development it should be in mind that different persons could have different as well as conflicting notions for a country's development.

E.g. a farmer wants India to develop in a particular way, whereas a trader wants another way and a teacher yet another way. Under national development, priority is given to those goals which benefit a large number of people.

**Comparison of countries or states:** All the countries in the world or states in a country are not similar. On the basis of development, we categories them into developed country, underdeveloped and developing country. USA, UK and Japan are developed countries, whereas Bangladesh, Bhutan, Sri Lanka, etc. are developing countries. Economic development of a country is measured the basis of its National Income and Per Capita income.

**Comparison through National Income:** National Income is the income of all the residents of the country over a period of time and is also known as total income. Countries with higher total incomes are considered to be developed. However this is not a useful measure as countries have different populations and comparing total income will not state the average amount earned by a person.





**Comparison through Per Capita Income:** Per capita income gives a better comparison. It is calculated by dividing total income of country (GDP) by its total population. It is also called average income. Average income may be a better parameter than total income for comparison, but it has also drawbacks as it hides disparities. e.g. when a small section of people has very high income, the average income also gets high and do not gives proper idea about the actual situation.

In UAE, Saudi Arab, a very small group of very rich people earn more than 90% of the total income and consists about less than 2% of the population. Though average income is very high for UAE but serious economic disparity is seen throughout the country.

**World Bank Report on Per Capita Income:** World Bank publishes World Development Report (WDR) every year with a comparing note for all the nations on the basis of per capita income. World Development Report 2012, defines countries as rich and lower income country through range and extent of Per Capita Income (PCI). The bank has classified the countries as follows

- (i) Countries with PCI of US \$ 12,616 or more are termed as rich countries.
- (ii) Countries with PCI of US \$1035 or less are termed as low income countries.

In 2012, India's per capita income was only about US \$ 1530 per annum and it was classified as a low middle income country. The rich countries, except countries of the Middle-East and some small countries, are also called developed countries whereas lower income countries are called underdeveloped countries.

**Income and other criteria:** The development level of nations or regions should be judged on the basis of other attributes beside income. To understand this, let's take a comparative analysis of three states: Maharashtra, Kerala and Bihar from various aspects.

Source: Economic Survey 2013-14

Some Comparative Data on Maharashtra, Kerala and Bihar

State	Infant Mortality Rate per 1,000 Live Birth (2012)	Literacy Rate % 2011	Net Attendance Ratio (per 100 persons) secondary stage (age 14 and 15 years) 2009-10	Per Capita Income for 2012-13 (in ₹)
Maharashtra	25	82	64	107670
Kerala	12	94	78	88527
Bihar	43	62	35	28774

From comparative table, various aspects of developments can be concluded as follow:

(i) Per Capita Income (PCI) in regard to states are calculated as Per Capita Net State Domestic Product (PCNSDP). Per capita income in Maharashtra, is highest and in Bihar, it is lowest, that indicates employment status and scope of earning is quite less in Bihar.

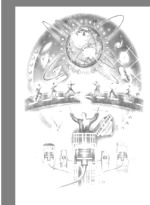
(ii) Kerala has the least IMR whereas Bihar has maximum Infant Mortality Rate (IMR). High IMR implies that healthcare facility is poor and high per capita income does not guarantee for better healthcare facilities.

Maharashtra has higher PCI than Kerala, but has almost 2 times more IMR, it is concluded that health services are poor in Maharashtra. As PCI is low and IMR is high in Bihar, poverty is clearly visible in Bihar. IMR also influences life expectancy at birth.

(iii) Kerala has the highest literacy rate, but Bihar has the lowest. It means, more children in Bihar are away from education because of poverty and lack of educational facilities. Maharashtra is lagging behind in education though it has higher PCI.

(iv) Enrolment Ratio or Net Attendance Ratio is highest in Kerala, but lowest in Bihar. The percentage of net attendance ratio is all three states is low, which implies clear dropout. These aspects indicate that per capita income is not the best criteria to decide development, but other basic facilities and quality of life also matter much and must be properly counted for development.

**Public facilities:** Monetary development or more average income may not procure you a better life. Money cannot buy all the goods and services needed for your well-being. It





cannot buy pollution-free environment, unadulterated medicines, etc. In India, even today in many areas, children particularly girls, are not able to achieve secondary level schooling because of inadequate facilities public facilities like primary, secondary schools, healthcare facility, cleanliness are also important for living.

**Public Distribution System** :Some states like Tamil Nadu has a well-functioning Public Distribution System for supply of food grains to poor people in rural areas, whereas Jharkhand does not have such an efficient system. In Tamil Nadu, 75 percent of the people living in rural areas use a ration shop whereas in Jharkhand only 8 percent of rural people are able to do so.

Since, the health and nutritional status depends on availability of cheap and reasonable quality food grains, sugar and other item PDS, Tamil Nadu villagers will be better off than the rural people of Jharkhand.

**Body Mass Index (BMI)**: Nutrition is another important aspect of development. Internationally, a standard in term of as Body Mass Index (BMI) which is recognised to determine whether an adult person is undernourished or not. If we divide the weight of a person by the squares of his/her height, we get a ratio which is called BMI.

$$\text{BMI} = \text{Weight in kg} / (\text{height in meters})^2$$

If the BMI is below 18.5, the person is undernourished and if it is over 25, the person is overweight. e.g., if the weight of a 1.65 meters tall adult is below 50.5 kg, the person will be considered undernourished. However, if the same person's weight is over 68 kg, the person is considered overweight. This standard is not applicable for growing children.

**Human Development Report: Best Method to Measure Development**

Human Development Report published by UNDP (United Nations Development Programme) is one of the best methods to measure development. The report compares countries based on three criteria namely:

- Living Standard (Per Capita Income)
- Health status (Life expectancy)
- Educational levels of the people (Literacy rate and Enrollment ratio)

The report publishes with separate criteria for developed countries and underdeveloped countries i.e., functional literacy is used for developed countries.

India occupies 135th rank in HDR 2014 in comparison to 126th rank in 2004 report. Among South Asian countries, Sri Lanka is ahead of India in ranking.

The Human Development Index (HDI) considers public health, education, poverty level, inequality and environmental aspects to measure human development.

**Sustainability of development**: Economic development in the developed countries and developing countries, has been attained at the cost of natural resources and environment. Development takes place through exploitation of renewable and non-renewable resources. For example, excessive mining of iron, gold, silver or coal and extraction of crude oil lead to depletion of the stock of these resources. Smoke and other poisonous gases being released from factories lead to environmental pollution.

Problems of water and air pollution are affecting the lives of people and will affect lives of future generations also. The fear of exhausting the non-renewable resources and degradation of the environment warns that the current pattern of development is not sustainable.

**Environmental Degradation and Sustainable Development**: Our mismanagement of natural resources will result into environmental degradation that is not confined to national or state boundary. Now, the focus is on sustainable development, which permits us to use the resources carefully. Sustainable development is a new term that is associated with the balanced use of natural resources. It not only emphasises on balanced economic development, but also on long-term benefit by using resources at minimum level so, that future generations can use it. Thus, it is rightly said that we have not





inherited the world from our forefather; we have borrowed it from our children. The examples given below show how the resources are exploited.

### Example 1 - Groundwater in India

“Recent evidence suggests that the groundwater is under serious threat of overuse in many parts of the country. About 300 districts have reported a water level decline of over 4 meters during the past 20 years. Nearly one-third of the country is overusing their groundwater reserves. In another 25 years, 60 per cent of the country would be doing the same, Groundwater overuse is particularly found in Punjab and Western Uttar Pradesh, hard rock plateau areas of Central and South India, some coastal areas and the rapidly growing urban settlements.”

### Example 2 - Exhaustion of Natural Resources

The table shows that crude oil reserves would last only 53 years more. This is for the world as a whole. However, different countries face different situations. Countries like India depend on importing oil from abroad they do not have enough stocks of their own.

Look at the following data for crude oil

Crude Oil Reserves

Region/Country	Reserves (2013) (Thousand Million Barrels)	Number of Years Reserves will last
Middle East	808.5	78.1
United States of America	44.2	12.1
World	1687.9	53.3

If prices of oil increase, this becomes a burden for everyone. There are countries like USA which have low reserves and hence want to secure oil through military or economic power.

### Exercise

1. Which position was occupied by India in terms of HDI in Human Development Report, 2014?
2. Which index is used to compare nutrition level?
3. Which concept is also called adjusted per capita income? Why is it adjusted?
4. What aims for maintaining the natural resources for the present as well as the future for consistent economic development?
5. Which Indian State has the highest infant mortality rate?
6. Mention any two things that money cannot buy?
7. If Income is the only criteria than which State between Maharashtra and Kerala may be considered more developed?
8. Which Indian State has an efficient Public Distribution System?

