

GULF SAHODAYA (SAUDI CHAPTER) EXAMINATION

GRADE: XI
SUBJECT: ECONOMICS

TIME: 3½ HOURS
MAX.MARKS:90
TOTAL PAGES: 04

Set-A

General Instructions:

- Questions 1-2 and 12-13 are objective type carrying 1 mark each. Write the correct answer.
- Questions 3-6 and 14-17 are short answer type carrying 3 marks each. They are required to be answered in 60 words each.
- Questions 7-8 and 18-19 are also short answer type carrying 4 marks each. They are required to be answered in 70 words each.
- Questions 9-11 and 20-22 are long answer type carrying 6 marks each. They are required to be answered in 100 words each.
- Word limit is not applicable for numerical questions.
- Section C is based on Open Text Book Assessment (OTBA).

Section-A (Statistics for Economics)

1. An index number which accounts for the relative importance of the items is known as: 1
(a) Weighted index (b) simple aggregative index (c) simple average of relatives
2. The frequency distribution of two variables is known as: 1
(a) Univariate distribution (b) Bivariate distribution (c) Multivariate distribution
3. Give three features of Statistics. 3
4. Distinguish between primary and secondary data. 3
5. Explain geographical classification of data with an example. 3
6. Represent the following data with the help of pie diagram: 3

Items of expenditure	Amount spent in rupees
Food	40
Clothing	20
Fuel and lighting	50
House rent	70
Miscellaneous	20

Or

Following table shows no. of students of a college corresponding to different range of marks in statistics. Make a frequency Polygon.

Marks	0-10	10-20	20-30	30-40	40-50	50-60	60-70
Students	5	10	15	20	12	8	5

7. Given the following data and using the Price Relatives method, construct an index number 2004 in relation to 1994 prices.

Commodities	Wheat	Ghee	Milk	Rice	Sugar
1994 (prices)	100(per kg)	8(per kg)	2(per L)	200(per qt.)	1(per kg)
2004(prices)	200	40	16	800	6

Or

Give the following data and using weighted average price relative method, construct index number for 2004 based on 1994 prices.

Goods	Weight	1994 prices (Rs)	2004 prices(Rs)
Wheat	40	100(per qt)	200(per qt)
Rice	30	200(per qt)	800(per qt)
Milk	15	2(per L)	16(per L)
Ghee	10	8(per kg)	40(per kg)
Sugar	5	1(per kg)	6(per kg)

8. Calculate mode of the following series:

4

Class	30-59	60-89	90-119	120-149	150-179	180-209	210-239
Frequency	4	7	12	15	18	6	5

9. Given the following data, calculate coefficient of variation:

6

Age	20-30	30-40	40-50	50-60	60-70	70-80	80-90
No. of students	3	61	132	153	140	51	2

Or

From the following data find out which factory may be considered more uniform:

Wages	No. of workers in Factory A	No. of workers in Factory B
20	30	45
60	25	35
100	30	25
140	45	40
180	25	25
220	13	20
260	24	5
300	8	5

10. Make a Lorenz curve of the following data:

6

Income	500	1000	2000	3000	3500
No. of workers	4	6	8	12	10

11. Calculate the Karl Pearson's coefficient of correlation between the age of husbands and wives:

6

Age of Husband (Yrs.)	21	22	28	32	35	36
Age of wives(Yrs)	18	20	25	30	31	32

Section-B (Indian Economic Development)

12. India has emerged as an important destination for outsourcing because of:
 (a) Relatively low wage rate (b) relatively high wage rate (c) relatively moderate wage rate
13. New Economics policy aims at: 1
 (a) giving importance to rural techniques of production (b) creating more tax brackets
 (c) reforms in production pattern, obtaining new technology, making economy more competitive
14. 'Information technology plays a very important role in achieving sustainable development and food security'-comment. 3
15. Examine the role of education in the economic development of our nation. 3
16. Why are regular salaried employees more in urban areas than in rural areas? 3
 Or
 What is cost push inflation? What are its causes?
17. Infrastructure contributes to the economic development of a country. Do you agree? Explain. 3
18. Underscore some of India's most crucial challenges at the time of Independence. 4
19. While subsidies encourage farmers to use new technology, they are a huge burden on government finances. Discuss the usefulness of subsidies in the light of this face. 4
 Or
 Why was public sector given a leading role in industrial development during the planning period?
20. Discuss economic reforms in India in the light of social justice and welfare. 6
21. Compare and contrast India and China's sectoral contribution towards GDP. What does it indicate? 6
22. What is sustainable development? What are the steps and strategies suggested by Herman Daly to achieve sustainable development? 6
 Or
 What do you mean by rural development? Bring out the key issues in rural development.

Section: OPEN TEXT- BASED ASSESSMENT (OTBA)

Class XI

Questions

Instructions for Students:

01. These questions are based on one of the themes provided to you by the Board.
02. Please ensure that you get a copy of the relevant themes from the school to refer while answering the questions.
03. Each Question carries 5 marks.
04. The suggested word limit for the questions is 100-120 words. However depending on the question, your answer could be shorter/ longer. It is important to present your views, arguments and conclusions logically, coherently in your own language; based on the concepts learnt during teaching learning sessions till class XI, their applicability with respect to the open text material and your own awareness of the given theme.

Subject – Economics (Code: 030)

Question	Marks	Theme
a) किसी देश के आर्थिक विकास में चिकित्सा पर्यटन किस प्रकार योगदान प्रदान करता है? व्याख्या कीजिए। How does medical tourism contribute to the economic growth of a country? Explain.	MARKS -5	Theme-II
b) भारत में चिकित्सा पर्यटन उद्योग को प्रोत्साहन देने के लिए कौन-से नये प्रयास करने की आवश्यकता है? What new efforts need to be made to promote the medical tourism industry in India?	MARKS -5	Theme-II

OPEN TEXT MATERIAL

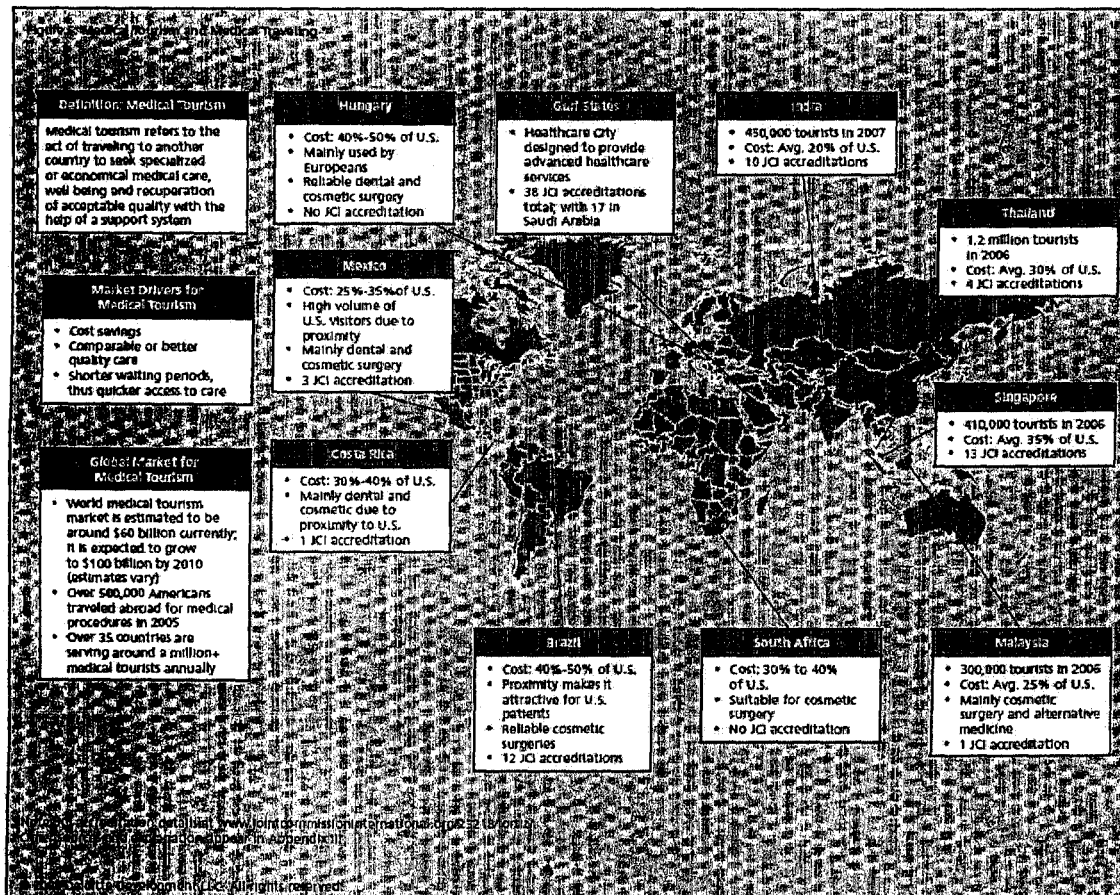
2. Theme – “Medical Tourism in India”

Abstract:

The case study commences by explaining the meaning of health and medical tourism. It brings to notice the fact that whilst medical tourism may be a relatively nascent and new industry, the concept has existed for centuries. The case highlights the countries that are destinations for medical tourism and argues that affordability, cost effectiveness and quality of services provided are the primary reasons why patients from developed countries are using medical tourism. The study ends by focussing on the medical tourism industry of India in which alternative, non invasive forms of medicine offered by India are discussed.

Travelling is a natural human instinct. People travel across the globe for leisure, work, study and health. The WHO (World Health Organization) defines health as ‘a state of complete physical, mental and social well-being and not merely the absence of disease or infirmity’. According to the IMTJ (International Medical Travel Journal) - medical tourism is the broadest of all possible categories of travel related to health. Medical tourism is defined as the providing of cost effective medical services in collaboration with the tourism industry for patients needing surgical and other forms of special treatment. Medical tourism may be a nascent industry but the concept is very old. Florence Nightingale in her letters written in 1856 explained the dietary and physical conditions of some patients to doctors in Turkey. She wanted these patients to be treated in the spas of Turkey as similar treatment was expensive in Switzerland. During the eighteenth century, wealthy Europeans used to visit health resorts in North Africa. But in the last decade, travelling for health purposes has increased tremendously and has led to a plethora of opportunities for countries with medical infrastructure, trained manpower and easy connectivity with the world. According to a report by Deloitte, travelling across borders for medical purposes is a 40 billion dollar market and is growing at 15% annually. There has been an immense increase in the medical tourism industry worldwide of \$ 60 billion in the last 8 years, as indicated in the simple bar diagram (Fig. 2). These facts only point towards the increasing popularity of medical tourism in the world.

There are many favourite destinations in the world for medical tourism. Ten such destinations have been identified by Deloitte in its report on Medical tourism, as depicted in the world map.



Source: Deloitte Report on Medical Tourism

Figure-1: A World Map showing the 10 most preferred destinations for medical tourism.

As you observe the map carefully you will find most of these destinations are developing countries like India, South Africa, Brazil, Mexico, Thailand, etc. Cost of treatment here is much lower than in a developed country. In fact the cost of medical tourism is the lowest in India. On an average any treatment in India can be done at only 1/5th of its cost in the USA, followed by Mexico and Malaysia. It is also clear from above that patients travel for a variety of reasons ranging from cosmetic surgery, to dental treatment. Going back to another term recurring in the map is JCI. **What is JCI?** JCI is the Joint Commission International body launched in 1994 to evaluate the uniformity and safety of patients travelling for medical treatment. The organization reviews the facilities provided by the hospitals and then issues an accreditation certificate. JCI has so far approved and accredited 120 hospitals all over the world. There are several other organizations like ISQUA (International Society for Quality in Health Care) which do the same task of ensuring uniformity of services in medical treatment.

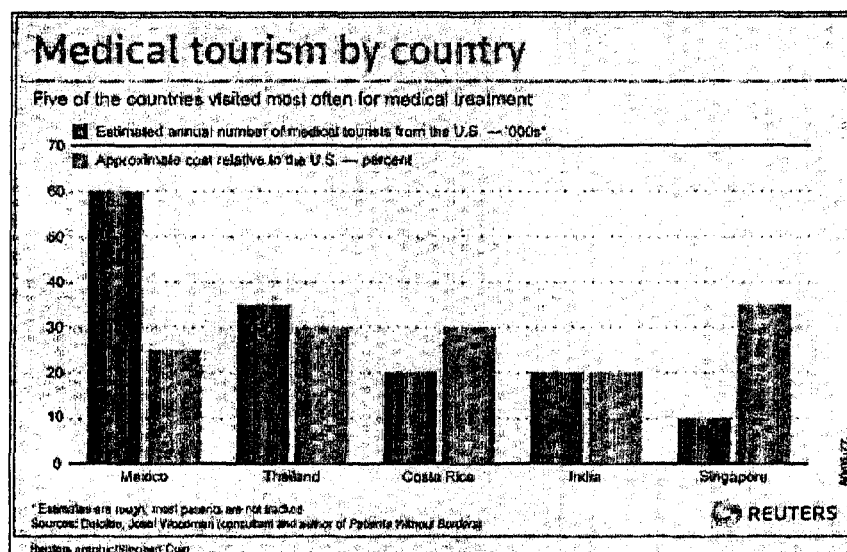


Figure-2: A multiple bar diagram showing comparative cost and medical tourism in select countries-in comparison with the US.

What do you find in common amongst these destinations? Isn't the cost of treatment much less? The multiple bar chart above shows a comparison between the cost and number of patients visiting five different countries. These are the popular destinations not only for the US citizens but also for all medical tourists across the world coming from Europe and Middle East. The diagram clearly brings out the popularity of Mexico because of the distance and cost, while a developed country like Singapore attracts lesser patients due to higher cost. Will it be correct to conclude that maximum no. of out patients from the USA visit Mexico and Thailand, while the cost is least in India?

Do you observe any irony in the concept of medical tourism? Yes there is an irony. The citizens from the developed countries come to the developing countries for treatment. It is well known that the developed countries have the best, state of art health facilities and infrastructure, then **why do patients from developed countries flock to the developing countries even though there are flaws in the system?**

We need to look into the pitfalls of the Medical Tourism industry. Since patients come for treatment and then go back to their own country, it is difficult to conduct a follow up. If any side-effects develop, then it is not always possible to get medical support. Most of the insurance companies don't pay upfront and hence the patients have to pay in cash from their own pocket. The laws and implementation in developing countries is weak and hence no recourse can be found in the event of a mishap, by the patient. Yet these patients prefer to travel due to the following reasons-

- ☆ The cost of medical treatment is several times more in their native country, about 3 to 4 times more.

- ☆ The employers and patients don't have to pay for expensive medical insurance as they avail medical tourism.
- ☆ There is shortage of medical personnel in the native countries which causes delay in treatment and a long waiting time.
- ☆ The accreditation of hospitals assures the patients of quality services.
- ☆ The attractive packages offered by the medical travel companies lure them. These include travelling cost, accommodation, treatment expenses, post-operative care expenses and a holiday to recover.

Cost is the most important determinant of medical tourism as far as the flow of patients from developed to developing countries is concerned.

As the medical tourists have a great deal to gain, the incidence of medical tourism is constantly on the rise. The graphs below explain how the out-patients from the USA are increasing in leaps and bound, from less than 5 million to 15 million between 2007 to 2012.

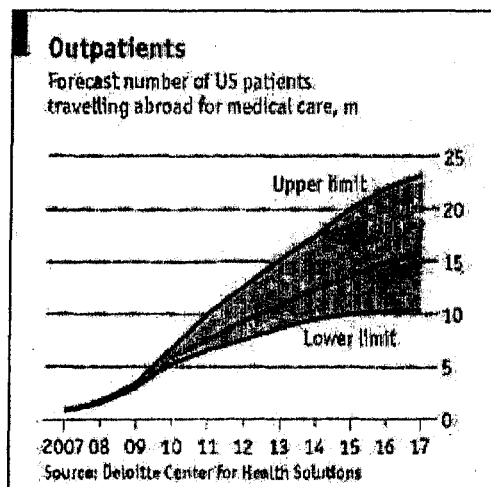


Figure-3: Forecast reg. number of US patients travelling abroad for medical care

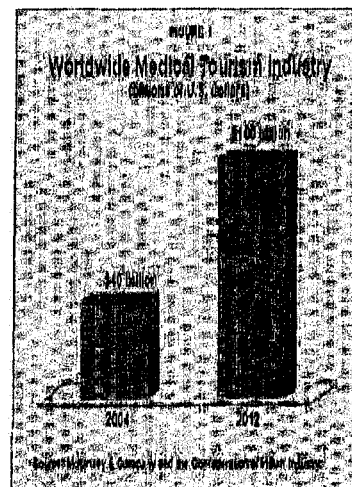


Figure-4: Worldwide medical tourism industry

It is interesting to note that patients travel from different countries for different reasons. Those who come from USA and other European countries look for life style surgeries like facelift, dental treatment, and cosmetic surgery. This is primarily because such treatments don't get covered by their insurance companies. The reason for the European patients to travel for medical treatment is again unique. In Britain, for instance, free health care treatment is provided to all the citizens under the National Health Service programme. It was setup in 1948 and is struggling today to cope with the shortage of both doctors and hospital beds. Private treatment is limited and expensive. Patients have to wait for 3 months or more for getting a surgery like hip replacement or cataract operation. It is difficult to wait all the time and hence these patients travel abroad for medical treatment. The patients flock out of the rich Middle East countries as specialized medical facilities are unavailable

in their country. They travel for diverse services-from open heart surgery to problems of infertility. Many patients come to India from Nepal, Bangladesh and Pakistan as well for want of better medical infrastructure in their native countries.

By now we have gathered enough interest in the topic to find out **how medical tourism takes place**.

Look at the pictorial flow chart given below, (fig.5). These are the steps involved in the process of medical tourism. At first the patient researches the best possible treatment options in the world. He/ she then files an application for becoming a medical tourist. The form submitted with the moderator or travel agent or travel company will contain the place, time, payment and other preferences. The moderator responds, answers queries about packages and the payment details are finalized. Once the payment is done the treatment will commence.

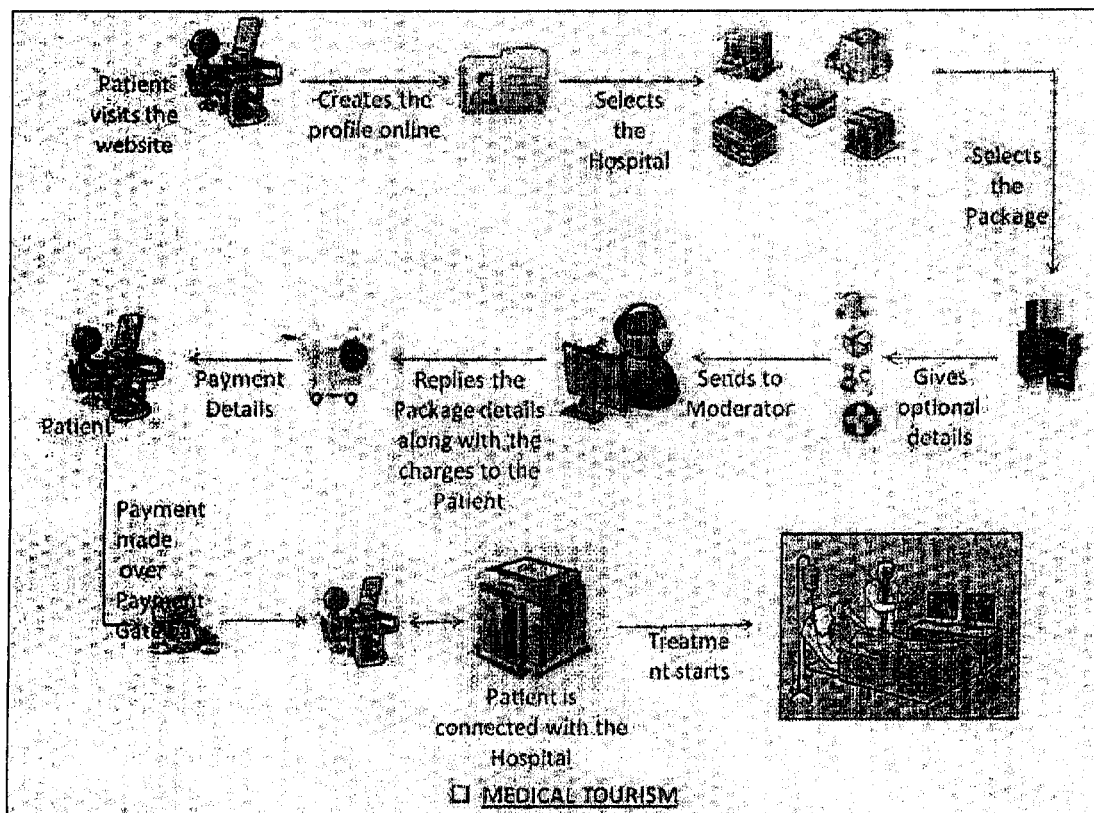


Figure-5: A pictorial flow chart showing process of how to become a medical tourist.

So you see the process is certainly not complicated. It is just booking an appointment with the medical specialist well in advance. The tedious task of booking tickets, accommodation, and paper work is all done by medical travel companies. This industry in itself sparks the growth of many other industries like hospital industry, medical equipment, travel industry and pharmaceuticals.

Now let us turn towards the Indian medical tourism industry. Syed Abdul Basir brought his months old daughter from UAE to India for a heart surgery. John came from USA to get a hip replaced. Lisa flew down from UK to get a liposuction surgery. All these and many more patients come to India throughout the year to ease their medical problems. They are popularizing "medical tourism in India.

The Indian health sector is developing a new arm to cater to the interest of foreign patients. These are people of all ages and gender. They mostly come for heart surgery, knee replacement, cosmetic surgery, bone marrow replacement and dental care. Most patients come from the neighbouring countries, Middle East, USA and UK. The following is a clipping from an article printed in the Financial Express on 4 January, 2009, 'A Sweet-Bitter Pill'. This data states the current status of medical tourism in India.

Mapping the growth path					
	SAARC	Africa	Middle East	US	Europe
No. of Medical Tourists to India	43,500	16,000	18,000	12,000	13,000
YoY growth here	10%	10%	15%	20%	20%
Moody for travel	Lack of facilities	Lack of facilities	Better quality care	Cost	Long wait times
International Competition	Singapore, Thailand	Europe, US, Singapore	Dubai, Europe, US, Thailand	Latin America, Singapore	Turkey, Dubai
Paying Premium			50%	100%	100%
Overall Attractiveness	★★	★	★★★★	★★★★	★★★★

Source: Graph: Feedback Ventures, Healthcare Advisory Partners

Figure-6: The growth of medical tourism

What do you understand from the above table?

The obvious conclusion is that India has many advantages as a medical tourist destination. Though cost of any medical treatment is a decisive factor, the quality of medical care is also important. As can be seen, medical tourists from the USA, UK and Middle East enjoy a huge cost benefit. According to a report of IMTJ (International Medical Travel Journal) on medical tourism the medical costs are the lowest in India, about 20% of average expenses incurred in the USA. The popular slogan is that India provides 'first world treatment at third world prices'. For instance the cost of a heart surgery in India is \$8000 while in the USA the surgery will cost \$25000 and in the UK it costs \$28000. NABH India (National Accreditation Board for Hospitals and Healthcare) classifies and approves select medical services and hospitals; it works in co-operation with the JCI. India has world class medical facilities, comparable to any western country of the world, 15,000 hospitals and over 8,70,000 hospital beds 30,000 doctors and nurses are added each year to the existing pool of 14 lakh doctors



and nurses. State of the art hospitals like AIIMS, Christian Medical College, Tata Memorial Hospital, Apollo hospitals, just to name a few are providing various specialities like Paediatric, Neurology, Dermatology, Dentistry, Plastic surgery, Gynecology, Pulmonology, ENT and many more. Based on the analysis provided in the research report of RNCOS (Research and Industry Data Analysis Company) 'Booming Medical Tourism in India', the medical tourism industry is expected to register a CAGR (Cumulative Annual Growth Rate) of more than 20% during 2013 to 2015. It is anticipated that India's share in the global medical tourism industry will climb to 2.4% by 2012. In an article dated 27th June 2013, the Economic Times stated that as many as 400,000 foreigners travelled to India in 2012 for health treatments, making it the fifth most-visited country for medical tourism. Also high-difficulty operations such as coronary artery bypass, graft surgery were successfully performed in India. The cost of such operations was 90% less expensive in India than in the west. Moreover the recessionary trends in the west had only added to India's popularity. Since foreign currency is more powerful than the rupee, it is cheaper for them to get these surgeries done in India. Many private information agencies in India are offering attractive packages to the medical tourists, which include customised travel, post-operative treatment itineraries, a holiday destination and accommodation facilities.

Alternative forms of traditional medicines like Ayurveda, aromatherapy, yoga, pranic healing and the like are also becoming popular with the patients. These are non-surgical treatments for various ailments. For example Kerala Ayurveda centres have been established at multiple locations in various metro cities. The health tourism publicity also showcases the advantages of this traditional form of medicine. There are over 7 lakh registered practitioners who are catering to the needs of traditional healthcare.



Ayurvedic Medicines

Ayurvedic Medicines have also entered the wellness services through spas and Ayurvedic massages. These give India an edge over other Asian countries. The patients are attracted to the personal care, immediate operative facilities and this is adding to the popularity of India as a preferred destination for health treatment.

A study by CII (Confederation of Indian Industries) and McKinsey Consultants in 2005 estimated that India had the capability to attract one million medical tourists annually and could add \$ 5 billion to the country's income. In an article of the Financial Express 2012, it was anticipated that India could be hosting 24 lakh medical tourists by 2020, almost four times the number it catered to in 2010. And that's not all. The figure is projected to rise to 49 lakh tourists by 2025, according to an estimate by Technopak. However, in order to achieve any of these targets, the health industry needs to promote its hospitals and allied services abroad and improve upon its transport facilities, especially air connectivity, to the metros.

Indian medical tourism industry's phenomenal growth is fuelled by quality, availability and cost factors. It is surely on its way to making India a Global Health Destination.