

# CBSE Notes Class 7 Social Science Civics

## Chapter 8 - A Shirt in the Market

Chapter 8 of Class 7 Civics describes how markets offer people different opportunities. The 'story of a shirt' and the chain of markets involved in the process helps you understand this chapter in-depth. With each step of the manufacture and circulation of a shirt, you will realise that some people make money in the market transaction, whereas others do not gain profit and sometimes are not even paid for their work. You will know that the opportunities in the market are highly unequal. After reading CBSE Notes Class 7 Social Science Civics Chapter 8 - A Shirt in the Market, you come to the conclusion that we need a much more viable approach for equitable distribution of the market.

This chapter begins with the production of cotton and ends with the sale of the shirt. You will see that a chain of markets links the producer of cotton to the buyer of the shirt in the supermarket. Buying and selling take place at every step in the chain. Does everyone benefit equally from this? Or do some people benefit more than others? You will find the answer to this question at the end of the chapter.

### CBSE Notes Class 7 Social Science Civics Chapter 8 - A Shirt in the Market

#### A cotton farmer in Kurnool

Swapna, a small farmer in Kurnool (Andhra Pradesh) grows cotton on her small piece of land. It takes several days to harvest the cotton. Once the cotton is collected, instead of selling it at Kurnool cotton market, Swapna and her husband take the harvest to the local trader. She had borrowed Rs. 2,500 from the trader at a very high-interest rate to buy seeds, fertilisers, pesticides for cultivation. In return for this, the local trader made Swapna agree to another condition that she has to sell all her cotton to him. At the end she received only 3,000 rupees.

#### The cloth market of Erode

Erode's is a bi-weekly cloth market in Tamil Nadu, which is one of the largest cloth markets in the world. A large variety of cloth is sold in this market. Cloths made by weavers in the villages are brought to the market for sale. Cloths are made on order from the merchant. These merchants supply cloth to garment manufacturers and exporters around the country. They purchase the yarn and give instructions to the weavers about the kind of cloth that is to be made.

#### Putting-out system

For the weavers, this arrangement has two advantages:

1. The weavers do not have to spend their money on the purchase of yarn.
2. Weavers don't have to think about the selling of finished cloth.

On the other side, there are a few disadvantages for the weavers:

1. Dependency on raw materials and markets makes merchants more powerful.
2. Weavers are paid very less for making the cloth.

The market works more in favour of the merchants. The arrangement between the merchant and the weavers is an example of **putting-out system**, whereby the merchant supplies the raw material and receives the finished product.

The merchant supplies the cotton cloth produced by the weavers to a garment exporting factory. The garment exporting factory uses the cloth to make shirts. The shirts are exported to foreign buyers. Foreign buyers are businesspersons from the US and Europe who run a chain of stores and do business strictly on their own terms which are:

1. They demand the lowest prices from the supplier.
2. They set high standards for quality of production and timely delivery.
3. Any defects or delay in delivery is dealt with strictly.

### The shirt in the United States

A number of shirts are displayed at a large clothes shop in the United States and are priced at \$26. That is, each shirt sells for \$26 or around 1,800 rupees.

### Market and equality

The foreign businessperson made huge profits in the market. Compared to this, the garment exporter made only moderate profits. On the other hand, the earnings of the workers at the garment export factory are very small that they can only cover their day-to-day needs.

Compared to the weavers, merchants or traders earned more but it is still much less than the exporter. Thus, everyone did not get equal profit in the market. Usually, the rich and the powerful people get the maximum earnings from the market. These are the people who have money and own the factories, the large shops, large landholdings, etc.