

ECONOMIC APPLICATIONS (87)

CLASS IX

*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

(Teachers are required to discuss the following five units at a basic level.)

1. Basic Concepts of Economics

- (i) *Meaning and definition of Economics; Economic entities: Consumer, Producer, Households, Government. The importance of these economic entities. The meaning of an economy and the 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. 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 economic problems of an economy - what to produce, how to produce and for whom to produce, need to be emphasized as a set of basic problems in a given economy, irrespective of the type of economy. Manner in which economics as a subject helps us to allocate scarce resources in

an efficient manner 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 and 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 sectors.

A basic understanding of the main sectors of the Indian economy. The interrelationship between agriculture, industry and services sectors to be brought out explicitly.

3. Infrastructure of the Indian Economy

Economic and social infrastructure of Indian economy. Social infrastructure- education, health and family welfare, housing; Economic infrastructure - transport, power, irrigation, banking and financial institutions.

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. Population Problem

Size and growth rate, causes of the rapid growth of population; problem of over-population; remedies for population explosion; population policy of the government; age, sex, composition and occupational distribution of population in India.

The population problem - size and growth (give census 2001 figures); explain the causes of population growth; its impact on economic growth. Discuss the measures that are needed as part of the government policy.

5. India's Foreign Trade

The role of foreign trade in India's economy; the main items of India's exports and imports; the direction of foreign trade—India's major trading partners.

The contribution of foreign trade in the Indian economy especially after the economic reforms were started, needs to be discussed. The changes in the composition and direction of India's foreign trade need to be highlighted.

CLASS X

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

(Teachers are required to discuss the following five units at a basic level).

1. Demand And Supply: Basic Concepts

- (i) *Law of demand and supply: demand and supply schedule and curve (both individual and market); movement and shift of the demand and supply curve; determinants of demand and supply; exceptions to the law of demand.*

A basic understanding of the law of demand and supply in which demand and supply schedules are to be used to explain the demand and supply curves. The individual demand and supply curves must be distinguished from market demand and supply curves. Determinants of demand and supply to be specified. Exceptions to the law of demand to be discussed.

- (ii) *Elasticity of demand: Meaning, types; methods of measuring elasticity of demand; Factors affecting elasticity of demand; importance of the concept of the elasticity of demand.*

The concept of elasticity of demand to be explained along with the methods of measuring the elasticity of demand. The factors affecting the price elasticity of demand to be specified and analyzed along with the importance of the concept, especially in the business sector. Examples should be given to elaborate.

2. Factors of Production: Basic Concepts

Land: meaning and characteristics, functions and its importance; factors affecting productivity of land. Labour: meaning and characteristics; division of labour: meaning, types, advantages and disadvantages; efficiency of labour; meaning, reasons for low efficiency of Indian labour. Capital: meaning, types and characteristics; capital formation; meaning, factors affecting capital formation; Entrepreneur: meaning, functions and role of entrepreneurs in economic development.

A basic understanding of the factors of production. Land, Labour, Capital and Entrepreneur as factors of production having their impact on the production structure in an economy to be discussed. The reasons for lower efficiency of Indian labour as a factor of production to be highlighted briefly.

3. *Alternative Market Structures: Basic Concepts*

Nature and structure of markets: Perfectly competitive market - main features; Monopoly market - main features; Monopolistically competitive market - main features and the concept of product differentiation; Monopsony market - main features.

The main emphasis should be on the explanation of various market forms and their visibility in a real business scenario. The teachers are expected to relate live examples from the corporate sector to analyze these market forms.

4. *The State and Economic Development*

The role of State in promoting development; the instruments of State intervention- fiscal policy, monetary policy and wage policy; the public sector enterprises - their role and problems; the issue of privatization of public enterprises.

A basic understanding of the role of the State in the economy needs to be highlighted in the context of Indian economy. The meaning of fiscal, monetary and wage policies needs to be explained.

5. *Money and Banking: Basic Concepts*

Money: meaning, functions of Money; Inflation: meaning, effects of inflation on the functioning of the economy (in brief). Banking: Commercial Banks: functions; Central Bank: - functions; quantitative and qualitative credit control measures adopted by RBI.

A basic understanding of the concepts of money, its functions and meaning of inflation to be given. The impact of inflation, various economic entities such as borrowers, debtors, fixed income groups to be explained very briefly. An explanation of functions of commercial banks and qualitative and quantitative controls used by the RBI as part of its credit control measures.