STANDARD NINE ECONOMICS

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Understanding Development: Perspectives, Measurement and Sustainability

🗭 Learning Objectives

UNIT

- To know the meaning of development from different perspectives
- To know the indicators of economic development
- Understand the meaning of economic development
- To know the policies for sustainable development



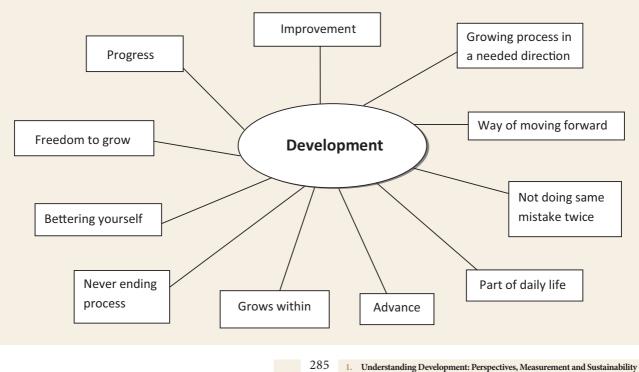
Introduction

The word 'development' is used widely. It refers to the progress of a particular field or a particular person. Similarly, the economic progress of a country is known as 'economic development'. However, the interpretation of the concept development keeps on changing from time to time, from person to person and its meaning gets extended further.

1.1 Different Perspectives About Development

Every human being has an ambition or desire of his or her own to achieve progress in life. Similarly, we have ideas about how a country should progress. If our thinking turns towards progress and about the ways to achieve the many goals for progress, it leads to development.





From the above diagram, you will notice that other than income, people seek freedom to grow on their own. Thus, development refers to the improvement in quality of life such as higher income, better education, better health and nutrition, less poverty and more equal opportunity.

The term 'economic development' refers to the overall growth of all sectors of the economy by adoption of new technologies. Economic development improves the living standards of the people as well as the status of the country.

1.2 Indicators of Economic Development

The major indicators to measure the level of economic development are Net National Product (NNP), Per Capita Income (PCI), Purchasing Power Parity (PPP) and Human Development Index (HDI).



Final money value of total goods and services produced with in the geographic boundaries of a country during a specified period of time,

normaly a year is known as Gross Domestic Product (GDP).

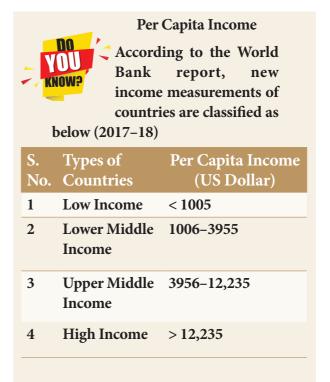
Net National Product

The Net National Product (NNP) is considered as a true measure of national output. It is also known as national income. A rise in per capita income means an increase in aggregate real output. Hence, this is a better indicator than national income for measuring development.

For measuring a country's development, its income is considered to be one of the most important factors. Countries with higher income are considered to be more developed than those with lesser income. So, income itself is considered to be one of the indicators of economic development.

Per Capita Income

However, for comparing the development of various countries, total income is not satisfactory measure. Since countries have different populations, comparing total income will not be suggestive of what an average person is likely to earn, as people in one country are better off than others in a different country? The average income is calculated by dividing the country's total income by its total population. The average income is also called per capita income. Calculations on the per capita income of all countries are calculated only in the US dollar in order to compare International level.



Purchasing Power Parity

Purchasing power parity is defined as the number of units of a country's currency required to buy the same amount of goods and services in the domestic market as one dollar would buy in the US.

The technique of purchasing power parity allows us to estimate what exchange between two currencies is needed to express the accurate purchasing power of the two currencies in the respective countries. Recently, India became the third largest

1. Understanding Development: Perspectives, Measurement and Sustainability

economy in terms of PPP. China became the largest defeating the US to the second position.

Human Development

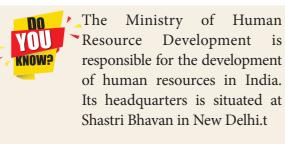
Human resource is

necessary for the progress of any country. The term 'human resources' refers to the collective abilities of people, which can be utilised in the production sector.



Human resource development means the development of a person's physical and mental abilities through education, health care and training. Therefore, investment in education and health of people can result in a high rate of returns in the future for a country. For example, if a child is invested with good education and health, he or she may turn to be very productive in future in the form of higher earnings and greater contribution to the society. Human Development Index (HDI) Which indicates all round development of the people in the society.

In the past, economists believed that the rate of economic growth of nations could be increased only by increasing investment in physical capital. But they have realised over time that investment in human capital is as important as investment in physical capital.





Sustainability of 1.3 Development

Sustainable economic development is taken to mean development without damaging the environment and not compromising with the needs of the future generation.



The consequences of environmental degradation do not respect to national or state boundaries. Sustainability of development is comparatively a new area of knowledge in which scientists, economists, philosophers and other social scientists are working together.

Natural resources can be divided into renewable resources and non-renewable resources.

Revenewable resources are replenishable. eg. Solar energy

renewable Non resources are non replenishable eg. Coal, Petroleum.

Groundwater is an example of a renewable resource. The question arises as to how sustainable development is possible if the resources are over-used rather than getting replenished. Nonrenewable resources get exhausted after certain number of years of extracting and using them and they cannot be replenished.



DO, Literacy rate of Tamil Nadu is • the second highest among the southern states. Tamil Nadu's literacy rate is higher than the national average.

The enrolment for higher education in Tamil Nadu is the highest in India.

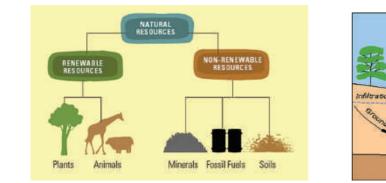
To achieve real sustainability, we need to balance economic, social and environmental sustainability in equal harmony.

In general, the question of development or progress is continuous. At all times, as a member of society and as individuals, we need to ask where we want to go, what we wish to become and what our goals are.

1. Understanding Development: Perspectives, Measurement and Sustainability

					States			
S. No	Parameter	Andhra Pradesh	Karnataka	Kerala	Gujarat	Uttar Pradesh	Tamil Nadu	India
1	Literacy Rate % (2011)	67.02	75.36	94	78.03	69.72	80.09	74.04
2	Sex Ratio (Females per 1000 Males) (2011)	993	973	1084	919	912	996	943
3	Enrolment in Higher Education% (2015–16)	30.8	26.1	30.8	20.7	24.5	44.3	24.5

Source: Niti Aayog





Renewable resources are

repplenishable resources are pollution free and environment friendly. These resources take a short time for renewal.

Example: Solar energy, wind energy, water, wood, paper.

1.4 Policies for Sustainable Development

Use of Non-conventional Sources of Energy

India depends on thermal and hydro power plants to meet its power needs. Both

1. Understanding Development: Perspectives, Measurement and Sustainability 288

Non-renewable resources

Non-renewable resources are nonreplenishable resourcespollute and damage the environment. Million of years are needed for the formation of these resources.

Confining unit

Example: Metals, glass, fossil fuels (coal, petroleum, natural gas, diesel)

these sources have an adverse environmental impact. Thermal power plants emit large quantities of carbon dioxide, which pollute the environment.



Water-level declines

Cround-water Boy

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Solar Power in India

Solar power is the conversion of energy from sunlight into electricity either directly using photovoltaic cells or indirectly using concentrated solar power. Solar panels absorb the sunlight as a source of energy to generate electricity. A solar electric system can reliably produce electricity for our home and offices. These distributed solar systems are often installed by home and business owners to reduce their electricity costs. Solar power in India is a fast-developing industry.

Tamil Nadu is the state with highest installed solar capacity in India. Tamil Nadu is one of the leading solar power producing states in India. As on 31 July 2017, the total installed capacity in Tamil Nadu is 1,697 MW.



1.5 Environmental Policies in India

Environmental policies in India have been evolved considerably over the past three decades. These policies have covered a wide range of issues such as air, water pollution, waste management and biodiversity conservation.

India faces challenges in economic development, which has to be achieved with limited resources, minimum externalities and in the presence of an uncertain climate. One of the approaches to overcome this challenge is through the path of sustainable development.

The Supreme Court of India has interpreted and introduced new changes in environmental protection through a series of directions and judgements.

Article 51A(g) of the Constitution states that "it shall be the duty of every citizen of India to protect and improve the natural environment including forests, lakes, rivers and wildlife and to have compassion for living creatures."

Development increases the quality of life. This means that people will have higher incomes, better education, better health and nutrition, less poverty and more equality of opportunity.

S. NoActAction1National Green Tribunal Act, 2010Environmental protection and conservation of forests and other natural resources2Biological Diversity Act, 2002To provide for conservation of biological diversity3The Environment (Protection) Act, 1986Providing for the protection and improvement of the environment.4Forest (Conservation) Act, 1980Check deforestation and encourage afforestation of non-forest areas.5Water (Prevention and control of pollution) Act, 1974Provides maintenance and restoration and quality of all types of surface and groundwater.6Wildlife Protection Act, 1972Providing protection to wild animals and birds.	List of Environmental Acts in India			
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289 1. Understanding Development: Perspectives, Measurement and Sustainability

The Growth Story of Tamil Nadu

Tamil Nadu is one of the states having achieved rapid progress with a relatively short period, despite it started from appalling levels of poverty, deprivation and inequality.

During the short period, Tamil Nadu much to the consternation of many economists, initiated bold social programmes such as universal midday meals in primary schools and started putting in place an extensive social



infrastructure – schools, health centres, roads, public transport, water supply, electricity connections, and much more. Today, Tamil Nadu has some of the best public services among all Indian states, and many of them are accessible to all on a non-discriminatory basis.

Last but not least, there is no evidence that the cultivation of human capability has been at the cost of conventional economic success, such as fast economic growth. Tamil Nadu have some of the highest per capita incomes and lowest poverty rates among all Indian states. Economic growth, in turn, has enabled these states to sustain and consolidate active social policies. This is an important example of the complementarity between economic growth and public support.

Source: An Uncertain Glory by Nobel laureate Prof. Amartya Sen.

Recap

- ^e Development refers to the progress of a particular field or a particular person.
- [°] Economic development means overall growth of all sectors of the economy.
- [°] The major indicators of economic development are Per Capita Income, Net National Product, Purchasing Power Parity and Human Development Index.
- [°] Human resource is necessary for the progress of any country.
- [°] Sustainable development means development should take place without damaging the environment and preserve it for the future.
- [°] The Wildlife Protection Act 1972 is aimed at protection to wild animals and birds.
- [°] Thermal power plants emit large quantity of carbon dioxide, which is harmful to the environment





1. Assertion(A):

I. Choose the correct answer:

Development increases the quality of life.

Reason(R): People will have higher incomes, better education, better health and nutrition, less poverty.

- a. Both (A) and (R) are true and (R) explains (A)
- b. Both (A) and (R) are true and (R) does not explain (A)
- c. (A) is correct and (R) is false
- d. (A) is false and (R) is true

1. Understanding Development: Perspectives, Measurement and Sustainability 290

- **2.** The term 'Human resources' refers to
 - a. investment on poor people
 - b. expenditure on agriculture
 - c. investment on assests
 - d. collective abilities of people
- **3.** For comparing development between countries, their ______ is considered to be one of the most important attributes.
 - a. growth b. income
 - c. expenditure d. savings
- **4.** ______ is considered a true measure of national income.
 - a. GNP b. GDP
 - c. NNP d. NDP
- **5.** The ______ income is also called per capita income.
 - a. average b. total
 - c. people d. monthly
- 6. Which one of the following country is not a G-8 country
 - a. Japan b. Canada
 - c. Russia d. India
- **7.** Which one of the following country is not a member of SAARC
 - a. India b. Pakistan
 - c. China d. Bhutan
- 8. Assertion (A): The Net National Product (NNP) is considered as a true measure of national output.

Reason (R): It is also known as national income.

- a. Both (A) and (R) are true and (R) explains (A)
- b. Both (A) and (R) are true and (R) does not explain (A)
- c. (A) is correct and (R) is false
- d. (A) is false and (R) is true

9. Assertion (A): Human resource is necessary for the progress of any country.

Reason (R): Investment in education and health of people can result in a high rate of returns in the future for a country.

- a. Both (A) and (R) are true and (R) explains (A)
- b. Both (A) and (R) are true and (R) does not explain (A)
- c. (A) is correct and (R) is false
- d. (A) is false and (R) is true
- **10.** The Human Development Index (HDI) does not take into account the following dimension in its calculation
 - a. Gender b. Health
 - c. Education d. Income
- **11.** Among the following states which state have the literacy rate (2011) higher than national average
 - a. Andhra Pradesh
 - b. Uttar Pradesh
 - c. Tamil Nadu
 - d. None of these
- **12.** Sex-ratio means
 - a. the ratio between adult-male and adult female in a population
 - b. the ratio between female and male in a population
 - c. the relationship between male of female
 - d. the number of females per thousand males
- **13.** Inter-generational equality is ensured under the process of
 - a. Industrial progress
 - b. Economic development
 - c. Sustainable development
 - d. Economic growth

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- **14.** Find the odd one
 - a. Solar energy b. Wind energy
 - c. Paper d. Natural gas
- **15.** ______ is the state with highest installed solar capacity in India.
 - a. Tamil Nadu b. West Bengal
 - c. Kerala d. Andhra Pradesh
- **16.** _____ resources are those which will get exhausted after years of use.
 - a. Natural b. Renewable
 - c. Non-Renewable d. New
- **17.** Thermal plant emits large quantity of _____, which pollutes the environment.
 - a. Oxygen b. Nitrogen
 - c. Carbon d. Carbon dioxide

II. Fill in the blanks:

- **1.** Economic progress of any country is known as _____
- **2.** The head quarters of HRD Ministry is in
- **3.** The state having the highest literacy rate in India is _____
- **4.** Human Development Report of the world prepared and released by _____
- **5.** Groundwater is an example of resource.
- 6. The book *An Uncertain Glory* was written by_____

III. Match the following:

- 1. Development Wild life Protection Act
- 2. Human Renewable resources

1. Understanding Development: Perspectives, Measurement and Sustainability 292

- 3. Solar energy Part of daily life
- 4. 1972 Education

IV. Give Short answers:

- **1.** What do you mean by development?
- **2.** What are the indicators of development?
- **3.** Why NNP is not considered as an useful measure to compare a country's development with other countries?
- **4.** Why human resources is considered as the foremost resource of any country?
- 5. Expand the following: 1. PPP 2. HDI
- **6.** Expand the following: 1. NNP 2. PCI
- 7. What is 'Solar Power'?

V. Answer in detail:

- **1.** Discuss the policies for sustainable development.
- **2.** Describe in detail about environmental policies in India.
- **3.** Differentiate between renewable and non-renewable resources.
- **4.** Mention any five environmental acts and their action.

VI. Projects and Activities

List the various ways in which the problems of garbage and emissions are being dealt with around the world.

VII. HOTS

Write in detail what kind of environmental problems you face in your locality.

VIII. Life Skill

How is the Per Capita income calculated?

UNIT

Employment in India and Tamil Nadu

🞯 Learning Objectives

- To know the employment structure in India
- Understand the organised and unorganised sector
- Understand the distinction between public sector and private sector
- Understand the changing employment pattern
- To appreciate the case study format



Introduction

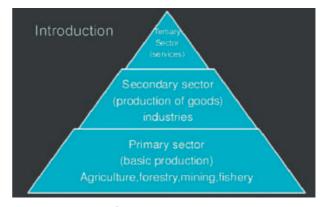
You know the basic needs of every human being are food, clothes and shelter. In the present world, one more essential need has to be added in this list. That is employment. To survive in the world, we all need employment to earn money. Those who are engaged in economic activities, in whatever capacity– high or low – are called employees. People who employ these workers and pay rewards for their work are called the employers.

Labour force of the economy is the number of people in the country who work and also capable of working. We take the age group of 15–60 years for the computation of workforce. Persons who are less than 15 years are considered as children, and person who have crossed 60 years of age are excluded as they are not physically fit to undertake productive occupation. If larger percentage of population is accounted by children and old-age persons, then the progress of the country would be very slow as the working force is very small. Besides, the small working force for feeding out of the small national product.

2.1 Employment Structure in India

The nature of employment in India is multi-dimensional. Some get employment throughout the year; some others get employed for only a few months in a year.

The economy is classified into three sectors: primary or agriculture sector, secondary or industrial sector and tertiary or service sector.



Employment Structure

The structure of employment denotes the number of workers engaged in different sectors of the economy. Though the occupational pattern varies from one country to another, one

can find in developing countries like India that a large work force will be engaged in primary sector, while a small proportion in secondary and tertiary sectors. Whereas, in well-developed countries, the proportion of workforce engaged in agriculture will be very small and a majority of labour force will be in the industrial and tertiary sectors.

Employment has always featured as an important element of development policy in India.

Employment growth has increased at an average rate of 2% during the past four decades since 1972–73.



 In the medieval period,
 Feroz Shah Thuglaq, the Sultan of Delhi, had set up an 'Employment Bureau' to solve the unemployment problem.

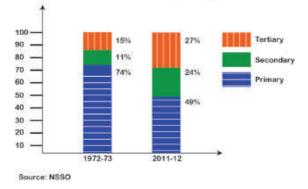
Types of Employment:Organised and Unorganised Sectors

Organised Sector

The organised sector is one that is incorporated with the appropriate authority or government and follows appropriate rules and regulations. In short organised sectors are those which are deliberately planned, designed and duly sanctioned by competent authority. They are formal by nature. In India employees of central and state governments, banks, railways, insurance, industry and so on can be called as organised sector. This sector works according to certain rules and regulations given in the law. Organised sector has some formal processes and procedures. The employees in this sector are provided with job security and receive higher wages than those of the unorganised sectors.

Organised sector gives good salary, fixed working hours, paid holidays and provides medical allowance and insurance also.

Share of sectors in Employment (%)



Unorganised Sector

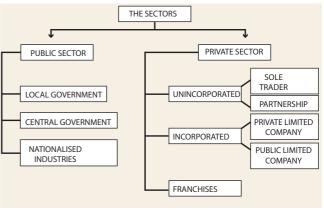
The unorganised sector of the economy characterised by the household manufacturing activity and small-scale industry. Jobs here are low paid and often not regular, Mostly, they do not have paid leave, holiday, leave due to sickness and so on. Employment is not secure. When there is no work, people are asked to leave the job. This sector includes a large number of people who are employed on their own doing small jobs such as selling on the street, doing repair work and so on.

In the unorganised sector, the employment terms are not fixed and regular. They do not enjoy any special benefits or job security. These enterprises are not registered with the government.

Public Sector vs Private Sector

Economic activities are classified into public and private sector based on who owns assets and is responsible for the delivery of services.





2. Employment in India and Tamil Nadu

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9th Economics U2.indd 294

Differences between the Public Sector and Private Sector				
S. No.	Public Sector	Private Sector		
1	Service motive	Profit motive		
2	Government owns the assets	Private individuals own the assets		
3	Wages are paid by the government	Wages are paid by the owner of private enterprises.		

Examples			
Private Sector			
TVS Motors			
Ashok Leyland			
TATA Steel			

2.3 Employment Pattern

In recent years, there has been a change in the employment pattern and this has helped the employers to develop more flexible working patterns among their employees. The trends are (a) increasing self-employment (b) firms using fewer full-time employees and tending to offer more short-term contracts (c) there has been a growth in part-time employment. This may be due to lifestyle of the people.

Employment Trends in Tamil Nadu

Agriculture, despite a sharp decline in gross domestic product, continues to be the largest employer in Tamil Nadu. This is because the non-agriculture sectors are yet to generate enough employment to affect a shift of labour force. Most of the employment growth in Tamil Nadu has been contributed by the unorganised and informal sectors.

Employment in Iruvelpattu: A case study

What is happening in the employment scenario can be understood not only from national or state level, but also from the study of the village economy. Iruvelpattu is one such village in Villupuram district in Tamil Nadu. This village has been studied for more than 100 years by many scholars. This village is also called Slater village as Gilbert Slater was the first scholar working in the University of Madras to go with his students to study this village in 1916.Over the years, many scholars surveyed the occupation of villagers and collected many more details of each person in the village.

It was clearly observed that the government brought social security awareness among the people of the village through primary health care, provision of schools and maintenance of public distribution system. Though this village underwent many changes, it is still dependent on agriculture as the main occupation.Look at the following table or chart. You will notice that during 1981, out of 100 families, 24% were engaged in nonagricultural laboures. In 2008, the member of families engaged in such employment increased to 41%.During 1981-2008, the proportion of families engaged in agriculture has declined from 34% to 26% - both as agriculture labourers and as cultivators.

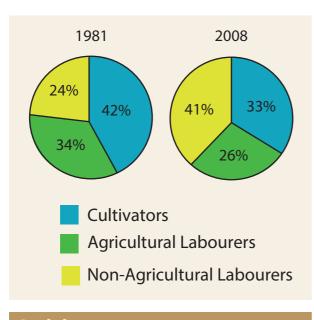
Employment details of households in Iruvelpattu (in%)

Occupation	% of Households		
	1981	2008	
Cultivators	42	33	
Agricultural labourers	34	26	
Non-agricultural labourers	24	41	
All households	100	100	

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Employment in India and Tamil Nadu

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Activity

- Why did people shift from agriculture to non-agriculture jobs in Iruvelpattu? What could have been the reasons?
- 2. Do you think it is easy to move from agriculture to non-agriculture jobs? Talk to your teachers and parents and discuss in the class.
- 3. Collect details of main occupations of 20 families in your locality. Prepare a table or chart as given above and discuss in the class.

Recap

- Labour force is the number of people in the country who work and also capable of working.
- Structure of employment denotes number of workers engaged in different sectors of the economy.
- The employment growth rate of India increased at an average rate of 2% during past four decades from 1972-73.
- Organised sector provides job security and other benefits like insurance to its employees.
- Public sector means government undertakings.
- Employment pattern changes due to lifestyle of the people.



I. Choose the correct answer:



- **1.** We take age group _____ years for computation of the workforce.
 - a. 12–60 b. 15–60
 - c. 21–65 d. 5–14
- 2. Which is the correct sequence of various sectors in GDP of India in the descending order?
 - a. Primary sector, Secondary sector, Tertiary sector
 - b. Primary sector, Tertiary sector, Secondary sector
 - c. Tertiary sector, Secondary sector, Primary sector
 - d. Secondary sector, Tertiary sector, Primary sector
- **3.** Which one of the following sectors is the largest employer in India.
 - a. Primary Sector
 - b. Secondary Sector
 - c. Tertiary Sector d. Public sector
- **4.** Which one of the following is not in Primary Sector
 - a. Agriculture b. Manufacturing
 - c. Mining d. Fishery
- **5.** Which one of the following is not in the Secondary Sector?
 - a. Construction b.Manufacturing
 - c. Small Scale Industry
 - d. Forestry
- 6. Tertiary Sector include/s
 - a. Transport b. Insurance
 - c. Banking d. All of these
- **7.** Which sector is not included in the occupational pattern?
 - a. Primary sector
 - b. Secondary sector
 - c. Tertiary sector
 - d. Private sector

2. Employment in India and Tamil Nadu

9th Economics U2.indd 296

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8. Match the List I with List II using the codes given below:

Π

- a. Agriculture,Forestry, Fisheryand Mining1. Unorganisedsector
- b. Manufacturing,2. Service SectorElectricity Gas andWater Supply
- c. Trade, Transportand Communication

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d. UnincorporatedEnterprises andHousehold industries

	(A)	(B)	(C)	(D)
a.	1	2	3	4
b.	4	3	2	1
с.	2	3	1	4
d.	3	2	4	1

- **9.** Which Delhi Sultan of medieval India formed 'Employment Bureau' to solve the unemployment problem.
 - a. Muhamad Bin Tugluq
 - b. Allauddin Khilji
 - c. Feroz Shah Tugluq
 - d. Balban
- **10.** ______ sector is registered and follows government rules.
 - a. Agriculture b. Organised
 - c. Unorganised d. Private
- **11.** _____ sector provides job security and higher wages
 - a. Public sector
 - b. Organised sector
 - c. Unorganised sector
 - d. Private sector
- **12.** Find the odd one
 - a. Banking b. Railways
 - c. Insurance d. Small Scale Industry
- **13.** The sectors are classified into Public and Private sectors on the basis of

- a. number of workers employed
- b. nature of economic activity
- c. ownership of enterprises
- d. employment conditions
- **14.** Assertion (A) : The unorganised sector of the economy characterised by the household manufacturing activity and small-scale industry.

Reason (R) : Jobs here are low paid and often not regular

- a. Both (A) and (R) are true and (R) explains (A)
- b. Both (A) and (R) are true and (R) does not explain (A)
- c. (A) is correct and (R) is false
- d. (A) is false and (R) is true
- **15.** People who employ workers and pay rewards for their work is termed as

	·		
а	employee	b.	employer
с.	labour	d.	caretaker

- **16.** ______ continues to be the largest employer in Tamil Nadu.a. Agriculture b. Manufacturing
 - c. Banking d. Small Scale Industry
 - c. Danking d. Sinan Scale muustry

II. Fill in the blanks:

- **1.** In _____ sector, the employment terms are not fixed and regular.
- **2.** Economic activities are classified into _____ and _____ sectors.
- **3.** _____ has always featured as an important element of development policy in India.
- 4. Employment pattern changes due to
- 5. The nature of employment in India is
- **6.** ______ of the economy is the number of people in the country, who work and also capable of working.
- 7. Publicsectormeans_____

9th Economics U2.indd 297

III. Match the following:

- **1.** Public sector a. Banking
- **2.** Private sector b. Poultry
- **3.** Primary sector c. Profit motive
- **4.** Tertiary sector d. Service motive

IV. Give Short answers:

- **1.** What is labour force of the economy?
- **2.** Why are children and old age (above 60 years) are not considered for computation of workforce?
- 3. What are the three sectors of an economy?

4. Agriculture, despite a sharp decline in Gross Domestic Product, continues to be the largest employer in Tamil Nadu. Give reason.

V. Answer in detail:

- **1.** Explain: (a) primary sector; (b) secondary sector; (c)tertiary sector.
- **2.** Explain the employment structure of India.
- **3.** Compare the employment conditions prevailing in the organised and unorganised sectors.
- **4.** Distinguish between the Public sector and the Private sector.

VI. Projects and Activities

- **1.** Make a long list of all kinds of work that you find adults around you. In what way can you classify them?
- 2. A research scholar looked at the working people in the city of Chennai and found the following:
- **3.** Classify the following list of occupations under primary, secondary and tertiary sectors. Milk vendor, tailor, teacher, doctor, farmer, postman, engineer, potter, fisherman, artisans, policeman, banker, driver, carpenter.

Primary	Secondary	Tertiary

Place of work	Nature of employment	Percentage of working people
In offices and factories registered with the government	Organised	15
Own shops, office, clinics in marketplaces with formal license		20
People working on the street, construction workers, domestic workers		25
Working in small workshops usually not registered with the government		

VII. HOTS

VIII. Life Skill

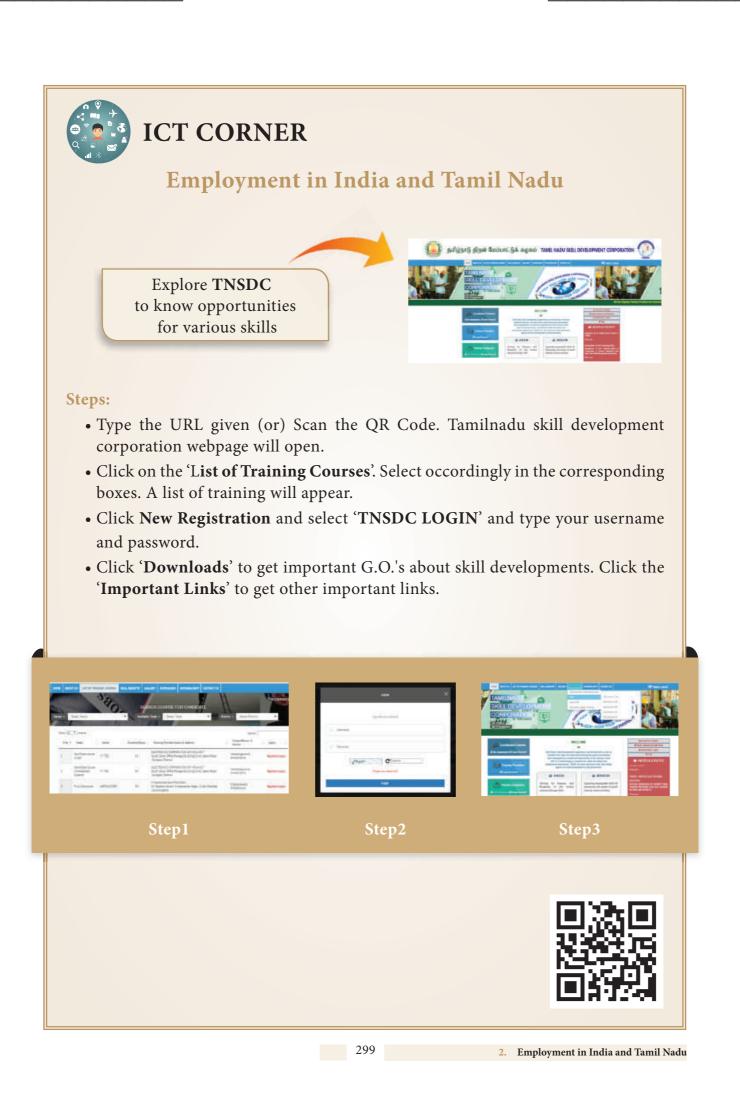
Tertiary sector is in top position in the world now. Justify

Discuss the sectors of your village economy.

2. Employment in India and Tamil Nadu

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9th Economics U2.indd 299



Money and Credit



🞯 Learning Objectives

- To know about the Barter system
- To understand about money and various transaction of money
- To know about the role of RBI
- To understand about the various types of credits and benificiaries



Introduction

This chapter deals with the evolution of money over the years and its functions. It also elucidates on the role of the Reserve Bank of India. It throws light on Foreign Exchange, monetary aggregates and forms of credit. It further explains how technological advancements have made banking easy and swift in today's world.

Almost all things used by man have a monetary value. In addition to that, the pay given for labour, wages and services are all fixed on the basis of money. The taxes and duties are also paid in the form of money. We would have seen our parents planning the expenses at our home every month. The monthly income, pending expenditure, savings, payment of interest etc., are all measured in terms of money.

Not only at homes, but also the budgets of a country or states are also framed on the basis of money. The Government, as well as, private institutions and industries calculate their financial status through money. Thus, money plays a predominant and inseparable role in all our lives.

3.1 Barter System

If there arises a question, "Has man always used money?", the answer would be 'no'. How? when did money enter into the lives of men? In this lesson, let us learn about the evolution of money over the years.

Ancient man hunted and gathered food. He lived in caves and forests. In later stages, he invented weapons for hunting and gathering food. Later, he invented fire and learnt to practise agriculture. He used mud to build houses and settle down in a place. and also to make earthenware.

When the agricultural yield was high, they made handicrafts. When there was surplus in agricultural produce and other articles like earthenware, they exchanged it with people who needed them. For example, if a community had excess food stuff, they would exchange that with

3. Money and Credit

those who had excess pots. Likewise, when a particular grain grew in abundance in a region, it was exchanged for a different crop in another region. These articles which were exchanged through barter system can be termed as the first form of trade.

3.2 Coins

The barter system flourished wherever civilizations thrived. This system was active not only within a civilization, but also among civilizations. This was the initial form of international trade.

During archaeological excavations in Egypt and Iraq (Mesopotamia), articles used during the Indus valley civilization were excavated.



As years went by, there were issues found in barter system. For example there were problems in the exchanging needed goods. A person who had paddy was in need of earthenware for instance. But, the person who had pots and other utensils was not in need of paddy. Thus, the needs of many people were not fulfilled. Measuring the quantity and value of the goods exchanged were found very difficult.

To solve these issues, they fixed a common item with a standard value, for the effective exchange of goods. It was usually in the form of some metal. Metals were rare to find and could be maintained for a long time and never lost their value. Hence, the metals can be termed as the first form of money.



During his rule(1540-1546) Sher Shah Suri set up a new civic and military administration and issued a coin of silver weighing 178 grams, which was termed the Rupiya. The silver coin remained in use during the Mughal period, the Maratha era and in Biritish India as well.

These may be the reasons why metals were chosen. Gold, silver and copper were the metals used first. They were called ancient currency. Leather, beads, shells, tobacco, salt, corn and even slaves were exchanged as barter, says economists.

The later Cholas allowed the traders to have their own army. Historical evidences state that during this period, small traders and producers gave credit to the Tamil traders to support their export needs.

3.3 Natural Money

The metals such as silver and gold gained importance gradually all over the world. So, these metals were used as standard value in the exchange of goods. This was called as natural money.

Paper Money 3.4

As days went by, issues arose because while trade prospered, there were insufficient reserves of gold and silver. Mines also had a limited reserve of these metals. An alternative was found and coins were made using metals with lesser value. These were used to buy and sell goods of lesser value. It was used as the money of the poor people.

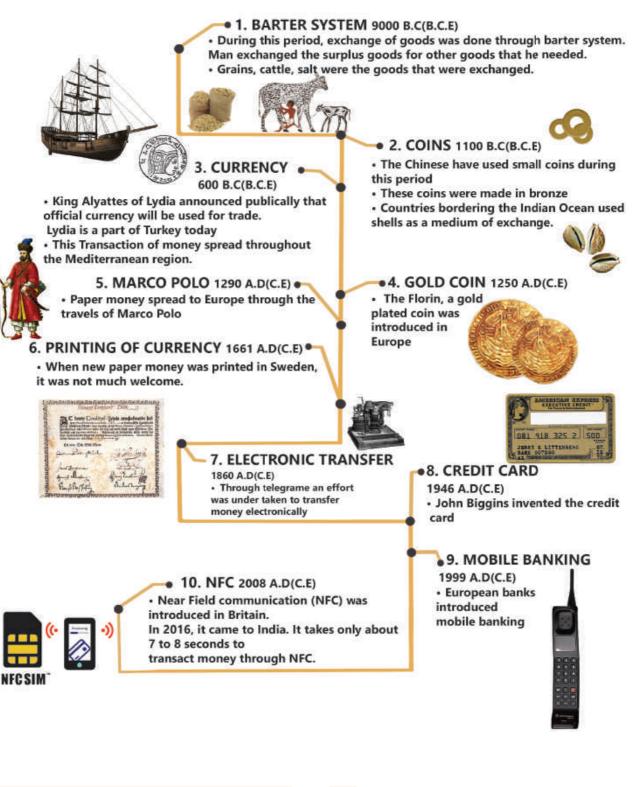
Hence these coins were printed in large numbers. Paper money came into being as the next stage. This money was without form and people started saving in banks. The Great Economic Depression was also prompted the saving habit of the people.

Money has become an inseparable part of everyone's life today. It has changed its form in the economic front. Money transactions are done through many ways in the electronic world

9th 2nd Term Economics English Unit 1.indd 301

HISTORY OF MONEY

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3. Money and Credit

302

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3.5 Electronic Transactions

One has to visit the bank and fill in a challan or produce a cheque to withdraw money from his account.

Now this practice is gradually vanishing. Instead, one can easily withdraw the necessary amount from an Automated Teller Machine (ATM), with the help of an ATM debit card. One can easily withdraw the money needed at any time at ATMs located everywhere. A person can deposit money in their account without visiting the branch.

- Similarly, credit cards are also available, through which things are bought on credit and the amount can be paid later.
- Nowadays, instead of using cheques or Demand Drafts (DDs), online transactions through net banking are carried out. Through this, money is transacted to anyone who lives anywhere across the globe.
- Technology has advanced so much that even mobile banking is widely used nowadays.



3.6 Role of the Reserve Bank of India

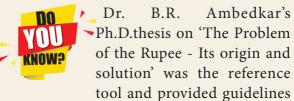
A government has the responsibility to regulate money supply and oversee the monetary policy. Hoarding of money must be avoided at all costs in a country's economy. Only then money can be saved in banks.

A major portion of the savings in banks are used for the development of industries, economic growth and various development schemes for the welfare of the poor.



All the major and important banks were nationalised (1969) in India. The Reserve Bank of India (RBI) regulates the circulation of currency in India.

The Reserve Bank of India started its operations on 1st April 1935. It was permanently moved to Mumbai from the year 1937. RBI was natinolised in 1949. 85% of the printed currency is let for circulation. According to the statistics available as on August 2018, currency worth of 19 lakh crore are in circulation. (source -Reserve Bank of India)



for the Reserve Bank of India Act of 1934.

3.7 Relationship between Money and Prices

There is a close relationship between volume of circulation money and the price of things. 90% of the products are manufactured with the main aim of sales or meant for services. Growing



crops and production are done on a commercial basis, rather than on a subsistence level. This phenomenon also increased the importance of the market and money.

The relationship between money and price is connected with the Monetary policy.

There is a close relationship between the growth of money supply and inflation. Price controls play a very important role in a country's economic stability. This role is played by the Central Bank of our country, RBI in India.

Currency is the medium of exchange in a country. The Indian currency is called the Indian Rupee (INR). In a country the foreign currency is called foreign exchange.

Purchasing capacity of all currencies in the world are compared using the US dollar as the standard currency. This value differs from country to country. Most of the international trade transactions are carried out in US dollar.

Activity

Bank

- Set up your classroom like a bank.
- With the help of your teacher, act as a Cashier, Branch Manager, Assistant Manager, customers etc.
- Prepare dummy challans for deposition of money, cheques, Demand Draft etc.
- Do the banking activities

3.8 Functions of Money

When money replaced the barter system, a lot of practical issues were solved. Money acts a medium of exchange, a unit of measurement, a

3. Money and Credit

store of value and a standard of deferred payments. It plays an important role in transactions.

Country	Currency
India	Rupee
England	Pound
European Union	Euro
Canada	Dollar
Japan	Yen
China	Yuan
Saudi Arabia	Riyal
Australia	Dollar
Malaysia	Ringgit
Pakistan	Rupee
SriLanka	Rupee

Activity

Foreign Exchange

Let the teacher bring copies of Indian rupees and foreign currencies. Distribute the foreign currencies to pairs / groups. Let the students convert it into Indian rupees and collect the equivalent amount of rupees from the teacher. When all groups complete, the foreign currency can be given to another group in the next round.

Medium of Exchange

Money should be accepted liberally in exchange of goods and services in a country.

Unit of Account

Money should be the common, standard unit of calculating a country's total consumer goods, products, services etc. For example, if a book costs \gtrless 50, it means that the price of the book is equale to 50 units of money. Money is used to measure and record financial transactions in a country.

A Store of Value

Money is used as a store of purchasing power. It can be used to finance future payments.

Hots

How important is foreign exchange to one's country?

9th 2nd Term_Economics_English_Unit 1.indd 304

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3.9 Credit

Farmers avail credit during monsoons for buying seeds, agricultural input and other expenses. Traders and small entrepreneurs need credit for their needs. Even large industries receive credit to take up their new projects.

Credit is available from:

- Formal financial institutions like nationalised and private banks and cooperative banks
- Informal financial institutions
- Micro credit is received through Self Help Groups (SHG)

As far as nationalised banks and cooperative banks are concerned the interest to credit is comparatively lesser and there is gurantee for the pledged, goods.

Informal Financial Institutions

Informal financial institutions are easily approachable to the customers with flexible procedures. But there are issues like the safety of items pledged high rates of interest and modes of recovery.

People who live in a particular place or those who are involved in a certain work join together as a group and start saving. These are called as Self Help Groups. The nationalised banks provide help to these groups through micro-credit. . Credit given though Self Help Groups for street vendors, fishermen, especially women and the poor really make a difference in their life.

In Tamil Nadu, all the banks have 10,612 branches, across the state They carry on a total transaction of around 15 lakh crore rupees during the financial year (2017-2018).



How is currency printed in India?

One rupee and two rupee notes were first printed in India in the year 1917. The Reserve Bank of India is empowered to issue the Government of India notes since1935. 500 rupee note currency was introduced later. In 1940, one Rupee notes were issued again. Till 1947, the currency notes with the image of King George VI were in circulation. After Independence, the Government of India issued currency notes.

In 1925, the British government established a government press at Nasik in Maharashtra. Currencies were printed three years later. In 1974, a press was started in Dewas, Madhya Pradesh. (Security Printing and Minting Corporation of India Ltd.) In the 1990s. two more presses were started in Mysuru, Karnataka and Salboni in West Bengal to print bank notes.

The Reserve Bank of India has the authority to decide the value of currency to be printed and how the amount should reach its destination safely.

Though the RBI has the power to print up to ten thousand rupee notes, at present a maximum of upto rupees two thousand is printed.

Recap

- Barter system flourished where civilizations thrived.
- Gold, silver and copper were called ancient money.
- Pepper and spices took a major share of exports.
- Paper money was introduced because metal supply was limited.
- Mobile banking is widely used nowadays.
- A government has the responsibility to regulate the money supply and oversea circulation.
- All the major and important banks are nationalised in India.
- There is a close relationship between money and price.

305

3. Money and Credit





I Choose the correct answer

- Certain metals like _____ (gold / iron) were used as a medium of exchange in ancient times.
- 2. The Head Quarters of the RBI is at _____ (Chennai / Mumbai).
- **3.** International trade is carried on in terms of _____ (US Dollars / Pounds).
- 4. The currency of Japan is ______(Yen/ Yuan)

II Fill in the blanks

- **1.** System can be considered as the first form of trade.
- 2. Money supply is divided into
- **3.** The first printing press of the RBI was started at _____.
- **4.** ______ act as a regulator of the circulation of money.
- 5. The thesis about money by B.R. Ambedkar is _____.

III Match the following

- **1.** US Dollar Automatic Teller Machine
- 2. Currency in Substitute of money circulation
- **3.** ATM Universally accepted currency
- **4.** Salt Saudi Arabia
- **5.** Riyal 85%

IV Give short answers

- **1.** Why was money invented?
- **2.** What is ancient money?
- **3.** What were the items used as barter during olden days?
- **4.** What is spice route? Why was it called so?
- **5.** What is natural money?

3. Money and Credit

- 6. Why were coins of low value printed in large quantities?
- 7. What is meant by foreign exchange?

V Answer in detail

- **1.** Explain how money is transacted in the digital world.
- **2.** Explain in detail about the role of RBI in the country.
- **3.** Write in detail about the various functions of money.

VI Write the correct statement.

- (a) 1. The barter system flourished wherever civilizations thrived.
 - 2. This was the initial form of trade.
 - i) 1 is correct; 2 is wrong
 - ii) Both 1 and 2 are correct
 - iii) Both 1 and 2 are wrong
 - iv) 1 is wrong; 2 is correct
- (b) 1. Most of the international trade transactions are carried out in US dollars.
 - 2. No other country except the US carries out trade in the world.
 - i) Both the statements are correct.
 - ii) Both the statements are wrong.
 - iii) 1 is correct; 2 is wrong
 - iv) 1 is wrong; 2 is correct

VII Project and activity

- **1.** Visit a local museum and collect information about the coins displayed there.
- 2. Imagine you are going abroad for a Post Graduation course in architecture. Write a letter to the Branch Manager regarding an education loan.

VIII Life skills

- **1.** Observe at a 20 rupee note. What is written on it?
- **2.** Prepare a family budget for a month.

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🗭 Learning Objectives

- To know about the agricultural activity in Tamil Nadu
- To know the extent of land under cultivation in Tamil Nadu
- To understand the importance of water and irrigation in agriculture
- To know about various crops grown in Tamil Nadu
- To analyse the crop productivity in Tamil Nadu



Introduction

Most of the people of Tamil Nadu depended on agriculture at the time of independence and even after 40 years of independence. That situation is being changed in the recent years. It has been noticed that the number of farmers in Tamil Nadu has got reduced during the last 10 years according to the 2011 census data. Similarly the number of agricultural workers also reduced during the same period. According to the 2001 census, 49.3% out of the total population of workers were involved in agriculture. The percentage has reduced to 42.1 in the next 10 years. In 2011 there were three crore 29 lakh workers in Tamil Nadu of which 96 lakitowere been printed on 80 G from 64.88 lakh hectares to 59.71 lakh agricultural workers.

were involved in agriculture whereas nearly one third (35.3%) of the male population was involved in agriculture during the same year.

Sectors of people involved in agricultural 4.1 activities

A major portion of the workers involved in agricultural activities are landless labourers. All the land holders do not have the same amount of land. Many have very little land and very few people hold large areas of land.

During 2015-16 , there were 79,38,000 cultivators in Tamil Nadu. But five years earliers there were 81,18,000 cultivators. There was a reduction of 1,80,000 cultivators in these five years. Similarly, the area under cultivation also Elegant Maplitho Papehectares during the same period. That is, the

In 2011, nearly 55% of the river of the state of Tamil Nadu had lost nearly 1,03,400 hectares on an average during these five years.

> Most of the cultivators in Tamil nadu are micro farmers who cultivate in an area less than

9th Std Economics English Unit-1 Term III.indd 307



1 hectare. Micro farmers account to around 78% of the total cultivators, while the area cultivated by these micro farmers is just 36%. Small farmers cultivating 1-2 hectares of land cover 14%, while the land cultivated by them is 26%.

Cultivators of schedule caste farmers are only one percent in Tamil nadu. 96% of this one percent are small, micro farmers.

The total land area under agriculture is shrinking fast not only in Tamil nadu, but also throughout India. The number of marginal farmers has increased in India. In contrast, the number of marginal farmers is decreasing in Tamil Nadu. This shows that the farmers are doing other occupations.

4.2 Types of land usage

The total geographical area of Tamil Nadu is one crore 30 lakhs and 33 thousand hectares. Out of this only one third of land is used for agriculture (45,44,000 hectare). 17% of the land is used for non agricultural use. Nearly the same size (2125 thousand hectares) of land are forests. About 4% of the total land is unusable. One tenth of the land is barren. Other fallow lands are 13 percent. So nearly one-fourth of the land is barren and we have to be concerned of the increasing size of the barren land. Grazing land and cash crops occupy slightly more than 5% of the total land area.

The size of the total cropping land in Tamil Nadu is 4,544 thousand hectare and this keeps on changing every year. Sufficient rains at the proper period will increase this extent of land. Failure or shortage in rainfall leads to the reduction of land usage for cultivation. A small part of this area gives a chance to crop more than once in a year. The extent of this area also changes every year. This land extent was 9 lakh hectare in next year but was reduced to 6 lakh hectare, due to lack of rainfall. This area will be more or less stable only when there is a stable and reliable water source.

In 2012-13, out of the total cultivated land, nearly 72 percent is used for food crops and the remaining for non-food crops.

4.3 Water Resource for Agriculture

There are no perennial rivers in Tamil Nadu. Tamil Nadu receives the required water from the Northeast and Southwest monsoons. When the South West monsoon rains are high in the catchment areas of the Cauvery River in Karnataka dams get filled and in turn the Cauvery river in Tamil Nadu gets water.

The area under irrigation is about 57 percent of the total area under cultivation.

Northeast monsoon (Oct-Dec) is a major source of water for Tamil Nadu. The Northeast monsoon rains are stored in reservoirs, lakes, pond and wells for cultivation. Conventional water bodies like lakes, ponds and canals provide water for agriculture in Tamil Nadu. 2,239 canals run through Tamil Nadu covering a length of 9,750 km. There are 7,985 small lakes, 33,142 large lakes, 15 lakh open wells and there are 3,54,000 borewells in the state where agriculture is carried out with the help of these water resources.

The area of land that is irrigated using water from lakes is very low. Nearly 3.68 lakh hectares of land obtain water from lakes. The canals provide water to 6.68 lakh hectares. Borewells irrigate 4.93 lakh hectares and open wells provide water to 11.91 lakh hectares of land.

Agriculture in Tamil Nadu is dependent mostly on groundwater. Use of ground water for agriculture creates many hardships too. There would be no sufferings if the amount

4. Agriculture in Tamil Nadu

of water taken from the underground and the amount of water that goes into the underground during the rainy season are equal. On the contrary, as the amount of water taken increases, the ground water goes down resulting in complete dryness or change into unusable water.

The Union Ground Water Board is constantly monitoring the level and nature of ground water.

From this, we come to know that:

- 1. Tamil Nadu agriculture is dependent on groundwater.
- 2. It is very urgent and necessary to regulate the usage of underground water.
- 3. This is very important for sustainable farming.

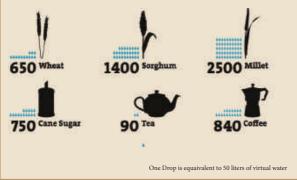
Virtual water

The term 'virtual water' was introduced by Tony Allen in 1990.

The water consumed in the production process of an agricultural or industrial product is called 'virtual water'.

It is the hidden flow of water when food or other commodities are traded from one place to another. For instance, it takes 1340 cubic metres of water (based on the world average) to produce one metric ton of wheat. That is, if one metric ton of wheat is exported to another country, it means that 1340 cubic metres of water used to cultivate this amount of wheat is also being exported.

India is the largest global freshwater user. India has been the fifth largest exporter of virtual water in the world



4.4 Irrigation and Crop types

Crops in Tamil Nadu

All cultivated crops can be classified as food crops and non-food crops. 57 percentage of the total land under food grain cultivation is irrigated. In 2014-15, 59 percentage of food crops and 50 percentage of non food crops were irrigated in Tamil Nadu.

The total area of land cultivated in Tamil Nadu was 59 lakh and 94 thousand hectares in 2014-2015. Out of this non-food crops were 76%.

Paddy cultivation is carried out at a large scale of 30 percent cultivated land area and other food crops in 12 percent area. Millets

Micro irrigation

Micro irrigation technology is a very good remedial measure to tackle shortage in irrigational water. This irrigation technology helps to have a higher yield when compared to the traditional irrigation methods. As only required amount of water is supplied at regular intervals, it increases the ability of water usage and productivity of the crop resulting in reduction of labour expenses and weed growth in the field. As the fertilizer is distributed through water, it increases the usage of fertilizer and the yield. As Tamil Nadu gets insufficient rainfall, the government has taken many measures to implement micro irrigation for proper distribution of water to crops that require more water.



Agriculture in Tamil Nadu

Different water sources for irrigation

Irrigated area



Wells -62%

Canals - 24%

Lakes - 14%

are cultivated in a very low percentage of area. Sorghum(Cholam) cultivation in 7 per cent land area, cumbu in one percent and ragi in 1.7 per cent. Other millets occupy 6 per cent in the year 2014 - 2015.

The area cultivatable land changes every year as a result of many factors such as rainfall, availability of water, weather and market prices.



• River Cauvery is the 3rd largest river in South India. Its length is 765 km.

• The dams constructed across Cauvery in Tamil Nadu are Mettur Dam, Kallanai

4.5 Decadal growth in agricultural production

The total quantity of foodgrains produced in Tamil Nadu in the year 2014 - 2015 was one crore 27 lakh 35 thousand tonnes. Paddy alone accounted to 80 lakhs tonnes. The contribution of paddy to the total amount of food production is 62%. Maize production was 20%, corn 7%, ragi 3% and another 3% occupied by black gram, while other food crops contributed a very meager amount to the total food production in Tamil Nadu.

The amount of production varies depending on the amount of land being cultivated.

4.6 The yield of productive crops

The amount of production depends not only on the area but also on the productivity of crops.

Production capacity of paddy in Tamil Nadu was 4,429 kg per hectare in 2014-2015. This capacity was 3,039 kilograms in 2010-2011 revealing the increase in productivity.

Next to paddy, maize stands second in the production (8,824 kg/hectare).

2,093 kg/hectare corn, 3,077 kgs of rye (cumbu) and 3348 kgs of ragi were produced during the same period.

Black gram, one of the largest cultivated pulses, produced 645 kg per hectare. Production of sugarcane and ground nut (Manila) were 107 tons and 2,753 kg per hectare respectively.

The productivity of crops continues to increase. For example the productivity of paddy in 1965 - 66 was 1,409 kg. It increased to 2,029 kg in 1975-76 and 2,372 kg in 1985-86. It increased to 2,712 kg after a decade. The production was 4,429 kg in the year 2014-15. In the past fifty years, the



4. Agriculture in Tamil Nadu

productivity of paddy has increased more than three times.

The food grain production capacity, has increased about 3.5 times between 1965-66 and 2014-15.

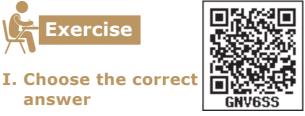
We find that both the productivity and food production in Tamil Nadu continue to increase. However, the area under food grain cultivation has reduced in the same period. Though there was a reduction in the area of production, the total amount of production has been maintained and there is an increase of productivity.

Recap

- The number of people involved in agriculture and the land under cultivation is declining in Tamil Nadu.
- While the number of marginal farmers is increasing in India, it is decreasing steadily in Tamil Nadu.
- Out of the total geographical land area, only one percent is under cultivation and one fourth is left fallow.
- Areas with good water facilities can be cultivated upto three times a year.
- South West and North East monsoons are the main sources of water for agriculture in Tamil Nadu. So Tamil Nadu's agriculture is dependent on ground water.
- Crops are divided into food and nonfood crops.
- Major food crops of Tamil Nadu are paddy, maize and ragi. Coconut stands first in non-food crops.
- Recent researches show that the productivity of crops is steadily increasing.



answer



- 1. Irrigated land surface out of cultivable land is.
 - a) 27% b) 57% c) 28% d) 49%
- 2. Out of the following, which is not a food crop
 - a) Bajra b) Ragi
 - c) Maize d) Coconut
- **3**. The productivity of paddy during the year 2014-2015
 - a) 3,039 kg b) 4,429 kg
 - c) 2,775 kg d) 3,519 kg
- 4. Both agricultural productivity and food productivity has
 - a) decreased b) not stable
 - c) remained stable d) increased
- 5. The North-East monsoon period in Tamil Nadu
 - October a) August
 - b) September November
 - December c) October
 - d) November -January

II. Fill in the blanks

- **1**. The major occupation of people in Tamil Nadu is _
- 2. Tamil Nadu receives rainfall all from the monsoon.
- 3. The total geographical area of Tamil Nadu is hectares.

4. Agriculture in Tamil Nadu

9th Std Economics English Unit-1 Term III.indd 311

III. Match the following

- **1**. Non-food crops **–** 79,38,000
- 2. Dhal _ less than 1 hectare of cultivable land
- 3. North east
monsoon- October -
December
- **4**. Small farmers _ Urad Dal, Toor Dal, Green grams
- **5**. No. of farmers Coconut, Channa in 2015-2016

IV. Give short Answers

ICT CORNER

- **1**. Give two examples for each food crop and non-food crops
- **2**. What are the factors responsible for the changes in cropping area?
- **3**. Who monitors the quantity and quality of ground water?

- **4**. On what factors does crop cultivation depend? List out the factors on which crop cultivation depend.
- **5**. Differentiate between small and marginal farmers.

V. Answer in Detail

- **1**. Give a note on the water resources of Tamil Nadu
- **2**. What are the problems faced by using ground water for agriculture?
- **3**. Discuss about the source of irrigation for agriculture.

VI. Activity

- **1**. Analyse the cultivation of food crops and non-food crops of your village / area.
- **2**. Thanjavur is famous for which crop? Why is it so? Research.
- **3**. Collect statistical data, where paddy is being cultivated at Thanjavur District, which is called the Nerkalanjium of Tamil Nadu.

AGRICULTURE IN TAMIL NADU

Through this activity you will know about agriculture process of Tamil Nadu people



Procedure

- Step 1 Open the Browser and type the given URL (or) Scan the QR Code.
- Step 2 "Vivasayam" page will appear on the screen.
- Step 3 Click Search Options to know any information agriculture news, Government Loan etc.,
- Step 4 Click "Velanmai" to know about history of Tamil Nadu agriculture.



4. Agriculture in Tamil Nadu

312

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O Learning Objectives

- To understand the concept of migration
- To learn about the extent of migration in India and Tamil Nadu
- To analyse the factors underlying migration



Introduction

Concept of Migration

In any settlement-village or townchange in population occurs due to birth, death and migration. Of these three components of population change, birth and death is clearly identifiable events while migration poses the maximum amount of problem with regards to its definition and measurement. As almost everyone keeps moving most of the time, it is not easy to define which of these moves have to be classified as migratory moves.

In the Census of India, migration is enumerated on two bases

- (i) **Place of birth:** If the place of birth is different from the place of enumeration (known as life-time migrant).
- (ii) **Place of residence:** If the place of last residence is different from the place of enumeration (known as migrant, by place of last residence).

5.1 Extent of migration in India and Tamil Nadu

In India, the Census of 2011 enumerated a total population of 121 crores, of which 45 crore people were reported as migrants, according to the definition of the place of last residence. Similarly, in Tamil Nadu out of 7.2 crore people, 3.13 crore people were counted as migrants, in 2011. That is, the percentage of migrants was 37 percent in the country, while it was at a much higher rate in Tamil Nadu at 43 percent.

Generally, one tends to associate migration with urban areas. However, we find that in India as well as Tamil Nadu, the extent of migration is much higher in rural areas compared to urban areas. In 2011, 37 percent of the population are counted as migrants in rural areas while the corresponding percentage in urban India is 27 percent. In Tamil Nadu, migrants account for 41 percent in rural areas

9th 3rd Term_Economics_English_Unit 2.indd 313

and 35 percent in urban areas, in 2011. That is, the mobility of population in rural areas is greater than that in urban areas.

Further, one usually associates mobility with males rather than females. However, an examination of data clearly indicates that a larger proportion of females are reported to be migrants compared to males. In the country as a whole, 53 percent are female migrants while 23 percent are male migrants, in 2011. In Tamil Nadu, the picture is very similar, with more than half the females (52%) reporting their status as migrants, by place of last residence, and 35 percent are male migrants.

Now, why is there such a large percentage of migration among women? 70 percent in India and 51 percent in Tamil Nadu report marriage as the reason for migration of females in 2011. That is, marriage and the movement associated with marriage appear to be a major factor responsible for women's mobility in India and Tamil Nadu. Movement related to work and employment appears to be the driving force for migration, among men. Of all the male migrants in India, 28 percent report 'work' as the major reason for their migration, in 2011. The corresponding percentage in Tamil Nadu is 26 percent.

To sum up, in Tamil Nadu, two out of every five persons is reported to be a migrant in the year 2011. Incidence of migrants is higher in rural areas and larger among women. Tamil Nadu has a history of migration and people have moved for various reasons such as trade, business, employment etc, to various countries. During the colonial period, labourers had moved to other colonies seeking work and wages. In the more recent period workers from Tamil Nadu have been moving to countries in the Gulf, United States of America and Australia. In 2015, an independent research study was conducted to understand the level, nature and pattern of migration in Tamil Nadu . This study has

made some interesting findings, as discussed below:

- Of the total migrants in Tamil Nadu, 65 percent have migrated or moved abroad while 35 percent have moved within the country.
- Chennai district has recorded the maximum number of emigrants followed by Coimbatore, Ramanathapuram and Tiruchirapalli districts.
- Cuddalore, Karur, Thiruvannamalai, Vellore, Namakkal, Salem, Dindigul, Krishnagiri, Nilgiris and Dharmapuri districts record low number of emigrants.

This study also provides information about the sex and destination of migrants Tamil Nadu.

- Of the total migrants who go to foreign countries, nearly 20% have chosen to go to Singapore, while 18% to the United Arab Emirates, 16% to Saudi Arabia, 13% to the United States of America; and Malaysia, Kuwait, Oman, Qatar, Australia and England are also refered as important destinations for migrants from Tamil Nadu in the year 2015.
- Of the international migrants, 15 percent are women, while 85 percent are men.

On the question of educational qualifications of migrants from Tamil Nadu, the study reveals that in 2015 about 7 % were illiterates; 30 % have completed. Class X; 10 % have completed Class XII; 15 % had undergone vocational training; 11 % were graduates; 12% were professionally qualified and 11 % had Post Graduate degrees.

The study clearly reveals various occupations undertaken by the migrants: highly skilled professions on one hand and low skilled occupations on the other, along with a large number of semi-skilled occupations.

5. Migration

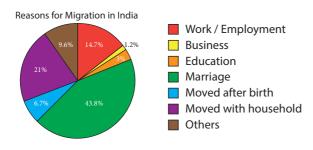
5.2 Factors underlying migration

The extent and nature of migration in any society is basically determined by the nature of the development process experienced by that society. That is, the type and scale of development



achieved by the agricultural and industrial sectors in an economy would determine the migratory patterns.

In India and Tamil Nadu, though the agricultural and industrial sectors have grown over the years, inequalities still exist in asset and income distribution. Endemic poverty continues to be a major problem.



The growth processes have also created spatial inequalities, by leading to enclaves of growth. The migration patterns observed in a developing society such as ours correspond to these inequalities (economic, social, spatial etc) created by the development processes.

Therefore, any migrant stream would consist of heterogeneous sub-streams. For example, if we consider the rural-urban migrant stream, it would comprise of rural rich and the rural poor, each with its own reasons and motivation for migration, the mode of migration,



- The largest migration corridor in the world in 2010 was Mexico – U.S.A.
- The Arctic tern has the longest migration distance of any bird in the world.

the outcome or consequence of migration etc. Poorer sections of the population migrate as a survival strategy, in response to distressing conditions in rural areas. Migrants from better-off sections migrate to improve their living standards.

Further, spatially, there would be a tendency for migrants to converge on enclaves of growth-either in urban areas or in rural areas.

The pattern of migration is very complex, comprising of a number of streams:

- rural to rural; rural to urban; urban to rural; urban to urban
- short, medium and long distance migration streams
- long-term stable migration and short-term circulatory type of movements

Each of these streams would consist of different types of migrants, (from different social classes) each with its own reason for migration. The extent and nature of these migrant streams would essentially depend on.

- pressures and aspirations experienced by people at the origin of migration
- constraints imposed on mobility at the origin of migration
- opportunities at the destination and availability of information regarding these opportunities and
- the cost of migration



Migration for survival

5. Migration

9th 3rd Term_Economics_English_Unit 2.indd 315

5.3 Migration Policies

Policies to address the problem of migration in developing countries like India essentially aim at the following:

- To reduce the volume of migration: As a large part of migration is a reflection of poverty and insecurity faced by large sections of the rural people, the focus of intervention has to be in rural areas. Rural development policies to reduce poverty and insecurity would be essential to reduce the rate of migration.
- To redirect the migrant streams: Redirection of migrant streams, away from big metropolitan cities is a desirable policy option. This policy can help in reducing spatial inequalities by suitable strategies, such as developing a more dispersed pattern of urbanisation.

Recap

- Change in population occurs due to births, deaths and migration.
- The mobility of population in rural areas is greater than that of the urban areas.
- Marriage is the major factor responsible for women's mobility in India and in Tamil Nadu.
- Occupation is the major factor responsible for male migrants in India.
- The extent and nature of migration in any society is basically determined by the nature of the development process experienced by that society.
- The poorer sections of the people migrate for survival, but migrants from better-off sections migrate to improve their living standards.



I. Choose the correct answer.

1. According to the 2011 census, the total population of India was

a) 121 crore	b) 221 crore
c) 102 crore	d) 100 crore

- 2. _____ has recorded the maximum number of emigrants.
 - a) Ramanathapuram b) Coimbatore
 - c) Chennai d) Vellore
- 3. During 2015, ______ of illiterates were migrants from Tamil Nadu.
 a) 7% b) 175% c) 23% d) 9%
- 4. The poorer sections of the population migrate _____.
 - a) as a survival strategy
 - b) to improve their living standards
 - c) as a service
 - d) to get experience

II. Fill in the blanks.

- 1. Migration is enumerated on ______ and _____ bases.
- The mobility of population in rural areas is ______ than urban areas.
- In rural India, as per census 2011, ______ percent of the population are counted as migrants.
- **4.** ______ is the major reason for female migration.
- 5. Any migrant stream would consist of ______ sub streams.

5. Migration

316

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III. Match the following.

1. Migration policy	-	Work
2. Female migrants	-	low incidence of
		imigration
3. Chennai	-	maximum number
		of emigration
4. Better off migrants	-	marriage
5. Salem	-	to reduce the
		volume of migration
6. Male migrants	-	to improve the living
		standards

IV. Give short Answers.

- **1.** Enlist the reasons for migration.
- 2. What are the major factors responsible for female migrants in India?
- **3.** Name four districts in Tamil Nadu which record low number of imigration.
- **4.** What are the factors responsible for the poorer sections and better-off sections to migrate.
- 5. List the four destinations and the percentage of migrants from Tamil Nadu.
- 6. What does the study reveal about the occupation undertaken by migrants?

V. Answer in detail.

- **1.** State the aims of migration policies.
- 2. Discuss the patterns of migration.
- **3.** Elucidate about some of the interesting findings on migration in Tamil Nadu.

4. Analyse the educational qualification of migrants from Tamil Nadu in 2015.

VI. Write the correct statement

- **1.** In recent times workers from Tamil Nadu are moving to Africa.
- 2. In Tamil Nadu, the extent of migration is much higher in urban areas compared to rural areas.
- **3.** Any migrant stream would consist of homogenous sub-streams.
- **4.** Two out of every 10 persons is reported to be a migrant.

VII. Project & Activity

- 1. Prepare statistical data by interacting with your class mates and school mates and find out how many families have migrated.
- 2. Prepare an album of pictures on Rural to Rural, Rural to Urban, Urban to Rural and Urban to Urban migration.

VIII. Life Skills

1. Collect data on various languages spoken in your class and represent through a pie chart.

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A-Z GLOSSARY

Catchment areas	The area from which rainfall flows into a river, lake or reservoir.
Census	To count the number of people living in a country
Colonial Period	A period in a country's history when it was administered by a colonial power
Commercial	Buying and selling on a large scale
Conserve	Protect
Cultivator	Peasant

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5. Migration

9th 3rd Term_Economics_English_Unit 2.indd 317

Deferred	Put off to a later time; postpone
Depletion	Exhaustion; using up.
Embodied	Within
Entrepreneur	A person who sets up a business
Fallow	Uncultivated
Heterogeneous	Consisting of things that are very different from each other
Inequality	It is the difference in social status, wealth or opportunity between people or groups
Micro credit	Lending small amounts of money at low interest to new businesses
Migration	Process of moving from one place to another
Migrants	A person who moves from one place to another in order to find work or better living conditions
Monetary	Relating to money or currency
Occupation	Job or profession
Perennial	Flowing throughout the year
Perspective	Outlook
Pledged	Give as security on a loan
Population	The total number of persons inhabiting a country, city, district (or) area.
Primary sector	Raw materials
Productivity	Ability to produce
Replenish	Restore
Reserve	Retain for future use
Rural	Area located outside a city or town
Secondary sector	Manufacturing
Semi-Skilled	Having only a small amount of training
Skilled	Having the ability needed to do a job well
Standard	Something used as a measure
Subsistence	Self sufficient
Sustainability	Avoidance of depletion
Tertiary sector	Services
Thrive	Flourish or grow vigorously
Transaction	Buying or selling something
Urban	Relating to city or town
Yield	Produce or product

5. Migration

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