

Unit 10

Development Experience in India

Key answers

1. C) Economic self-sufficiency
2. C) Services
3. B) Agricultural productivity
4. A) Jawaharlal Nehru
5. D) Economic crisis
6. A) MGNREGA
7. B) Public and private sectors co-exist
8. A) Bangladesh
9. B) Pakistan
10. B) Pakistan
11. A) Agriculture
12. B) Karnataka
13. C) Sri Lanka
14. A) Higher
15. B) 2nd
16. B) Boost manufacturing sector
17. D) All of the above
18. B) Ensure universal banking access
19. C) Pharmaceuticals
20. A) India
21. B) Agricultural productivity
22. C) Decrease defense spending
23. B) Coal
24. C) 74%
25. C) Services and IT sectors
26. A) Bangladesh
27. D) All of the above
28. A) Significantly higher in India
29. D) All of the above
30. D) Abolition of the License Raj
31. A) Liberalization of the economy
32. B) Manufacturing
33. C) 1.4 billion
34. B) Overpopulation
35. B) Heavy industry and manufacturing
36. A) A higher literacy rate
37. A) Life expectancy
38. A) Higher than China's
39. A) China's GDP per capita is higher than India's
40. A) Inequality between urban and rural areas
41. A) China's population is decreasing, while India's population is still increasing
42. C) China has a larger manufacturing sector than India
43. B) 70 years
44. B) Differences in government policies on health and education

45. C) Overburdened infrastructure and housing shortages
46. B) China
47. B) Enhancing manufacturing and technological advancement
48. B) China
49. B) Technological innovation and service exports
50. B) China
51. B) China
52. C) Economic liberalization and service sector growth
53. C) Large rural population with limited access to education
54. D) Both A and C
55. A) A youthful population
56. A) China's centralized planning and state-led capitalism
57. B) State ownership in key sectors of the economy
58. B) Lower than China's
59. A) High levels of industrial pollution
60. A) India has a larger working-age population than China

Below are the explanations for each answer:

1. **C) Economic self-sufficiency**
India's Five-Year Plans aimed primarily at achieving economic self-sufficiency through a mix of industrialization, agriculture, and infrastructure development. The goal was to reduce dependency on foreign imports, increase domestic production, and create a self-reliant economy. This self-sufficiency also sought to reduce poverty and unemployment.
2. **C) Services**
The services sector contributed the most to India's GDP in the 2020s, driven by IT, telecommunications, finance, and business services. India's rise as a global hub for IT outsourcing and software services significantly boosted its service sector's contribution, outpacing traditional sectors like agriculture and manufacturing.
3. **B) Agricultural productivity**
The "Green Revolution" in India, which began in the 1960s, focused on enhancing agricultural productivity through the introduction of high-yielding varieties of crops, better irrigation methods, and the use of fertilizers and pesticides. It aimed to ensure food security and reduce India's dependence on food imports.
4. **A) Jawaharlal Nehru**
Jawaharlal Nehru, India's first Prime Minister, launched the Five-Year Plans in 1951 with the aim of driving the country's economic development. His vision focused on industrialization, poverty reduction, and the establishment of public-sector enterprises to support the nation's growth.
5. **D) Economic crisis**
The 1991 economic reforms in India were triggered by a severe balance of payments crisis, which led to a foreign exchange shortage. India was forced to adopt liberalization, privatization, and globalization policies, opening up its economy to global markets and transforming it into one of the world's fastest-growing economies.
6. **A) MGNREGA**
The Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) was launched to improve rural development by guaranteeing employment opportunities to rural households for at least 100 days a year. This aimed at alleviating poverty, creating infrastructure, and empowering rural communities.

7. **B) Public and private sectors co-exist**

India's mixed economy allows for both public and private sectors to co-exist, meaning the government controls certain sectors like defense, energy, and transport, while private enterprises dominate sectors like IT, services, and retail. This balance aims to combine the benefits of both market and planned economies.
8. **A) Bangladesh**

Bangladesh shares the longest land border with India, stretching over 4,096 kilometers. This border traverses a variety of terrains, including forests, rivers, and agricultural land. The long border has led to complex socio-political and economic relations between the two neighboring countries.
9. **B) Pakistan**

As of the most recent data, Pakistan has a lower literacy rate compared to India. Despite some progress, Pakistan continues to face challenges in terms of educational access, especially in rural areas, and it lags behind India in terms of literacy development.
10. **B) Pakistan**

The Indus Valley Civilization, one of the world's earliest urban cultures, primarily existed in the region that is now Pakistan. The civilization's major cities, such as Harappa and Mohenjo-Daro, were located along the Indus River, in present-day Pakistan, rather than in India.
11. **A) Agriculture**

Agriculture remains the largest sector in India by employment. Despite the rise of services and manufacturing, around 40% of India's workforce is still engaged in agriculture, which, though contributing less to GDP, provides livelihoods to a significant portion of the population.
12. **B) Karnataka**

Karnataka, particularly its capital Bengaluru, is the leading state in India for IT and software products. Bengaluru is known as the "Silicon Valley of India" due to its thriving tech industry, housing global companies and startups, making Karnataka a key player in India's IT sector.
13. **C) Sri Lanka**

Sri Lanka ranks higher than India in terms of Human Development Index (HDI), which considers factors such as life expectancy, education, and income. Sri Lanka has made significant strides in improving its literacy rate, healthcare, and poverty alleviation, outperforming India in HDI.
14. **A) Higher**

India has a higher GDP per capita compared to Pakistan. India's larger, more diversified economy, boosted by its service sector (especially IT and telecommunications), has allowed it to achieve higher income levels per person compared to Pakistan, which faces slower economic growth and more significant poverty issues.
15. **B) 2nd**

As of the 2020s, India ranks 2nd in the world by population size, following China. India's population is rapidly growing, with projections indicating it will surpass China as the most populous country in the near future due to its higher birth rate and younger demographic.
16. **B) Boost manufacturing sector**

The "Make in India" initiative, launched by Prime Minister Modi in 2014, aims to boost the manufacturing sector by encouraging both domestic and foreign companies

to manufacture products in India. This initiative seeks to create jobs, reduce imports, and make India a global manufacturing hub.

17. **D) All of the above**

Both India and Pakistan face challenges such as political instability, high unemployment rates, and income inequality. These issues hinder their overall development, as economic growth often fails to translate into inclusive prosperity, leaving large sections of the population in poverty.

18. **B) Ensure universal banking access**

The Pradhan Mantri Jan Dhan Yojana (PMJDY) aims to ensure universal access to banking facilities by providing basic banking accounts to all households, particularly in rural areas. It also promotes financial literacy and financial inclusion, making banking accessible to India's poor and underserved populations.

19. **C) Pharmaceuticals**

Pharmaceuticals are one of India's largest export items, with the country being a major global supplier of generic drugs. India's pharmaceutical industry is highly competitive and is responsible for producing affordable medicine for both domestic and international markets, particularly in developing countries.

20. **A) India**

India has the largest economy in South Asia in terms of GDP. The country's diverse economic structure, driven by services, agriculture, and manufacturing, makes it the largest economy in the region. It has emerged as a major player in global markets, particularly in information technology and pharmaceuticals.

21. **B) Agricultural productivity**

India has made significant progress in agricultural productivity compared to Pakistan, particularly since the Green Revolution in the 1960s. India has successfully adopted modern farming techniques, high-yield crop varieties, and better irrigation systems, leading to increased food production and food security.

22. **C) Decrease defense spending**

India's Sustainable Development Goals (SDGs) focus on key social and economic issues such as eradicating poverty, improving education, and promoting gender equality. However, defense spending is not a direct focus, as the country prioritizes economic development, environmental sustainability, and social welfare programs instead.

23. **B) Coal**

Coal remains the dominant source of energy in India's energy consumption, largely due to the country's dependence on coal-fired power plants for electricity generation. Despite efforts to diversify into renewable energy, coal remains critical to meeting India's growing energy needs.

24. **C) 74%**

As of 2021, India's literacy rate was approximately 74%. While India has made significant progress in increasing literacy rates, challenges remain, especially in rural areas where access to quality education is limited. Gender disparities in literacy are also prevalent, particularly in certain states.

25. **C) Services and IT sectors**

India's economic growth since 1991 has been largely driven by the services and IT sectors. The country has become a global outsourcing hub, with strong growth in sectors like software development, business services, and telecommunications, contributing significantly to GDP growth.

26. **A) Bangladesh**

Bangladesh has the highest percentage of its population living below the poverty line

among the countries that share a boundary with India. Despite rapid economic growth in recent years, a large portion of Bangladesh's population still lives in poverty, with limited access to education, healthcare, and other services.

27. **D) All of the above**

Pakistan faces multiple development challenges, including a low literacy rate, political instability, and a poor healthcare system. These challenges undermine the country's development efforts and hinder the improvement of living standards for the population.

28. **A) Significantly higher in India**

India's literacy rate is significantly higher than Pakistan's. Despite improvements in education, Pakistan continues to face challenges in achieving high literacy rates, especially for women and rural populations. India's investments in education and policies have led to better overall literacy levels.

29. **D) All of the above**

Both India and Pakistan face common development challenges such as access to clean drinking water, political corruption, and regional economic inequality. These issues affect overall quality of life, hinder growth, and contribute to social unrest and poverty.

30. **D) Abolition of the License Raj**

The 1991 economic reforms in India included the abolition of the License Raj, a system of government controls that restricted businesses. This move facilitated greater economic liberalization, encouraging private sector growth, foreign investment, and competition in previously regulated industries.

31. **A) Liberalization of the economy**

India's economic growth since 1991 has been primarily driven by the liberalization of the economy. The government reduced tariffs, privatized state-owned companies, and encouraged foreign investment. This shift towards a market-driven economy opened up new opportunities for businesses and entrepreneurs, fostering rapid economic growth.

32. **B) Manufacturing**

As of 2025, China's GDP is primarily driven by manufacturing. The country is known for its extensive industrial base, producing everything from electronics to textiles, and has become the world's manufacturing powerhouse. This sector continues to play a central role in China's economic growth.

33. **C) 1.4 billion**

India's population is estimated to be around 1.4 billion in 2025. It is the second most populous country in the world, only behind China, and is expected to surpass China in population size in the coming years due to its higher birth rate.

34. **B) Overpopulation**

Both India and China face significant challenges related to overpopulation. While China has implemented policies to reduce population growth, India continues to experience high birth rates, contributing to pressure on resources, infrastructure, and services, making it challenging to achieve sustainable development.

35. **B) Heavy industry and manufacturing**

China is most known for its heavy industry and manufacturing output. The country has invested heavily in infrastructure, factories, and production capacity, becoming a global leader in manufacturing products ranging from electronics to consumer goods.

36. **A) A higher literacy rate**

China has a significantly higher literacy rate compared to India. China's emphasis on

universal education and its efforts to improve literacy, particularly in rural areas, have resulted in a higher rate of adult literacy compared to India's population.

37. A) Life expectancy

China has a higher life expectancy than India, reflecting its better healthcare infrastructure, economic development, and social services. China's focus on improving healthcare access and quality has contributed to longer life expectancy, while India continues to face challenges in healthcare access, especially in rural areas.

38. A) Higher than China's

India's population growth rate is higher than China's. While China's growth rate has slowed due to the One-Child Policy (now relaxed), India's population continues to grow rapidly due to its younger demographic and higher birth rates.

39. A) China's GDP per capita is higher than India's

China's GDP per capita is higher than India's, largely due to China's rapid industrialization, large-scale investments in infrastructure, and efficient governance. China's stronger manufacturing sector and better economic policies have allowed it to achieve a higher standard of living compared to India.

40. A) Inequality between urban and rural areas

Both India and China face significant inequality between urban and rural areas. Urban areas tend to benefit from better infrastructure, higher wages, and access to services, while rural areas often face challenges like poverty, limited access to education, and lack of job opportunities.

41. A) China's population is decreasing, while India's population is still increasing

China's population growth has slowed dramatically, and it faces a declining population due to the effects of its former One-Child Policy. In contrast, India's population continues to grow, driven by higher birth rates and a youthful population.

42. C) China has a larger manufacturing sector than India

China's manufacturing sector is larger than India's, largely due to China's government support, infrastructure investment, and focus on industrialization. China has become a global manufacturing hub, producing a wide range of goods from electronics to automobiles.

43. B) 70 years

As of 2025, India's average life expectancy is estimated at 70 years. While it has improved over the years, particularly in urban areas, the life expectancy is still lower than many developed countries due to healthcare disparities, especially in rural regions.

44. B) Differences in government policies on health and education

The gap between India and China's human development indicators can largely be attributed to China's focused government policies on health and education. China has made significant investments in these sectors, improving life expectancy, literacy rates, and poverty reduction, while India faces more challenges.

45. C) Overburdened infrastructure and housing shortages

Both India and China face challenges related to rapid urbanization, including overburdened infrastructure, inadequate public services, and housing shortages. The mass migration of rural populations to cities puts immense pressure on urban systems, leading to overcrowding, pollution, and strained resources.

46. B) China

China has made significant strides in reducing extreme poverty. Through targeted government programs, rapid economic growth, and investments in infrastructure and education, China has lifted hundreds of millions of people out of poverty over the past few decades.

47. **B) Enhancing manufacturing and technological advancement**

China's "Made in China 2025" initiative focuses on transforming China into a global leader in high-tech industries, including robotics, aerospace, and biotechnology. It aims to reduce dependence on foreign technology, improve manufacturing capabilities, and drive innovation in key industries.

48. **B) China**

China has a significantly higher literacy rate compared to India. The country has focused heavily on universal education and improving literacy in rural areas. As a result, China has achieved near-universal literacy among its adult population, while India continues to face challenges in education accessibility.

49. **B) Technological innovation and service exports**

Technological innovation and service exports are key drivers of economic growth in India. The country's thriving IT and software services sector, along with a booming startup ecosystem, has contributed significantly to India's economic rise on the global stage.

50. **B) China**

China has achieved greater success in poverty reduction compared to India. Through sustained economic growth, government policies focused on poverty alleviation, and massive investments in rural development and infrastructure, China has lifted a significant portion of its population out of poverty.

51. **B) China**

China has a significantly higher urbanization rate than India. More than 60% of China's population lives in urban areas, driven by rapid industrialization and urban migration. In contrast, India's urbanization rate is lower, with a large proportion of its population still living in rural areas. China's successful infrastructure development and economic policies have contributed to this higher urbanization rate.

52. **C) Economic liberalization and service sector growth:** Since the early 1990s, India has focused on economic liberalization, opening up its markets, reducing tariffs, and encouraging foreign investment. This has been complemented by the rapid growth of its service sector, especially in information technology and business process outsourcing. This shift has led to India's economic growth and increased global integration, setting it apart from its previous protectionist policies.

53. **C) Large rural population with limited access to education:** One of the most significant challenges India faces, compared to China, is its large rural population with limited access to education. Despite improvements in the education sector, there are still considerable disparities in access to quality education, particularly in rural and remote areas. This hampers human capital development, limiting India's ability to fully leverage its demographic advantage and transition to a knowledge-based economy.

54. **D) Both A and C:** The "One-Child Policy" in China, which lasted from 1979 to 2015, has led to both a shrinking workforce (due to fewer births) and an aging population. These demographic changes have resulted in a higher dependency ratio, where a smaller working-age population must support an increasing number of elderly people. The policy also contributed to long-term social issues, such as gender imbalances.

55. **A) A youthful population:** Both India and China, though facing different demographic challenges, have youthful populations, but India's is much younger than China's. In China, the effects of the one-child policy have led to an aging population, while India has a higher proportion of people in the working-age group, which is seen

as a potential demographic dividend. This youthful population offers opportunities but also demands significant investment in education and employment.

56. **A) China's centralized planning and state-led capitalism:** China's rapid economic growth is largely attributed to its centralized planning and state-led capitalism model. The government plays an active role in steering the economy through state-owned enterprises, industrial policies, and infrastructure development. This differs from India, where economic growth has been driven by market liberalization, a larger private sector, and a democratic policy framework, leading to slower industrial development compared to China.
57. **B) State ownership in key sectors of the economy:** China's approach to economic development has involved substantial state ownership and control over critical sectors, including energy, telecommunications, and heavy industries. The government's intervention has allowed it to direct resources into strategic industries, build large-scale infrastructure, and maintain control over key sectors. This is in contrast to India, where privatization and liberalization have led to a more market-driven economy.
58. **B) Lower than China's:** India's Human Development Index (HDI) rank is generally lower than China's due to disparities in health, education, and income levels. While China has made remarkable progress in reducing poverty, increasing life expectancy, and improving educational outcomes, India still faces significant challenges in these areas, particularly in rural regions. The HDI reflects these differences in human development, which are more pronounced in India.
59. **A) High levels of industrial pollution:** China faces significant environmental sustainability challenges, particularly related to industrial pollution. The country's rapid industrialization, coupled with heavy reliance on coal for energy, has led to severe air, water, and soil pollution. While China has made strides in addressing environmental issues by investing in renewable energy, the environmental degradation from years of industrial activity is a major concern.
60. **A) India has a larger working-age population than China:** India has a larger working-age population than China due to its younger demographic. China's working-age population is shrinking as a result of the one-child policy and its aging population, while India's working-age population is growing. This provides India with a potential demographic advantage, but it also presents challenges in terms of creating enough jobs and providing adequate training and education for the growing workforce.