

**BCM SCHOOL, BASANT AVENUE,
DUGRI ROAD, LUDHIANA**

CLASS – XII

ECONOMICS ASSIGNMENT

Q.34 Answer the following questions on the basis of the given text and common understanding:

G20 SUMMIT: OBJECTIVES, ACHIEVEMENTS AND 2023 INDIA PRESIDENCY

Prior to 1999, merely a group of seven (G7) developed countries, including the US, the UK, Canada, France, Germany, Italy and Japan, formed an alliance to deal with the financial crisis. The G20 was established as a consequence of a meeting of the G7 Finance Ministers and Central Bank Governors, who recognized the need for a broader spectrum to address global financial issues.

The G20 was established in 1999 as a new grouping of countries having a persistent economic impact in the wake of the 1997 global financial crisis. The present forum first met at the level of Finance Ministers and Governors of Central Banks with the purpose of dealing with policies to accomplish international stability in the economy.

The objectives of G20 platform includes:

Establishing and strengthening global architecture,

The leading forum for fostering global economic cooperation,

Formulating international standards for tackling pressing and critical problems,

Provide aid to the most vulnerable nations, and center the recovery on high-quality employment, and

Commitment to the principles of "strong, sustainable, balanced and inclusive growth."

Some of the significant contributions of G20 include:

The member nations contribute to approximately 90 per cent of global GDP and 80 per cent of global trade.

Battling against the financial crisis such as - the Global Financial Crisis 2008-09, the Euro zone Crisis in 2010, etc.

With a USD 10 trillion rescue package that concentrated on tackling the economic and health crises, the G20 took the lead in the worldwide struggle against the COVID-19 pandemic.

The G20 Debt Service Suspension Initiative (DSSI) benefitted 50 countries and helped to address unsustainable debt burdens and provide long term reserves to low income, emerging market and developing countries.

Focusing on boosting women's engagement in the labor market, the International Labor Organization has continued its ongoing study on Women at work in G20 Countries.



G20 Summit 2023 in India

Questions:

- What is G20? When and why was the G20 established? (2 marks)
- "The G7 and G20 groupings do not have a permanent member." Defend/Refute the statement with valid reasons. (2 marks)
- "Over the past two decades, through consistent and mutual efforts, G20 has been able to significantly impact the governance of member nations." Do you agree with the above statement? Give any two reasons in support of your answer. (2 marks)

Q.23 The value of the nominal GDP of an economy was ₹3,000 crores in a particular year. The value of GDP of that country during the same year, evaluated at the prices of same base year, was ₹3,500 crores. Factor income earned by the factors of production of the rest of the world employed in the domestic economy was ₹1,500 cores, whereas factor income earned by the domestic factors of production employed in the rest of the world was ₹1,000 crores. Calculate the value of the GNP deflator.

Q.11 The following data represents the components of expenditure (all values are in ₹ crores): (3 marks)

Consumption Expenditure by households = 1,200

Fixed Investment Expenditure by businesses = 800

Government Final Consumption Expenditure = 500

Net Exports = 100

Net Indirect Taxes = 150

Inventory Investment = (-)50

Fixed Capital Consumption = 200

Additionally, consider the following information:

(i) Factor income earned by residents working abroad = ₹70 crores

(ii) Factor income earned by foreign residents working in the economy = ₹20 crores

(iii) Net Transfer Payments from the Government to Households = ₹30 crores

Calculate the National Income using the Expenditure Method.



Competency Based Questions

Comprehensively based on

NCERT Class 10

Q.34 CASE STUDY: Read the following text carefully and answer the questions that follow:

THE 2023 G7 AND G20 SUMMITS COME AT A TIME OF IMMENSE GLOBAL CHALLENGES.

The world is at a tipping point for addressing climate change, a crisis that has far-reaching impacts that worsen global inequality, poverty, and humanitarian crises. Many countries face rising and unsustainable debt. Meanwhile, Russia's war in Ukraine has resulted in thousands of deaths and continues to destabilize the region, creating knock-on effects for food and energy security around the globe.

These challenges and others are immense yet addressable, and the G7 and G20 are well placed to do so.

First, the G7 and G20 provide platforms for countries to coordinate their efforts and collaborate toward common goals. The scale and complexity of the challenges we face mean no single country can tackle them on its own.

Second, as multilateral fora, the G7 and G20 promote international cooperation and dialogue. Global challenges such as climate change, debt distress, and achieving the Sustainable Development Goals require multilateral cooperation. The G7 and G20 provide critical space for countries to engage in constructive dialogue.

Third, the G7 and G20 have significant power and influence. For example, G20 countries account for more than 80% of global gross domestic product (GDP), three-quarters of global trade, and two-thirds of the world's population. G7 countries, a group comprised of the world's richest democracies, account for 27% of global GDP. The collective economic power of these countries gives them a unique ability to leverage their resources and influence to address global challenges and achieve common goals.

For these reasons, the G7 and G20 are critical for tackling global challenges, and maintaining focus on achieving common goals wherever possible is more important than ever.

(a) "India is a member of both G7 and G20." Defend/Refute the statement.

(1 mark)

(b) "Nations have been primarily trying to adopt various means which will strengthen their own domestic economies." Defend/Refute the statement with reasons.

(2 marks)

(c) Why are the G7 and G20 critical for tackling global challenges, and maintaining focus on achieving common goals? Give three reasons.

(3 marks)