

ECONOMIC APPLICATIONS (87)

Aims:

1. To familiarize students with the basic concepts of economics and economic phenomenon.
2. To develop their analytical skills.
3. To provide students with hands-on-experience in analyzing economic problems that they normally come across.

There will be one theory paper of two hours duration of 100 marks and Internal Assessment of 100 marks.

The paper will consist of Part I and Part II.

Part I (compulsory) will contain short answer questions on the entire syllabus.

Part II will consist of questions that will require detailed answers. There will be a choice of questions.

THEORY – 100 Marks

1. Basic Concepts of Economics

- (i) Meaning and definition of Economics; Economic entities: Consumer, Producer, Households and Government. The importance of these economic entities. The meaning of an economy and role of the economic entities.
A basic understanding of the concepts of economics. The definitions of economics with reference to allocation of resources and scarcity of resources (Robbins, Samuelson). Basic explanation of the role of consumer, producer, government and households in an economy.
- (ii) Three major problems of an economy: What to produce? How to produce? For whom to produce? Efficient use of resources; basic understanding of the terms: economic growth and economic development
A brief introduction to the basic problems of an economy - What to produce? How to produce? For whom to produce? Needs to be emphasized irrespective of the type of an economy. Manner in which economics as a subject helps us to allocate scarce resources in an efficient way needs to be explained. The concept of economic growth and economic development should be explained.
- (iii) The nature and the classification of an economy: developed, underdeveloped and developing economy; Capitalistic, Socialistic, Mixed economies- main features.
A basic understanding of the features of capitalistic, socialistic and mixed economies is required. Meaning and classification of economies into

developing and developed should be explained.

2. An Overview of Indian Economy

The nature of Indian economy: the main sectors of Indian economy - Agriculture, Industry and Services. Role of these sectors in Indian economy and their interrelationship. The sectors according to ownership- private and public; the sectors according to type of economy- rural and urban.

Role of agriculture in India and its problems.

Impact of Agricultural practices on the Ecosystem.

Construction of dams- loss of habitat species.

Loss of top soil and desertification.

Indiscriminate use of fertilizers and pesticides.

Measures to check the ecosystem;

Governmental initiatives: not building large dams for generating hydroelectric power which leads to less land being submerged and less displacement of people.

Alternative cropping for checking loss of topsoil and desertification. Plantation and conservation of grasslands to check soil erosion. Use of manure, bio-fertilizers and bio-pesticides green manuring, compost. These are eco-friendly alternatives to pesticides and fertilizers.

Role of Industries in the Indian Economy.

Impact of industrial practices on the ecosystem.

Mining, industries, energy generation, automobiles, urbanisation leading to defacement of land, deforestation, deterioration of hydrological resources.

Industrial waste: mining operations, cement factories, oil refineries, construction unit.

Spoilage of landscape, pollution, health hazards, effect on terrestrial, aquatic (fresh water and marine) life.

Measures to check the ecosystem.

Improving efficiency of existing technologies and introducing new eco-friendly technologies.

Methods of safe disposal of waste - segregation, dumping, composting, drainage, treatment of effluents before discharge.

Abatement of pollution.

Air: setting standards and implementing them, using technical devices to reduce pollution.

Importance of Service Sector - National Income, Employment and Regional Development (in brief, no statistical data required). Interdependence of all three sectors (Primary, Secondary and Tertiary).

Meaning of Private and Public sector with examples. Meaning of Rural and Urban sector with examples.

3. **Infrastructure of the Indian Economy**

Economic and social infrastructure of Indian economy. Social infrastructure- education, health, family welfare and housing.

A basic understanding of the economic and social infrastructure and its role in India's economic development. The problems pertaining to lack of such infrastructure and their adverse impact on the economy to be discussed.

4. **Consumer Awareness**

Ways in which consumer is exploited. Reasons for exploitation of consumers; Growth of consumer awareness; consumer behaviour in the market; consumer rights. Legal measures available to protect consumers from being exploited - (COPRA, RTI).

Understanding the importance of educating consumers of their rights - awareness of food adulteration and its harmful effects.

5. **Globalization**

Meaning and factors enabling Globalization, WTO, impact of Globalization.

Meaning of globalization. Factors enabling globalization - technology and liberalization (removal of trade barriers).

WTO (main objectives), favourable impacts of the globalization - starting of MNC's and benefits to Indian companies.

NOTE: IT IS SUGGESTED THAT CASE STUDIES MAY BE DISCUSSED ON THE FOLLOWING TOPICS-

- **Globalization**
- **Consumer Awareness**
- **Bhopal Gas Tragedy**
- **Chernobyl Disaster**

INTERNAL ASSESSMENT – 100 Marks

Candidates will be required to do a minimum of four assignments during the year, as assigned by the teacher.

Suggested list of assignments:

1. Identify 100 consumers of major brands of edible oils in a locality/ area where you live. Draw up the pattern of their monthly expenditure on this product and compare it with the other household expenditure. Make a presentation of your findings in class.
2. Identify the major brands of bathing soaps that are available in the market in your area. Select a sample of 10 shops/ department stores that sell these brands and collect the sales of these brands over a period of one week at these shops. Identify the brands that sell the most and make a presentation for your class.
3. Make a presentation on the central problems an economy faces. Explain these with reference to the Indian economy.
4. Take a developed country such as the USA and a developing country such as India. Analyze the main characteristics of these economies.
5. Outline the main modes of transport in the district/city you live. What problems do you and other citizens face pertaining to the availability of public transport? Analyze.
6. Take a table of food grain production in India from any textbook on Indian economy or any other secondary source such as internet. Interpret the changes in the production over a given period of time.
7. Given a table of population growth for period between 1971 and 2001 and table of contribution of agriculture, industry and services sector for the same period, compare the two tables and present your findings in the form of a presentation.
8. Make a presentation of the major trading partners of India in the last 15 years. Specify the major changes that have taken place in the last five years.
9. What are the major items of export and imports from India in the last five years? Use secondary data sources and make out the changes that have taken place in this context.