

12/5/21 Home assignment

1. What is the positive side of large population?

Ans) Large population is an asset for the economy rather than a liability. Population becomes human capital, from productive aspect, contribute to Gross National Product. It also increases the availability of cheap labour. It leads to the formation of the large market as investors would like to invest in a country with a large population.

2. When does population become human capital?

Ans) Population is an asset for the economy rather than a liability. Population becomes human capital when there is <sup>investment</sup> involvement made in the form of education, training and medical care. In fact human capital is the stock of skill and productive knowledge embodied in them.

3. What is human capital?

Ans) Human capital is the stock of skilled and productive work force of a nation.

4. How does society benefit from investments in humans?

Ans) An investment in human capital means investing in educational or some form of on-the-job training to improve workforce quality. Such investments provide returns to the individual as well as to the economy as a whole. Individuals benefit from higher earnings, and the economy as a whole benefits from higher productivity.

5. How can investments be made in humans?

Ans) Investments in humans can be made in form of education, training and medical care. In fact human capital can become work force for the nation.

6. Define GNP.

Ans) GNP is known as Gross National product, it is the total value of all goods and services produced within the country's citizens in a given financial year, including income from abroad.