

Chapter 8 · Comparison with Neighbours — India, China, Pakistan

CBSE Class 12 Economics (030) · Part B · Unit 8 = 8 marks · Ultimate Revision Sheet

60-SECOND RECALL

The three dates	India 1951 first plan · China 1953 first plan · Pakistan 1956 first plan
Reform years	China 1978 · Pakistan 1988 · India 1991
China's first move	Great Leap Forward 1958 , then Commune system , then 1978 reforms
China's sector shift	Agriculture → Manufacturing — became the world's factory
India's sector shift	Agriculture → Services — skipped the manufacturing stage
Pakistan	Green Revolution + remittances ; growth volatile , dependent on aid

1. Why compare these three?

All three began development planning at nearly the same time, had similar problems at the start — low income, dominant agriculture, high population growth — and adopted **different strategies**. Comparing them shows how strategy shapes outcomes.

2. Developmental Path — the three stories

CHINA 1949 People's Republic established; all critical sectors brought under **government control**.

1958 Great Leap Forward (GLF) — massive industrialisation; people urged to set up industry in their **backyards**. Failed badly due to a severe drought and the withdrawal of Russian support.

Commune system — collective farming; people cultivated land collectively.

1965 Cultural Revolution — students and professionals sent to work in the countryside.

1978 Reforms — introduced in **phases**, beginning with **agriculture**, then industry.

- Land divided among households under the **Household Responsibility System**; they could keep the surplus after paying taxes.

- **Special Economic Zones (SEZs)** set up to attract foreign investment.

- **Dual pricing** — fixed prices for a quota, market prices for the rest.

PAKISTAN Followed a **mixed economy** with a dominant private sector.

1950s-60s: import substitution, tariff protection for manufactured consumer goods.

1970s: nationalisation of capital goods industries.

1980s onwards: denationalisation and encouragement of the private sector; **reforms from 1988**.

Growth was supported by the **Green Revolution** (mechanisation, better infrastructure) and by **remittances** from workers in the Middle East, plus foreign aid.

INDIA Mixed economy with a large public sector, five year plans from **1951**, import substitution and licensing until **1991**, then **LPG** reforms.

3. Comparative Performance

THE COMPARISON TABLE — this is the 6-marker

Indicator	INDIA	CHINA	PAKISTAN
Population	Very large; second largest	Largest (about 1.4 bn)	About 1/10th of India or China
Population growth	Moderate	Lowest — due to the one-child policy	Highest of the three
Density	High	Low (huge land area)	Low
Sex ratio	Low	Low	Low — all three show a preference for sons
Fertility rate	Moderate	Low	High
Urbanisation	Moderate	High	Highest of the three
GDP growth	Moderate, rising after 1991	Highest — sustained high growth	Moderate but volatile
Contribution to GDP	Services dominant (about 54%)	Manufacturing/industry dominant	Services dominant
Workforce in agriculture	Still high (about 43%)	Falling steadily	High

THE CENTRAL CONTRAST — write this in every comparison answer *China* moved from agriculture to **MANUFACTURING**, which absorbed the surplus rural workforce and made it the world's factory. *India* moved from agriculture straight to **SERVICES**, effectively **skipping** the manufacturing stage. Services are less labour-absorbing, which is why India still has a very large share of its workforce in agriculture and why its growth has been criticised as **jobless**.

4. Human Development Indicators

Indicator	Ranking among the three
HDI rank	China best, then India , then Pakistan — positions vary slightly by year
Life expectancy	China highest
Infant mortality rate	China lowest (best); Pakistan highest
Adult literacy	China highest
Population below poverty line	China lowest
Access to improved sanitation	Pakistan performs relatively well on this one

TRAP On most human-development indicators *China leads* — but note the exception: *Pakistan does better than India on some sanitation and poverty measures*. Boards like this nuance. Do not write “India is second on everything”:

5. Appraisal — the honest verdict

China — successes

- Reforms introduced in **phases**, starting with agriculture — built a base before opening industry
- Land reform gave **ownership incentive**
- **SEZs** attracted large-scale FDI
- Poverty reduced dramatically

China — concerns

- **Lack of political freedom** and civil liberties
- Rising **regional inequality** (coastal vs interior)
- **Environmental degradation**
- Ageing population from the one-child policy

India

- Strength: **democratic** framework, strong services and IT sector
- Weakness: agriculture still absorbs too many workers; **jobless growth**; weak manufacturing

Pakistan

- Growth reversed in the 1990s; heavy dependence on **remittances and foreign aid**
- **Political instability** and volatile agricultural performance
- Failure to raise sufficient **foreign exchange** from exports

6. Question Triggers which country?

If the question mentions...	It is
"Great Leap Forward" / "backyard industry"	China , 1958
"Commune system" / collective farming	China
"Household Responsibility System"	China , 1978 reforms
"Special Economic Zones" / dual pricing	China
"one-child policy"	China — lowest population growth
"remittances from the Middle East"	Pakistan
"denationalisation in the 1980s"	Pakistan
"growth driven by services, not manufacturing"	India
"reforms in 1991"	India
"highest population growth of the three"	Pakistan
"world's factory / manufacturing dominant"	China

MOST-ASKED BOARD QUESTIONS

1. **[4-6M]** Compare India, China and Pakistan on growth, sectoral contribution and human development.
2. **[4M]** Explain China's reforms of 1978 and why they succeeded.
3. **[3-4M]** Why has India's growth been called "jobless" compared with China's?
4. **[3M]** Explain the Great Leap Forward / the Commune system.
5. **[3M]** Why did Pakistan's growth become volatile after the 1990s?
6. **[1M]** Which country has the lowest population growth? → **China** (one-child policy)

THE HABIT THAT SCORES — Comparison questions are marked on **structure**. Use a table with a **Basis** column and one row per indicator, then close with a one-line verdict. A prose paragraph covering the same facts scores lower than the same facts in a table.