

Economics

India China Pakistan
CLASS 12 - ECONOMICS

Time Allowed : 60 mins

Maximum Marks : 70

Section A

- 1) Identify the correctly matched pair in Column A and Column B from the following:

Column A	Column B
(a) Population growth rate of India	(i) 3.9%
(b) Population growth rate of Pakistan	(ii) 2.5%
(c) Economic Reforms in India	(iii) 1995
(d) Economic Reforms in China	(iv) 1974

[1]

- a) (d) - (iv) b) (a) - (i)
c) (b) - (ii) d) (c) - (iii)
- 2) Which of the following features is common in India and Pakistan? [1]
- a) One child norm
b) Growth due to service sector
c) Large population
d) Very high fertility rate
- 3) In Pakistan, most of the foreign exchange earnings come from:
- i. Unilateral Transfers from abroad
ii. Remittances from Pakistani workers working in Middle East
iii. Export of manufactured goods
iv. Export of highly volatile agricultural goods
- [1]
- a) (i) and (iii) b) (i), (ii) and (iii)
c) (ii) and (iii) d) (ii) and (iv)
- 4) Which of the following country has highest HDI rank? [1]
- a) China b) Pakistan
c) India d) None.
- 5) PPP stands for [1]
- a) Purchasing Power People
b) Purchasing Parity People
c) People Power Parity
d) Purchasing Power Parity
- 6) Quality of life is influenced by [1]
- a) Income b) All of these
c) Health d) Education
- 7) In PPP Parity means [1]
- a) Equality b) Partiality
c) Partners d) Any other
- 8) Which of the following features is common in China and Pakistan? [1]
- a) Mixed economy

- b) High degree of urbanisation
c) Low fertility rate
d) High density of population

- 9) In which year the Great Proletarian Cultural Revolution established? [1]
- a) 1988 b) 1991
c) 1996 d) 1966
- 10) What have been the common failure of India and Pakistan [1]
- a) Poor performance in HDI
b) Political survival a dominating issue
c) All of these
d) Dismal Fiscal management
- 11) India is not a member of which of the following regional/global economic grouping? [1]
- a) G - 20 b) BRICS
c) SAARC d) European Union
- 12) When was the first five year plan started in China [1]
- a) 1952 b) 1951
c) 1953 d) 1954
- 13) While India and Pakistan became independent nations in 1947, People's Republic of China was established in: [1]
- a) 1958 b) 1949
c) 1965 d) 1953
- 14) Which of the following country has highest HDI value? [1]
- a) India b) None.
c) Pakistan d) China
- 15) Which of the following country has highest IMR per 1000 live births? [1]
- a) USAI b) Pakistan
c) China d) India
- 16) Growth rate of population is highest in which of the following countries? [1]
- a) China b) Pakistan
c) India and china d) India
- 17) Which one of the following is an indicator of human development? [1]
- a) Life Expectancy at birth
b) Maternal Mortality Rate
c) Infant Mortality Rate
d) All of these
- 18) Which of the followings is a means by which countries are trying to strengthen their own domestic economies?
- i. Formation of regional and economic groups such as SAARC, G - 8, G - 20 etc.
ii. Understanding the development process pursued by their neighbouring nations.
iii. Both (a) and (b).
iv. Comprehend their own strengths and weaknesses vis - a - vis their neighbours.

[1]

- a) Option (a) b) Option (b)
c) Option (d) d) Option (c)

19) Proportion of people below poverty line is more in: [1]
a) India b) Pakistan
c) USA d) China

20) Top most country in HDI ranking is [1]
a) Australia b) Norway
c) United state d) Japan

21) Which economic system did India adopt as development strategy? [1]
a) Socialist system
b) Socialist system upto 1991 and then capitalist system
c) Mixed capitalist system
d) Capitalist system

22) In China reforms were introduced in 1978 because [1]
a) Per capita gain output was stagnant
b) Slow pace of growth
c) All of these
d) Shunning of foreign technology

23) Introduction of Economic Reform in Pakistan took place in _____. [1]
a) 1991 b) 1980
c) 1988 d) 1978

24) When did China announce its First Five Year Plan? [1]
a) 1947 b) 1953
c) 1949 d) 1951

25) _____ acts as a measure of the extent of democratic participation in social and political decision - making.
(Fill up the blank with correct alternative) [1]
a) Poverty Index
b) Human Development Index
c) Liberty Indicator
d) Economic Growth

26) Green revolution refers to [1]
a) The policy of improvement in industrial products which occurred in many developing countries like India after technological changes
b) The policy of improvement in agricultural yields which occurred in many developing countries like India after technological changes
c) The policy of improvement in services which occurred in many developing countries like India after technological changes
d) None

27) _____ includes quantitative aspects of per capita, GDP and the quality aspects of performance in health and education. [1]
a) GDI b) FDI
c) HDI d) HD

28) _____ is a geographical region that has economic laws different from a country's typical economic laws. [1]
a) SEZ b) NEP
c) FYP d) GLF

29) Which of the following countries adopted **One Child Policy** as a measure to control population?
(Choose the correct alternative.) [1]
a) China b) India
c) Russia d) Pakistan

30) After the implementation of economic reforms, Pakistan experienced slowdown of growth due to various reasons including _____.
i. Volatile performance of the agriculture sector
ii. Over - dependence on remittances from abroad
iii. Political instability

[1]

- a) (i) and (iii) b) (ii) and (iii)
c) (i) and (ii) d) (i), (ii) and (iii)

31) **Assertion (A):** In 1970s, there was low population growth in China.

Reason (R): China introduced the one - child norm in late 1970s. [1]

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

32) **Assertion (A):** The developmental experiences of India and Pakistan have a lot of similarities.

Reason (R): Both India and Pakistan laid emphasis on creating a large private sector. [1]

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

33) Read the following statements: Assertion (A) and Reason (R). Choose the correct alternative from those given below.

Assertion (A): Lower child mortality rate is a better indicator of gender equality.

Reason (R): Preference for a male child exists in India, Pakistan and China.

Alternatives: [1]

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

34) **Assertion (A):** The aim of Great Leap Forward Campaign initiated in China was to transform agrarian economy into a modern economy through rapid industrialisation.

Reason (R): Under Great Leap Forward Campaign, students and professionals were sent to work and learn from the countryside. [1]

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

35) **Assertion (A):** In initial phase in China, reforms were initiated in agriculture, foreign trade and investment sectors.

Reason (R): India and Pakistan were busy fighting wars with each other. [1]

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

36) **Assertion (A):** China introduced reforms in phases.

Reason (R): In the initial phase, reforms were initiated in agriculture, foreign trade and investment sectors. In the later phase, reforms were initiated in the industrial sector.

[1]

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

37) **Assertion (A):** In the provision of improved water sources, Pakistan has performed better than India and China.

Reason (R): In Pakistan, 90% of the population has access to improved sources of water, compared with 88% in India and 89% in China. [1]

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

38) **Assertion (A):** The fertility rate is low in China and very high in Pakistan.

Reason (R): The One - Child Policy adopted by China was successful. [1]

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

39) **Assertion (A):** The Great Leap Forward campaign was launched in 1969.

Reason (R): As per the GLF campaign, people were encouraged to launch the household industry in their courtyards. [1]

- a) Both A and R are true and R is the correct explanation of A.
- b) Both A and R are true but R is not the correct explanation of A.
- c) Assertion is correct statement but reason is wrong statement.
- d) Assertion is wrong statement but reason is correct statement.

40) **Assertion (A):** Over the last two decades or so, nations are forming regional and global economic groupings such as the SAARC, European Union, ASEAN, G - 8, G - 20, BRICS etc.

Reason (R): This will strengthen their own domestic economies. [1]

- a) Both A and R are true and R is the correct explanation of A.
- b) Both A and R are true but R is not the correct explanation of A.

- c) A is true but R is false.
- d) A is false but R is true.

41) Write the correct sequence of options in column II by matching them with options in Column I.

Column I	Column II
(a) 1949	(i) Great Proletarian Cultural Revolution
(b) 1953	(ii) Establishment of People's Republic of China
(c) 1965	(iii) Reforms introduced in China
(d) 1978	(iv) First Five year Plan of China

[1]

42) Write the correct sequence of options in column II by matching them with options in Column I.

Column I	Column II
(a) Liberty Indicator	(i) Indicator of socio - economic development of a nation.
(b) Maternal Mortality Rate	(ii) Number of infants dying before reaching one year of age per 1,000 live births.
(c) Infant mortality rate	(iii) Extent of demographic participation in social and political decision making.
(d) Human Development Index	(iv) Number of maternal deaths per 1,00,000 live births.

[1]

43) Human Development Index measures ____ in an economy.

[1]

- a) Birth rate
- b) Death rate
- c) Quality of life
- d) Quality of education

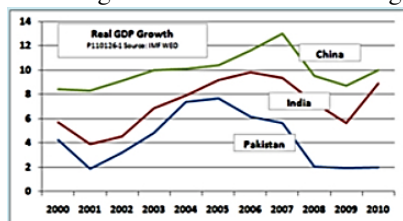
Section B

44) **Read the text carefully and answer the questions:** The authors of this paper adopt a Solow - Swan model extended to include demographic variables to analyze the overall effect of the demographic transition on economic growth. The results, based on data from seventy countries over the period 1961 - 2003, reveal that GDP per capita growth is positively related to the growth differential between the working - age population and the total population, and negatively related to child and old - age dependency ratios. Based on these results, they find that population dynamics explain 46 percent of economic growth in per capita GDP in China over the period 1961 - 2003, 39 percent in India, and 25 percent in Pakistan. Furthermore,

population dynamics are expected to have a positive effect on economic growth in India and Pakistan over the period 2005 - 2050, and a negative effect in China.

During 1950 - 2012, Pakistan's urban population expanded over sevenfold, while the total population increased by over fourfold. In the past, the country's population had a relatively high growth rate that has been changed by moderate birth rates. Between 1998 and 2017, the average population growth rate stood at 2.40%. [4]

- (a) Growth rate of population is highest in which of the following countries based on the graph as provided?



- a) All of the above b) Pakistan
c) India d) China
- (b) An economist is analysing and collecting data of India and its neighbour countries and their comparison among them. He performs various studies on it and finds some conclusions. To analyze a comparative performance of the economies of India, China, and Pakistan, which of the following is the correct through his studies and planning?
- a) Economic reforms in Pakistan were almost similar to those in India.
b) With New Economic Policy (NEP) in place, India experienced a rebound in its GDP growth.
c) All of these
d) China achieved a breakthrough in GDP growth in the early 1980s.

- (c) Match the following:

Column 1	Column 2
(a) Urbanisation rate in China	(i) 943
(b) Urbanisation rate in India	(ii) 950
(c) Sex ratio in India	(iii) 31.2%
(d) Sex ratio in China	(iv) 51.3%

- a) (a) - (iv), (b) - (iii), (c) - (ii), (d) - (i)
b) (a) - (iii), (b) - (iv), (c) - (ii), (d) - (i)
c) (a) - (iv), (b) - (iii), (c) - (i), (d) - (ii)
d) (a) - (iii), (b) - (iv), (c) - (i), (d) - (ii)
- (d) **Assertion (A):** Pace of growth and development is impeded in the demographic profile of India and China.

Reason (R): Both for India and China, the large size of the population is a hindrance in the process of growth, as it requires a huge amount of 'maintenance investment' - investment which is directed towards the maintenance of the existing standards of living of the people.

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

- d) A is false but R is true.

Question No. 45 to 48 are based on the given text. Read the text carefully and answer the questions:

For decades, China has grown and profited from the world, with little or no scrutiny. It has supported states with ties to terror and its technology sector is based on illegally stealing and proliferating technologies from the West. So, the belated waking up of the world to the threat China poses is a good thing.

In India, post the Galwan treachery, there is a determination to redefine the economic relationship with China. For China, the good times in India began some years ago when the Congress government threw open the Indian markets and consumers to it. China started ratcheting up huge trade surpluses, currently over \$50 billion annually. As our exports remained flat, imports from China steadily surged - displacing Indian manufacturers and jobs.

The Textile Industry of Pakistan has been playing an important role in increasing exports and reducing widespread unemployment. This has a contribution of 8.5% to the GDP of Pakistan and has provided people with industrial manpower with 38% of employment. An investment of US 7 billion has been invested in the past 6 years. The US \$9.8 billion has been invested during the last fiscal year. Pakistan is the 4th big country in the production of cotton and the 3rd big country in the world in its use of cotton. During the period from July 2007 to June 2008 the exports of our textile industry have been the US \$10.5 billion approximately whereas, in comparison with total exports of Pakistan, the share of this sector has been 55%. [4]

- 45) Based on the graph provided below, heavy dependence on exports has led to the slowdown of the ____ economy.



- a) Chinese b) Indian
c) Nepal d) Pakistan
- 46) In China, the core element of the growth model has not changed. It continues to be a state - managed economy. But a substantial transformation has occurred in terms of the integration of the economy with the rest of the world. China decides to bring all critical areas of production activity under government control. With respect to 'Statism' as a model of growth adopted by China, choose the correct statement.
- a) Ownership of all resources vested with the state.
b) State was to maintain the population.
c) Private ownership of production activities
d) The private sector was the deciding authority with respect to what to produce, how to produce, and for whom to produce.
- 47) Choose the correct alternative showing chronological order of the following events:
- One child policy in China
 - Economic reforms in Pakistan

- iii. New Economic Policy (NEP) in India
 iv. Commune system in agriculture in China
 a) I, iv, ii, iii b) Iv, i, iii, ii
 c) I, iv, iii, ii d) Iv, i, ii, iii

48) **Assertion (A):** GDP growth of Pakistan's economy has been severely hit.

Reason (R): Pakistan has been gripped by the war of terror. It has eroded the business confidence of the domestic as well foreign investors.

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

Question No. 49 to 52 are based on the given text. Read the text carefully and answer the questions:

In both China and India agriculture is the key sector and yet detailed comparisons of agricultural development in the two economies are difficult to obtain. A major problem is, of course, the availability and reliability of data. This paper puts together some of the information that is now available and assesses its reliability to draw some rough generalizations. On the whole, it seems that agricultural production in the two countries has grown at fairly similar rates. In terms of absolute level Chinese yield per hectare in most crops, of course, exceeds that of India by a significant margin, but this has been true for quite a long time in the past. In the provision of inputs like organic and inorganic fertilizers and irrigation water, the Chinese performance has been much better than that of India. Both countries have devoted not a very low proportion of their total gross investment to the agricultural sector. But the effectiveness of this investment has been quite unsatisfactory on account of, among other things, technical deficiencies and faulty planning in both countries, and the excesses of over - enthusiastic but unskilled party cadres in China, and a very much restricted framework of village institutions and administrative setup in India. In land policy, much of the period under consideration was taken up in China in bold experimentations - with the inevitable advances and retreats - in search of the optimum size of land management in a backward peasant economy, while in India in spite of copious land legislation some of the crucial land relations have remained basically unaltered. The Chinese policy of moving away from age - old small - scale family farming and of emphasizing joint management of land and labour has, on the one hand, significantly strained peasant incentives, but on the other hand rid Chinese agriculture of the burden of uneconomically small and fragmented holdings, tenurial insecurity and crop sharing which still afflict a substantial part of Indian agriculture. The problem of ensuring enough marketed surplus of foodgrains to feed the nonagricultural sector has, however, remained unsolved in both countries, in spite of all changes in institutions and production. [4]

49) Which of the following observations highlights the common success story of India and Pakistan from the following graph?



- i. Both have succeeded in more than doubling their per capita incomes
 ii. Food production has failed to keep pace with the rise in population
 iii. Food sufficiency has been accompanied with improved nutritional status
 a) Only i b) Both i and iii
 c) Only iii d) Only ii

50) Food production has successfully kept pace with the rise in population. Leaving aside annual fluctuations due to weather conditions, both countries are self - sufficient in food. High GDP growth has led to a serious challenge of sustainable development due to the problem of environmental degradation in ____.

- a) India b) China
 c) Nepal d) Pakistan

51) Match the following:

Column 1	Column 2
(1) Pakistan exports	(i) threefold
(2) Pakistan imports	(ii) four - fold
(3) Population increased in Pakistan	(iii) rice
(4) Population increased in India	(iv) wheat

- a) 1 - iii, 2 - iv, 3 - ii, 4 - i
 b) 1 - iv, 2 - iii, 3 - ii, 4 - i
 c) 1 - iii, 2 - iv, 3 - i, 4 - ii
 d) 1 - iv, 2 - iii, 3 - i, 4 - ii

52) **Assertion (A):** The mindset of the politicians and the bureaucrats has not shown a progressive change: Controls continue to be their preferred option rather than freedom of choice of the producers and consumers.

Reason (R): The growth of the paralytic Private sector has thrived more on contacts, bribes, loans from public financial institutions.

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

Section C

53) **Read the text carefully and answer the questions:** While many like to focus on the similarities between India and China, what's more important are the differences. Most central to this article is that the two nations rely on

entirely different systems of political economy. India is the world's largest parliamentary democracy, while China is a one - party dictatorship. India's reforms have scaled back state - run industries, while China's reforms have created a pseudo - free - market command economy. India has courted the capitalist West while China has tried to counter it. Looking at how China and India have been simultaneously so successful yet maintained their differences can shed light on the "why."

We'll start with China. Once the Communist Party seized control in 1949 and declared the nation a People's Republic, China embarked on a campaign of state - led industrialization that failed miserably. Mao Zedong's most ambitious project was the "Great Leap Forward," which attempted to develop China even faster than Stalin developed the USSR. The state collectivized agriculture and forced peasants to begin making steel in backyard furnaces. Lasting from 1958 to 1960, the Great Leap Forward led to the deaths of 45 million Chinese, mostly as a result of famine and disease. The "Cultural Revolution" from 1966 to 1976 resulted in huge political purges and a mass exodus of people from cities to the countryside. While countries like Japan, South Korea, Singapore, and Taiwan all began to approach Western living standards from the 1950's to the 1970's, China's GDP per capita in 1978 was a meager \$307 (measured in 2010 dollars). However, 1978 was also the year that Deng Xiaoping took control of the Communist Party and began creating modern China.

- India and China: Two Very Different Paths to Development - Berkeley Economic Review - 30th April, 2018 [5]

(a) The difference between India and China's politics is:

- a) India is a democracy; China is a monarchy.
- b) India is a dictatorship; China is a democracy.
- c) India is a monarchy; China is a democracy.
- d) India is a democracy; China is a dictatorship.

(b) The communist party of China seized control in ____.

- a) 1948 b) 1950
- c) 1949 d) 1947

(c) The Great Leap Forward was the ambitious project of ____.

- a) Zhao Ziyang b) Mao Zedong
- c) Xi Jinping d) Deng Xiaoping

(d) India has tried to ____ the capitalist.

- a) All of these b) Destroy
- c) Counter d) Court

(e) The slowdown in the global economy has dampened the demand for the ____ products.

- a) Indian b) Pakistan's
- c) Chinese d) All of the above

Question No. 54 to 58 are based on the given text. Read the text carefully and answer the questions:

China and India are the two emerging economies of the world. As of 2019, China and India are 2nd and 5th largest country of the world, respectively in nominal basis. On PPP basis, China is at 1st and India is at 3rd place. Both countries together share 19.46% and 27.18% of total global wealth in nominal and PPP terms, respectively. Among Asian countries, China and India together

contribute more than half of Asia's GDP.

In 1987, GDP (Nominal) of both countries was almost equal. But in 2019, China's GDP is 4.78 times greater than India. On PPP basis, GDP of China is 2.38x of India. China crossed \$1 trillion mark in 1998 while India crossed 9 year later in 2007 at exchange rate basis.

Both countries have been neck - to - neck in GDP per capita terms. As per both methods, India was richer than China in 1990. Now in 2019, China is almost 4.61 times richer than India in nominal method and 2.30 times richer in PPP method. Per capita rank of China and India is 72th and 145th, resp, in nominal. Per capita rank of China and India is 75th and 126th, resp, in PPP.

China attains maximum GDP growth rate of 19.30% in year 1970 and minimum - 27.27% in 1961. India reached an all time high of 9.63% in 1988 and a record low of - 5.24% in 1979. During period 1961 to 2018, China grew by more than 10% in 22 years while India never. GDP growth rate was negative in five and four years for China and India, respectively.

According to CIA Factbook sector wise GDP composition of India in 2017 are as follows: Agriculture (15.4%), Industry (23%) and Services (61.5%). Sector wise GDP composition of China in 2017 are: Agriculture (8.3%), Industry (39.5%) and Services (52.2%).

- Comparing China and India by Economy - The Statistic Times - 28th August, 2019 [5]

54) ____ and ____ are the two emerging economies of the world:

- a) India, Bangladesh b) India, Pakistan
- c) China, Pakistan d) India, China

55) More than ____ of Asia's GDP is shared by India.

- a) Quarter b) Two - third
- c) One - third d) Half

56) India is dependent on ____ sector for its GDP contribution.

- a) Service b) Industrial
- c) Agriculture d) Construction

57) China is ____ economy.

- a) Neither Agricultural nor Industrial
- b) Industrial
- c) Both Agricultural and Industrial
- d) Agricultural

58) In ____ (country) core element of the growth model has not changed.

- a) All of the above b) China
- c) Pakistan d) India

Question No. 59 to 63 are based on the given text. Read the text carefully and answer the questions:

India had to choose to open its borders for the outside world in 1991, due to its debt crisis and the conditions put forward by the IMF. It came ages after the communist China introduced its economic reforms in 1978. India through its LPG reforms liberalised its economy and privatised her nonperforming PSUs. With free trade in mind India also started an economic and regional grouping like ASEAN, with its neighbouring countries called SAARC. Though currently for India BIMSTEC holds more importance, still SAARC would have played an important role, had it not been for Pakistan and its hostility towards India. [5]

59) In 1978, China introduced ____.

- a) Great Purification Policy

- b) Great Proletarian Policy
- c) Economic Reforms
- d) Great Leap Forward

60) India is a part of which of the following grouping:

- a) BIMSTEC
- b) All of these
- c) SAARC
- d) G - 20

61) India is making a massive shift towards ____ which will lead to selling off government equity in public enterprises to private entrepreneurs.

- a) Globalisation
- b) Liberalisation
- c) Privatisation
- d) Disinvestment

62) In ____ India introduced its economic reforms.

- a) 1978
- b) 1991
- c) 1986
- d) 1997

63) The slowdown of the ____ economy marked with scams and scandals led to a fall of government

- a) Chinese
- b) All of the above
- c) Pakistan
- d) Indian