

CBSE CLASS 9 SOCIAL SCIENCE

Economics — National Human Capital Development Studies

CHAPTER 2: PEOPLE AS RESOURCE

ULTIMATE IMPORTANT QUESTIONS BANK WITH MODEL ANSWERS

Strictly Formatted & Aligned with the Latest NCERT Syllabus and CBSE
Evaluation Framework



HIGH-VALUE DELIVERABLES INSIDE THIS EDITION:

- **Comprehensive Content Matrices:** Curated 1-Mark points, conceptual 3-Mark definitions, and high-probability 5-Mark long-form explanations.
- **Human Capital Dynamics:** Step-by-step breakdown of how investments in Education and Healthcare transform population from a liability into an asset.
- **Economic Sector Analysis:** Comprehensive multi-sector groupings separating Market vs. Non-Market and Primary, Secondary, and Tertiary sectors.
- **Labor Market Classifications:** Detailed comparative frameworks covering Seasonal, Technological, and Disguised Unemployment.
- **Advanced Evaluation Portals:** Competency case summaries, situational extracts, and full Assertion-Reason logic models.

SECTION 1: FREQUENTLY ASKED QUESTIONS (FAQS)

Q1. Explain the meaning of the phrase 'People as a Resource'. How does a population transform from a liability into a productive asset?

FREQUENTLY REPEATED

'People as a Resource' is a way of referring to a country's working population in terms of their existing productive skills and abilities. When we view a population through this lens, we emphasize its capacity to contribute to the creation of the National Product.

A population transitions from a demographic burden or liability into a highly productive asset through a process called **Human Capital Formation**, which requires targeted investments:

- **Investment in Education:** Education provides individuals with specialized knowledge, cognitive skills, and vocational training, which increases their work efficiency and opens up higher-paying jobs.
- **Investment in Healthcare:** Access to medical care, clean drinking water, and sanitation improves physical health and stamina, which directly boosts workforce participation and labor productivity.
- **On-the-job Training:** Regular technical and vocational training keeps workers updated on modern technological advancements, maximizing industrial efficiency.

EXAM BOOSTER: CORE DEMOGRAPHIC DEFINITION

Human Capital: The stock of skill, knowledge, and productive capabilities embodied in a nation's population. It is considered superior to physical capital (like machines) because human intelligence can actively utilize and add value to passive physical inputs.

Q2. Classify economic activities into their three primary sectors. Differentiate clearly between 'Market Activities' and 'Non-Market Activities'.

ANNUAL EXAM CLASSIC

Economic activities are broadly grouped into three primary sectors of production:

1. **Primary Sector:** Activities that directly harvest or exploit natural resources, such as agriculture, forestry, animal husbandry, fishing, poultry farming, and mining.
2. **Secondary Sector:** Manufacturing and processing industries that transform raw materials into finished, value-added products, such as manufacturing textiles, vehicles, and construction.
3. **Tertiary Sector:** Service industries that support the primary and secondary sectors, including transport, communication, banking, insurance, trade, education, and healthcare.

These activities are further categorized into two functional groups based on their commercial intent:

- **Market Activities:** Production activities performed for remuneration, profit, or commercial sale. They involve production of goods or services for the market, including government service. The worker receives wages, salary, or business revenue.
- **Non-Market Activities:** Production activities performed entirely for self-consumption. These include processing primary agricultural products for the household or building fixed assets for family use, where no financial transaction occurs in the open market.

SECTION 2: PREVIOUS YEAR QUESTION COLLECTION

Q3. Analyze the phenomenon of 'Disguised Unemployment' in rural India. How does it differ from 'Seasonal Unemployment'? CBSE PAST YEAR FOCUS

Rural economies face two main types of unemployment, which reflect different structural labor dynamics:

- **Disguised Unemployment:** Occurs when more workers are engaged in an activity than are actually required. For example, if a small agricultural plot requires only five workers but employs eight family members, the three extra workers are disguisedly unemployed. Their **marginal productivity is zero**; removing them does not reduce total crop output.
- **Seasonal Unemployment:** Occurs when people are unable to find work during certain months of the year. This pattern is common in agriculture because farming depends on a seasonal calendar for sowing, weeding, harvesting, and threshing, leaving laborers without work during dry inter-season periods.

SECTION 3: VERY SHORT ANSWER QUESTIONS (1 MARK)

Q4. Define 'Human Capital Formation'.

The process of expanding a population's skills, education, and health standards through targeted investments over time.

Q5. Which economic sector includes activities like forestry, poultry farming, and mining?

The Primary Sector.

Q6. Give an example of a tertiary sector activity.

Banking, transport, or healthcare services.

Q7. What is the main objective of 'Market Activities'?

To earn an income, profit, or financial remuneration through market transactions.

Q8. Define 'Unemployment' according to economic standards.

A situation where individuals who are able and willing to work at prevailing market wages cannot find employment.

Q9. Which type of unemployment is characterized by zero marginal labor productivity?

Disguised Unemployment.

Q10. What type of unemployment is most common among the educated urban youth in India?

Educated Unemployment (a form of open or structural unemployment).

Q11. What is the age group that defines India's active workforce population?

Individuals aged between 15 and 59 years.

Q12. What flagship government program was launched to provide universal elementary education to children aged 6 to 14?

Sarva Shiksha Abhiyan (SSA).

Q13. Define 'Gross National Product' (GNP).

The total market value of all final goods and services produced by a nation's factors of production within a specific time period.

Q14. What are 'Navodaya Vidyalayas'?

Co-educational residential schools set up by the government in rural districts to provide quality education to talented students.

Q15. Why does high unemployment indicate an economic waste of resources?

It turns a potential asset (working-age people) into an economic burden, wasting human resources that could otherwise generate national output.

SECTION 4: SHORT ANSWER QUESTIONS (2–3 MARKS)

Q16. Using the NCERT case studies of Vilas and Sakal, explain how different levels of investment in human resources shape an individual's lifetime economic opportunities.

The lives of Sakal and Vilas illustrate how human resource investments determine future economic outcomes:

- **Sakal's Growth Path:** Sakal received institutional support, education, and healthcare. His investments led to a vocational degree in computers, a secure job in a private firm, and a higher salary, which increased his productivity and benefited society.
- **Vilas's Vulnerability:** Vilas lacked access to education and faced chronic health issues (arthritis) without medical care. He was forced to take up his mother's traditional work of selling fish, earning a low income that locked him into a cycle of poverty due to a lack of human capital investment.

Q17. Analyze the primary reasons behind the historical gender division of labor within Indian households and its impact on women's economic earnings.

The gender division of labor in India is shaped by long-standing social expectations and structural disparities:

1. **Domestic Division:** Women traditionally manage domestic chores like cooking, washing, and childcare, which are classified as non-market activities for self-consumption and are not counted in the National Income.
2. **Labor Market Gaps:** When women enter the labor market, they often earn less than men due to historical gaps in literacy, education, and vocational skills. A large proportion of women work in the unorganized sector, which lacks legal protections, job security, or employment benefits like maternity leave.



EDUCATION POLICY MATRIX

- **Sarva Shiksha Abhiyan:** A time-bound initiative to provide free, compulsory elementary education to all children aged 6–14.
- **Mid-day Meal Scheme:** A program designed to increase school attendance, retention, and improve the nutritional status of elementary students.

SECTION 5: LONG ANSWER QUESTIONS (5 MARKS)

Q18. Analyze the multi-dimensional economic consequences of high unemployment on an economy, highlighting its impact on human wealth, social stability, and national growth.

High unemployment has severe negative effects that go beyond a simple shortage of jobs, creating several key challenges for an economy:

1. **Waste of Human Resources:** Working-age individuals who could contribute to national production are left underutilized. This turns a potential economic asset into a dependent burden, reducing overall efficiency.
2. **Negative Financial Effects:** Unemployment increases economic dependence on the working population. The dependency ratio rises, which strains household finances and reduces overall consumption and savings.
3. **Declining Quality of Life:** Long-term unemployment leaves families without a steady income, forcing them to reduce spending on essential needs like healthcare and education. This can cause health standards to drop and school dropout rates to rise, reinforcing the cycle of poverty.
4. **Social and Psychological Strain:** A lack of employment opportunities can create feelings of hopelessness and frustration among the youth. This economic stress can lead to social unrest, higher crime rates, and political instability.
5. **Slowing National Growth:** High unemployment rates reflect an economy that is operating below its actual capacity. This underutilization reduces potential Gross Domestic Product (GDP) growth and slows national development.

SECTION 6: CASE-BASED QUESTIONS

SOURCE TEXT: NATIONAL INFRASTRUCTURE AND HEALTH PRODUCTIVITY

"The health of a person helps him to realise his potential and the ability to fight illness. An unhealthy person becomes a liability for an organisation indeed. Health is an indispensable basis for realising one's well-being. Hence, improvement in the health status of the population has been the priority of the country. Our national policy, too, aims at improving the accessibility of healthcare, family welfare and nutritional service with a special focus on the underprivileged segment of the population. Over the last five decades, India has built a vast health infrastructure at primary, secondary and tertiary levels."

Q19. Based on the source provided, answer the following questions:

(i) Why is health considered an indispensable basis for human productivity?

Good health enables workers to perform tasks efficiently, maintain physical stamina, and realize their full potential. An unhealthy individual faces frequent illness, which lowers productivity and transforms them into an economic liability for both employers and the nation.

(ii) What are the primary objectives of India's national health policy?

The national health policy aims to expand access to healthcare services, improve family welfare programs, and boost nutritional support, with a special focus on underprivileged and marginalized communities.

SECTION 7: ASSERTION AND REASON QUESTIONS

STANDARD EVALUATION DIRECTIONS

Evaluate the statements and select the correct option:

- A:** Both Assertion and Reason are true, and Reason is the correct explanation of Assertion.
- B:** Both Assertion and Reason are true, but Reason is not the correct explanation of Assertion.
- C:** Assertion is true, but Reason is false.
- D:** Assertion is false, but Reason is true.

Q20. Assertion (A): Educated unemployment is a uniquely challenging issue for urban India.

Reason (R): A mismatch exists between the high number of graduates entering the labor market and the technical skills required by modern industries, leading to structural unemployment.

Answer: A

Explanation: Both statements are true, and the reason correctly explains that educated unemployment is driven by a structural mismatch between the traditional degrees held by urban youth and the specific technical skills demanded by employers.

SECTION 8: COMPETENCY-BASED QUESTIONS

Q21. Explain how a country like Japan, despite possessing minimal domestic natural resources, managed to become a highly developed and wealthy nation. Analyze the economic strategy.

Japan's development model demonstrates that human capital is more critical than a wealth of natural resources:

- **Investing in Human Capital:** Japan imported the raw materials it lacked and focused its resources on educating and improving the health of its population.
- **Efficiency and Innovation:** High investments in education and healthcare enabled the Japanese workforce to develop advanced technological skills and efficient production systems, allowing them to add high value to imported raw materials and drive national wealth.

SECTION 9: SOURCE AND SITUATION-BASED QUESTIONS

Q22. Consider a village where ten people work on a 2-hectare farm that requires only six people to manage efficiently. Identify the type of unemployment present, and propose an economic solution to improve the village income.

This situation describes **Disguised Unemployment**, as four workers are redundant and have zero marginal productivity. The village economy can be improved through several strategies:

- **Labor Diversification:** The four extra workers can move into non-farm activities like dairy farming, small shopkeeping, or rural transport services.
- **Skill Development:** Providing vocational training can help these individuals secure jobs in nearby secondary manufacturing or tertiary service sectors, bringing additional income into the village.

SECTION 10: MOST IMPORTANT EXAM QUESTIONS

★ **HIGHEST PROBABILITY QUESTION:** Detail the specific initiatives implemented by the government to improve literacy rates and expand quality education across India.

The government has introduced several key educational initiatives to boost literacy and improve school retention rates:

1. **Sarva Shiksha Abhiyan (SSA):** A flagship program implemented to provide free, universal elementary education to all children aged 6 to 14 years, working in partnership with state governments.
2. **Mid-day Meal Scheme:** Provides daily nutritious cooked meals to elementary school students, which has significantly improved attendance, increased enrollment, and reduced malnutrition.
3. **Bridge Courses and Back-to-School Camps:** Designed to help out-of-school children and dropouts reintegrate into the formal education system.
4. **Targeted Infrastructure Expansion:** Establishing ****Navodaya Vidyalayas**** in rural districts to offer quality residential education to talented youth, alongside expanding vocational training streams.
5. **Focus on Girls' Literacy:** Launching specific state-level scholarships and safety initiatives to reduce school dropout rates among girl students.

SECTION 11: CHAPTER QUICK REVISION

INSTANT REVISION SUMMARIES

- **Human Capital:** The accumulated skills, education, and health standards that drive a nation's workforce productivity.
- **Economic Sectors:** Primary (natural resources), Secondary (manufacturing), and Tertiary (services).
- **Disguised Unemployment:** A situation where more people are working than necessary, resulting in zero marginal productivity.
- **Infant Mortality Rate (IMR):** The number of infant deaths (under one year of age) per 1,000 live births in a given year.

SECTION 12: COMMON MISTAKES STUDENTS MAKE

COMMON EXAM ERRORS TO AVOID:

1. **Confusing Human Resource and Human Capital:** Human resource is a broad term for the working-age population. Human Capital represents the specific, specialized skills, health, and education built up in that population through targeted investments. Make sure to clearly separate these concepts in your answers.
2. **Misunderstanding Market vs Non-Market Activities:** Remember that any activity performed for home consumption (like cooking for the family or farming a plot solely for family food) is a *Non-Market Activity*. It does not involve commercial market transactions and is not counted in the national income.

SECTION 13: LAST-MINUTE REVISION SHEET

THE ULTIMATE PEOPLE AS RESOURCE REVISION GUIDE

Core Economic Rule: Population is not a fixed liability; it is a dynamic resource. Targeted investments in education, healthcare, and skills transform a population into human capital, which serves as a powerful engine for economic growth.

Health Metric: Life expectancy and the infant mortality rate are key indicators of a country's health infrastructure, reflecting the physical quality and productivity of its human capital.