Chapter - IV 'Preparation of an Enriched Package In Economics'

CHAPTER - IV

PREPARATION AN ENRICHED PACKAGE IN ECONOMICS

Introduction:

Economics is taught as a compulsory subject at the secondary subject at the secondary school level and most students find it to be an uninteresting and boaring subject. The main reason for students dislike of the subject appears to be the uneffective sterotype lecturing method. There is an urgent need for teachers of Economics to incorporate innovative and new methods and techniques in their teaching in order to creat interest and a liking for the subject.

The researcher is interested not in the concepts of Economics but in the student-teachers understanding of them because, without understanding the concepts student-teachers cannot show better performance in teaching the subject. Basically, economics is a science of concepts which form the key of the subjects. Economics must therefore be taught effectively right from the secondary, higher secondary level and for teaching there concepts appropriate teaching strategies must be used. Therefore due emphasis must be given to the understanding of concepts.

the present chapter involves Preparation of an Enriched Teaching Package in Economics by incorporating appropriate teaching methods, techniques, media based teaching aids, community resource and students learning outcome for the identified 40 concepts.

THE ECONOMIC PROBLEM :

In general usage, scarcity means shortage but in Economics the term scarcity is used in a very special sense. Resources are said to be scare because they are not found in quantities large enough to meet all the wants which are competing for their use. Scarcity in Economics is a relative concept and is thought only in relation to the wantch which the resources are capable of satisfying, Now, such a scarcity of resources is the basic features of every economy, be it that of India or of Soviet Russia or even of rich America. In other words, even for the richest country of the world, the basic Economic fact is the scarecity of productive resources.

Because of the scarcity of resources, we are confronted with the problem of choosing among the different channels of production to which resources are to be devoted. In other words, we have the problem of allocating scarce resources so as to achieve the greatest possible satisfaction of wants. This is the Economic problem. The economic problem is thus the central core of Economics. The economic problem arises from two basic inter-related facts.:1) Man's unlimited desires for the goods in the aggregate and, 2) the limited capital, natural and human resources available to a society for the production of goods in the aggregate. The economic problem, that is, the problem of resource allocation is of many dimension.

With resources being unlimited, the second problem of how goods should be produced would also not arise, for in that case it would not matter whichever method whether efficient or inefficient was employed in production. When resources are unlimited, everybody would then by able to get the goods he wanted and in the disered quantity. Therefore, the third question "who should get how much" should not have arisen. Thus, we see that all the three basic problems of what, how and for whom to produce arise because productive resources are scarce relative to wants.

TEACHING STRATEGIES

Concept	Method	Techniques	Teaching - Aids	Community Resources	Learning Outcome
Economic Problem	Lecture	Questioning	***Traditional* -**	Home	Cognitive development
	Text-Book	Observation	Text-books	School Teachers	Life Skill
	Problem	Demonstration	Black-board	Experts	Environment awarness
	Project	Story Telling	Paper	Scientist	creat logical thinking
	Discussion	Text-book	***Visuals***	Social Worker	Observation Skill
	Inductive	Clarification	Charts	Government	Internal Approach
	Unit		Graphs	Actors	
			Picture	Cybernatics	
			Audio-Visual		
			Radio		
			Television		
			Computer		
			Cinema		
			Documentarirs		

CAPITALISM :

An economy, where factors of production are owned by private persons and all the transactions of production and distribution take place in a markety system, is known as capitalism.

In the 15th and 16th centuries, in Europe, along with increasing trade, renaissance and reformation, introduction of new machinery and discovery of new energy sources led to rapid industrial development.

In this new economic system, two main groups emerged: one, of the capitalists who invest their capital and, the other of the workers, who work in the factories.

The right of private ownership is the basic characteristic of capitalism. The decisions regarding selection of occupation and establishment of industry are taken independently by the owner of capital. There is consumer's soverseignty because production takes place according to consumer's choice. There is perfect competition in the market, price is fixed at the point where demand is equal to supply. Profit is the main aim of production. There is full scope for entrepreneurship and minimum government interference in the economy.

However, classifying economic systems solely on the basis of one criterion fails to capture some very important economic differences between capitalist economics, especially as they have evolved in the post-world war II period.

The Model of the perfectly competitive market system. In this model, the economy is viewed as a system of markets in each of which a homogeneous good is traded.

Capitalism, with these characteristics, was appreciated by the contemporary society, because, for the first time, society experienced progress, prosperity, rapid increase in production and wealth.

TEACHING STRATEGIES

Concept	Method	Techniques	Teaching - Aids	Community Resources	Learning Outcome
Capatilism	Lecture	Story telling	***Traditional* -**	Economics Experts	Cognitive development
	Discussion	Questioning	Text-books	News-papers	Social Nego-tiations
	Inductive	Clarification	Black-board	Theatures	Life Skill
	Unit	Observation	Paper	Journals	Strengthening' his knowledge
	Psychological and Logical		***Visuals***		Mental development
	Comparative		Charts		Creat logical thinking
			Graphs		Observation Skill
			Picture		Internal Approach
			Audio-Visual		
			Radio		
			Television		
			Computer		
			Cinema/films		
			Documenta-ries		

SOCIALISM :

The concept of socialism is both the criticism of capitalism and the idea of an alternative society. Socialist ideology has been mainly devoted to the criticism of capitalism. It holds that capitalism is primarily responsible for poverty, the exploitation of workers pollution of the environment, unemployment and inflation, racial and sexual discrimination and imperialist domination of other countries - which is the basic cause of war. Socialism, on the otherhand, is described as producing a society of co-operation and collective ownership, in which there is a high degrees of equality, no discrimination, no poverty and no war.

Marxian socialism (communism) emerged as a reaction to capitalism. Broadly characteristics of socialism are exactly opposite to those of capitalism.

In socialism, factors of production are not by private individuals and therefore, cannot be passed from one generation to another by inheritance, factors of production are owned by the government. The resources are used for the benefit of society. Decisions regarding establishment of any business of enterprise and contractual rights regardings income and wealth are not left to the free will of any individual. Nearly all important economic decisions are taken by the government. The production of goods and service does not take place with the aim of private profits, blut to satisfy needs of majority of people. It is decided by the central planning authority. It is expected that the daily necessities will be provided to all at reasonable prices. The distribution of total product of goods and services does depend on the market forces but on decisions of the government. The control of the economic system is in the hands of the government and, as a result, economic power and wealth does not get concentrated in the hands of private individuals, as it does in capitalism.

The prediction of Karl Marx, that such type of socialism would emerge after the decline of capitalism, has not come true.

TEACHING STRATEGIES

Concept	Method	Techniques	Teaching - Aids	Community Resources	Learning Outcome
Socialism	Discussion	Questioning	***Traditional -***	Home	Cognitive development
	Lecture	Narration	Text-books	School Teachers	General awarness
	Inductive	Clarification	Black-board	Experts	
	Psychological and Logical		Paper	Marx theorious	Environment awarness
			Visuals		Creat logical
	Comparative		Charts	Social Worker	thinking
			Diagrams	Government	Observation Skill
			Picture		Internal Approach
			Audio-Visual		
			Radio		
			Television		
			Computer		
			Cinema		
			Documenta-ries		

MIXED ECONOMY :

Capitalism and Socialism are considered to be the two extremes of existing economic systems. Before the Second World War, these two were the main economic systems. After the Second World War, many Asian and African colonies became independent. The main problem faced by those newly freed countries was choice of an economic system for achieving the objectives of economic development and social justice. Many countries adopted either capitalism or socialism. But, some countries, like India, adopted mixed economy which seeks to avoid the defects of both capitalism and socialism and combines the merits of both the systems. In a mixed economy, there is co-existence of both, the private and public sectors. Means of production are owned by both, the private and public sectors.

In a mixed economy, there is co-existence of the private and public sector. Individuals right to private property is limited and freedom to choice their own occupation. Consumers can choose the goods and services according to their choice, they have freedom of spending their income in the way they choose. In such an economy, the price mechanism created by demand and supply forces is important. Profit is an important incentive for the private sector. The private sector achieves its objective of maximising profit by better management, economy in cost of production and improvement in technology. It aims at social justice by reducing inequality of income and wealth.

Mixed economic system adopts economic planning. There is detailed planning for public sector while only broad targets are set for the private sector. The investment and targets of production for the public sector are somewhat rigidly predetermined. Licensing system, monopoly restrictions, controls over capital issues are in use.

Thus, India is trying to achive faster economic development and social change by adopting mixed economy.

TEACHING STRATEGIES

Concept	Method	Techniques	Teaching - Aids	Community Resources	Learning Outcome
Mixed Economy	Lecture	Questioning	***Traditional -***	Home	Cognitive development
	Text-Book	Narration	Text-books	School Teachers	Decision Capacity
	Discussion	Clarification	Black-board	Experts	Co-operative natuer devel-opment
	Psychological and Logical		Paper	Libraries	Self Confidence
	Comparative		***Visuals***	Government	Life Skill
			Charts		Creat logical thinking
			Diagrams		Observation Skill
			Picture		Internal Approach
			Audio-Visual		
			Radio		
			Television		
			Computer		
			Cinema		
			Documenta-ries		

PRIVATE SECTOR

Also, Privat enterprise, all economic activities that are independent of government control, carried on principally for profit but also including nonprofit organizations directed at satisfying private needs, such as private hospitals and private schools. Included are enterprises owned individually or by groups as well as self employed

In national income accounting, the total net value added to the economy by nongovernment producers of goods and services. This includes not only the output of profit and nonprofit private corporations, proprietor ships, and partnerships, but also that of self-employed individuals such as farmers, dentist etc. The private sector accounts for about 88 % of gross national product in the United States.

Private Sector is that sector which is owned and controlled by individuals or groups of individuals. Historically, private sector appears to have been the first sector to come into existence. Based on principle of private ownership, many industrialists established and developed a number of industries for their private profit. This appears to be the natural course of development. Out of this, capitalism emerged. Thus Private Sector is the basic characteristic of capitalism.

1. There is a private ownership of factors of production.

2. Private profit is the main motive.

Agriculture, industries supportive to agriculture, small scale industries, cottage industries, wholesale and retail trade are found in Private Sector in India.

Upto the beginning of the First Five Yer Plan, production and commerce were mainly in the Private Sector. During the Second Five Year Plan, with the view to reduce scarcity of consumer goods, special attention was given to the development of cottage and small scale industries.

In the third plan, there was neglect of quickly maturing industries producing consumer goods. As a result, there was a severe inflation on account of scarcity of goods and service. After the Third Five Year Plan, even as the public sector was expanding, investment in industries in the Private Sector was also on encrease. Besides, there was diversification of industries in the private sector.

TEACHING STRATEGIES

Concept	Method	Techniques	Teaching - Aids	Community Resources	Learning Outcome
Private Sector	Discussion	Questioning	***Traditional -***	Holesaler	Cognitive development
	Inductive	Observation	Text-books	Retailer	
	Lecture	Demonstration	Black-board	Producers	Creativity development
	Psychological and Logical	Clarification	Paper	Farmer	Decision capacity
			Visuals	Enterpreneur	Life Skill
	Visit to Private Sector		Charts	Libraries	
			Diagrams	Organizations	Environment awarness
			Picture	Experts	Creat logical thinking
				Teachers	
			Audio-Visual	Bank	Observation Skill
			Radio	Government	Internal Approach
			Television		
			Computer		
			Cinema		
			Documentaries		

CO-OPERATIVE SECTOR :

Co-operative Sector may be considered as a special type of the private sector. The fundamental principle of co-operative is to render mutual assistance among members and bring about their progress. In co-operation, there is private ownership, but it is that of a body of members and not of any individual. With a view to protect themselves from exploitation in capitalism, economically poorer sections. Co-operation is a golden means between capitalism and socialism.

The needy and poor people come together and start co-operative activities and institutions witha view to become self reliant and realise progress through mutual help.

In Co-operation and socialism, there are similarities like emphasis on individual and social werfare, collective efforts and activities and secondary importance to private profits.

The basic features of Co-operation is that every member has only one vote irrespective of his capital contribution. This is the democratic principle of Co-operation. And yet, there are some differences in Co-operation and socialism. While concentrates its attention on workers, Co-operative is an embracing organisation. Co-operative societies can be creditors and debtors, of sellers and of consumers.

Co-operation covers various sectors like Co-operative banks, credit societies, purchase and sale societies, multi-purpose Co-operative societies and consumers Co-operative societies.

TEACHING STRATEGIES

Concept	Method	Techniques	Teaching - Aids	Community Resources	Learning Outcome
Co-Operative Sector	Discussion	Questioning	***Traditional* -**	Home	Cognitive development
	Lecture	Observation	Text-books	School Teachers	Life Skill
	Inductive	Demonstration	Black-board	Experts	Environment awarness
	Unit	Story Telling	Paper	Scientist	
	Visit to Co-operative agency	Text-book	***Visuals***	Social Worker	Creat logical thinking
		Clarification	Charts	Government	Observation Skill
			Graphs	Actors	Internal Approach
			Picture	Cybernatics	
			Audio-Visual		
			Radio		
			Television		
			Computer		
			Cinema		
			Documenta-ries		

PUBLIC SECTOR

Public Sector is that sector which is owned, managed and regulated by the government. In short, all those economic activities, conducted by the government, come under the Public Sector, for example, production of arms and ammunition, railways, telephone and telegraph, radio and televisions etc. In, addition, in the Public Sector, there is greater emphasis on basic and capital goods industries e.g. energy, iron and steel, coal, petroleum.

There is great significance of the Public Sector in the economic development of the country. The objectives of the development of the Public Sector includes -

- to increase the rate of economic growth,

- to reduce inequalities of income,

- to creat employment opportunities,

- to remove regional economic imbalances and

- to make the country self-reliant by developing modern technologies.

Public Sector was created to bring about planned development of basis industries. To bring about all round development of basic industries is considered as the major responsibility of the Public Sector.

In a country, some regions are economically highly developed while others are undeveloped. In order to bring about economic development of under-developed regions, it is essential to establish big industrial units in these regions. But private capitalists do not come forward to establish industries in such areas because of the absence of essential services and facilities. Naturally, Public Sector has to come forward to bear this responsibility. The expansion of the Public Sector from the beginning of the planning era was to see that there is effective control of the government over the nation economy, because of the existence of the Public Sector, it has been possible to provide basic services and facilities for the development of private sector and to regulate that sector.

TEACHING STRATEGIES

Concept	Method	Techniques	Teaching - Aids	Community Resources	Learning Outcome
Public Sector	Discussion Lecturs Inductive Visit to Publi Sector	Questioning Discussion Clarification Observation Assignment	***Traditional -*** Text-books Black-board Paper ***Visuals*** Charts Diagrams ***Audio-Visual*** Radio Television Computer Cinema Documenta-ries	Home School Teachers Experts Government Officers Industry Electricity Transport Training Organisation Communica-tion Services News papers RBI Economics Report Water Supply Energy Coal	Cognitive development Decision Capacity Social awarness Co-operative nature Life Skill Creat logical thinking Observation Skill

ECONOMIC SECTORS (On the basis of occupation) :

1. Primary Sector
2. Secondary Sector
3. Tertiary Sector

Primary Sector : This sector includes agriculture, forest, wealth, fisheries, mines and mineral products, all based on natural resources.

Secondary Sector : Secondary sector provides products with utility by processing resources mainly of the primary sector.

Tertiary Sector : This sector includes commerce, transport and communication, public and private services. Tertiary sector acts as a supportive sector to the primary and secondary sectors.

TEACHING STRATEGIES

Concept	Method	Techniques	Teaching - Aids	Community Resources	Learning Outcome
Economic Sector	Discussion	Questioning	***Traditional -***	Home	Cognitive development
	Lectur	Observation	Text-books	School Teachers	
1. Primary					Life Skill
	Inductive	Demonstration	Black-board		
2. Secondary				Experts	Environment awarness
	Project	Story Telling	Paper		
3. Tirtary				Farmers	
		Text-book	***Visuals***		creat logical thinking
				Forest Officers	
		Clarification	Charts		
					Observation Skill
			Graphs	Fishiries agency	
			Picture		Internal Approach
				Builders	
			Audio-Visual	Contractors	
				Labour	
			Radio		
			Television	Transport Officers	
			Computer		
			Cinema		
			Documentaries		

POVERTY :

Poverty may be defined in either absolute or relative terms. In brief, a person is poor in absolute terms when he cannot afford to purchase the basic necessities of food, clothing, and shelter. Poverty can also be given a relative definition. We can say that some households are poor in comparision with others. Suppose that we rank every person in the United States according to size of income. The people who rank in the bottom fourth or fifth of the group will probably be viewed as poor, by themselves and by the rest of society, no matter what their monetary income.

Poverty may also be defined as the lack of wealth or wealth-producing assets. Think of the sterotype of the impoverished European Aristocrat. He lives in a chateau, is totally unable to earn a living, and makes ends meet by the occasional sale of a pictureor piece of furniture that he has interited. His encome is low, but he possess the accumulated wealth of his home and its furnishings and therefor he is not considered poor.

For instance, in India, the generally accepted definition of poverty emphasises minimum level of living rather than a reasonable level of living. This attitude is borne out of a realization that it would not be possible to provide even a minimum quantum of basic needs for some decades and therefore, to talk about a reasonable level of living or good life may appear to be wishful thinking at the present stage. Thus, political considerations enter the definitions of poverty because programmes of all eviating poverty may become prohibitive as the vision of a good life widens. The up shot of the entire argument is that the absolute standard poverty expressed in terms of minimum requirements of cereals, pulses, milk, vegetables, butter, clothing or calories intake is conditioned by the relative levels of living prevalent in the country. The deprivation of a significant section o the society of minimum basic needs in the face of a luxurious life for the elite classes, makes poverty more glaring.

TEACHING STRATEGIES

Concept	Method	Techniques	Teaching - Aids	Community Resources	Learning Outcome
Poverty	Problem	Questioning	***Traditional* -**	Home	Cognitive development
	Discussion	Observation	Text-books	School Teachers	Co-operative nature
	Lecture	Demonstration	Black-board	Libraries	General awarness
	Inductive	Story Telling	Paper	Slums Area	Decision making
	Visit to Slums Area	Narration	***Visuals***	Planning Commision Report	Creat logical thinking
		Clarification	Charts	Doctors	Observation Skill
		Assignment	Graphs	Social Worke	Scientific thinking
			Picture	Experts	Internal Approach
			Sketch		
			Diagrams		
			Audio-Visual		
			Radio		
			Television		
			Computer		
			Cinema		
			Documentaries		
			Excursion		

POPULATION :

India ranks second in the world, next to China, in terms of the size of Population and seventh in terms of land area. India possesses only 2.4 % of the world land area and 16.7 % of the total global population. We have too many people on to little land.

India, today, is passing through the phase of population expolsion. It is not only that the existing size of population is large but the rate at which population is growing is equally alarming. Population explosion has obstructed the rate of growth of the Indian economy by adversely affecting its various sectors of the economy. The government has been making efforts to evolve and emplement a suitable population policy through family planning and family welfare programmes but, with limited success. Hence, after analysing the trends in the growth on varied aspects of the Indian economy we shall review the population policy with reference to family planning and study the factors responsible for its limited success.

As such the sociologists identify three influencing the size of Population:viz., the birthrate, the death rate and migration. Every year to India's Population we are almost adding the existing size of Population of Australia. It was anticipated that if Population continued to grow at this rate then by year 1999 we would touch the one billion mark and by 2012 may even surpass China's present Population. It is now estimated that by 2050. India will most probably overtake China to become the most populous country on earth.

TEACHING STRATEGIES

Concept	Method	Techniques	Teaching - Aids	Community Resources	Learning Outcome
Population	Problem	Questioning	***Traditional -***	Home	Cognitive development
	Discussion	Observation	Text-books	School Teachers	Life Skill
	Inductive	Demonstration	Black-board	Experts	General awarness
	Lecture	Story Telling	Paper	Scientist	
		Text-book	***Visuals***	Social Worker	Co-operative nature
		Clarification	Charts	Government	Scientific thinking
		Assignment	Graphs		
			Picture	Gram Panchayat Record	Dicision making
			Tables		
			Sketch	Municipality Record	Problem solving skill development
			Diagrams	Corporation Record	
					Evalution skill
			Audio-Visual	Health Centers	
			Radio	Hospitals	Environment awarness
			Television	Libraries	creat logical thinking
			Computer	News papers	
			Cinema	Doctors	Observation Skill
			Documenta-ries	National Development Council	Internal Approach
				Internet	

CONSUMERS PROTECTION :

The beginning of consumer movement took place in U.S.A. in 1962. UNO has given certain guiding principles in this respect. Within the framework of these guiding principles, India has passed the Consumer Protection Act. 1986.

The scope of consumer movement is quite wide. It is not merely a movement to make available cheap goods to the buyers. It is a movement which is expected to bring about socio-economic change in the economiy of a country, to direct the economy in the desired direction. Consumer movement is the movement of the consumers, for the consumers and by the consumers. It is a national movement. 'All India Grahak Panchayat' is our consumer movement on national level.

The consumer movement through Grahak Panchayat works at village, taluka and district level. The officers of Grahak Panchayat are the centres of consumers counselling. As the movement goes on progressing, its impact on the economic life of common man shall be more and more visible. Not only this, the consumer movement shall be able to contribute its mite for achieving socio-economic objectives of the country.

In brief, we can say that, the mechanism which protects consumers rights and attends to their complaints informally with minimum expenses and without loss of time, was the main objective with which the consumers protection Act, 1986 came into practice.

TEACHING STRATEGIES

Concept	Method	Techniques	Teaching - Aids	Community Resources	Learning Outcome
Consumer Protection	Lecture	Questioning	***Traditional* -**	School Teachers	Cognitive development
	Text-Book	Observation	Text-books	Experts	Life Skill
	Problem	Demonstration	Black-board	Grahak Panchayat Officers	Environment awarness
	Project	Story Telling	Paper	Social Worker	creat logical thinking
	Discussion	Text-book	***Visuals***		Observation Skill
	Inductive	Clarification	Charts		Internal Approach
	Visit to Grahak Manch	Assignment	paper cutting		
			Audio-Visual		
			Radio		
			Television		
			Cinema		
			Documentaries		

UNEMPLOYMENT:

India is an under-developed though a developing economy. The nature of unemployment, therefore, sharply differs from the one that prevails in industrialy advanced countries. Lord Keynes diagnosd Unemployment in advanced economics to be the result of a deficiency of effective demand. It implied that in such economies machines become idle and demand for labour falls because the demand for the products of industry is no longer there. Thus Keynesian remedies of unemployment concertrated on measures to keep the level of effective demand sufficiently high so that the economic machine does not slacken the production of goods and services.

The alarming rate of growth of population unaccompanied by equal expansion in the avenues of job opportunities has intensified the problem of Unemployment in India. Unemployment generates serios economic, social and political consequences. From a nation'spoint of view Unemploymetn implies a tragic waste of human resources. Prolonged condition of mass Unemployment evidently results in mass poverty. The demoralised Unemployment turns to economic offences. He becomes disillusioned with the system. Such a situation breeds frustration and contempt for law and othe. Mass Unemployment leads to unrest and encourages disruptive tendencies which weaken the socio-politico-economic fabric of the community.

"Unemployment is a situation where people who are able to and willing to work are not able to get a job. It could be regarded as a condition of enforced idleness. In other words it refers to a situation where "a person who is without work is seeking work."

In order to ientify whether a person is Unemployed or not we have to consider a few dimensions e.g. for how many hours in a day or for how manly days in a week or how many weeks in a year is he Unemployed. This is the time-dimension of employment. Similarly we have to take into account the desire or willingness of an individual to be employed. If he willingly remains Unemployed then he is voluntarily Unemployed and thus should not cause us much anxiety. There is the 'income-dimension' to the problem of Unemployment.

TEACHING STRATEGIES

Concept	Method	Techniques	Teaching - Aids	Community Resources	Learning Outcome
Unemploy-ment	Discussion	Questioning	***Traditional*** -	Home	Cognitive development
	Problem	Observation	Text-books	School Teachers	Life Skill
	Socialised	Demonstration	Black-board	Experts	General awarness
	Survey	Clarification	Paper	Scientist	Co-operative nature
	Lecture	Narration	***Visuals***	Social Worker	Scientific thinking
		Assignment	Charts	Government	Dicision making
			Graphs	Planning Commission	Problem solving skill development
			Picture	Commitee of experts on unemploy-ment	Evalution skill
			Tables	Tata services statistical outline of study	Environment awarness
			Sketch	Employment offices	creat logical thinking
			Diagrams	Libraries	Observation Skill
			Audio-Visual	Internet	Internal Approach
			Radio		
			Television		
			Computer		
			Cinema		
			Documenta-ries		

AGRICULTURE :

Agriculture forms the backbone of the Indian economy and despite concerted industrialisation in the last four decades, agriculture occupies a place of pride. Being the largest industry in the country, agriculture is the source of livelihood for over 70 percent of population in the country.

Agriculture means a general term for the raising of crops, both food and nonfood and animals on the land. One of the major obstacles to economic development is the use of primitive and inefficient methods of agriculture. The rural sectors in less developed countries have to support an increasing urban population in terms of supplying basic foodstuffs. The old primitive methods are inefficient, yet new modern mechanized techniques are usually unsuitable, so one type of reform is the implementation of an appropriate style of agriculture technology. For example, hand-drawn ploughs, though widely used are very inefficient, yet the small farmer cannot afford a tractor and even if he could he does not have the knowledge or equipment to maintain it. However, bullock-drawn ploughs have been introduced as a kind of intermediate level of technology, with great success in many situation.

In other words, general economic development will require agricultural development either to precede or to go hand in hand with it. Indian planners learnt a bitter lesson during the Second and Third Five-Year Plan periods when failure of the agricultural sector spelt disaster to the entire planning process.

TEACHING STRATEGIES

Concept	Method	Techniques	Teaching - Aids	Community Resources	Learning Outcome
Agriculture	Excursion	Questioning	***Traditional -***	Home	Cognitive development
	Survey	Observation	Text-books	School Teachers	Life Skill
	Discussion	Clarification	Black-board	Agriculture Experts	Social awarness
	Lecture	Assignment	Paper	Farmers	Creativity skill
	Inductive		***Visuals***	Agriculture Colleges	Decision making
	Project		Charts	News papers	Problem solving
			Maps	Internet	Environment awarness
			Models	Farmers Agency	creat logical thinking
			Sketch	Exibitions	Observation Skill
			Graphs	Libraries	
			Picture	Traders	
			Audio-Visual	Agriculture University	
			Radio		
			Television		
			Computer		
			O.H.P.		
			Cinema		
			Documentaries		

GREEN REVOLUTION :

Superiative praises were lavished on India's scientist, farmers and educationists in Special Report on Food Production issued by the Rockfeller Team in 1970. It says, "the transformation of India's food picture from frightening shortage only a few years ago, to near abundance in cereais today, must rank as one of the ost amazing agricultural scores of all timer". On wheat production it says, "No region in the world has come so far, so fast, not even U.S.A. with all its wealth and inputs. Even Mexico, where the dwarf wheat has ben booming, needed fifteen years to do what India has done in five years."

The miraculous increase in production of foodgrains that took place in 1967-68 revieved new hopes and it was increasingly felt that a break-through in India agriculture was achieved and that India stood on the threshold orf Green Revolution.

The large increases in agricultural production which took place in a short space of time (1967-68 to 1970-71) as a result of the application of the high-yielding varieties of seeds and chemical fertilisers and which raised high hopes, found expression throughout the world in the dynamic term "green revolution". The term 'Green Revolution' was first used by Williams Grand, former Director of the Agency of International Development. The word 'green' might have been used due to the abundance and enormity of greeness of the chlorophyll pigment in the plant. It was indeed 'revolution',as it created hope of achieving self-sufficiency in foodgrains production all over the world.

The New Agricultural Strategy was experimented in India with the Kharif Crop of 1966. The main ingredients of this strategy included among other thing:

a) the use of seeds of high-yielding varieties combined with.

b) the optimum doses of fertilisers and pest-control measures.

c) the extension of multiple cropping arrangement.

d) increased provision of irrigation facilities with a stress on efficient management of water resources.

In short, the emphasis was on intensive cultivation of land with the provision of better agricultural inputs in the form of seeds, fertiliser, irrigation facilities to promote multiple cropping.

TEACHING STRATEGIES

Concept	Method	Techniques	Teaching - Aids	Community Resources	Learning Outcome
Green Revolution	Excursion	Questioning	***Traditional -***	Home	Cognitive development
	Survey	Observation	Text-books	School Teachers	Life Skill
	Discussion	Clarification	Black-board	Agriculture experts	Social awarness
	Lecture	Assignment	Paper	Farmers	Creativity skill
	Inductive		***Visuals***	Agriculture Colleges	Decision making
	Project		Charts	News papers	Problem solving
			Maps	Internet	Environment awarness
			Models	Farmers Agency	creat logical thinking
			Sketch	Exibitions	Observation Skill
			Graphs	Libraries	
			Picture	Traders	
			Audio-Visual	Agriculture University	
			Radio		
			Television		
			Computer		
			O.H.P.		
			Cinema		
			Documentaries		

BANK :

"A tre Central Bank should always be ready to perform any function....if

the conditions and circumstances in its area of operation render it necessary or desirable, The guiding principle for a Central Bank, whatever function or group of functions, it performs at any particular moment, is that it should act onlly in public interest and without regard to profit as a primary consideration."

- De Kock

A financial intermediary which takes in funds, principaly as deposits repayable on demand or at short notice, and which it employs to make advances by overdrafts and loans, and by discounting bills, and to hold other, mainly financial assets such as marketable securities. An important banking function is to maintain a money transmission system by accepting deposits on current account and operating a system of transferring funds by cheque or give transfer.

Other important banking activities are providing foreign exchange services for customers, financing foreign trade, operating in wholesale money markets and providing a wide range of financial advisory services. In a developed financial system only certain institutions cover all or most of these operation. The regulation of the banking system in the sense of sustaining the strength and soundness of banking institutions has recently become a matter of heightened concern, following the secondary banking crisis of 1974-76.

TEACHING STRATEGIES

Concept	Method	Techniques	Teaching - Aids	Community Resources	Learning Outcome
Banking	Survey	Observation	***Traditional*** -	Home	Cognitive development
	Discussion'	Questioning	Text-books	School Teachers	Direct learn
	Visit	Clarification	Black-board	Bank Officers	Life Skill
	Lecture	Demonstration	Paper	Auditors	Practical knowledge development
	Inductive	Assignment	***Visuals***	Bank Report	Creat logical thinking
	Deductive		Charts	Self account Opened and collected] information	Observation Skill
			Graphs	News papers	Interest to learn
			Models	Internet	
			Picture	Libraries	
			Audio-Visual	Co-op.Bank	
			Radio		
			Television		
			Computer		
			Cinema		
			Documenta-ries		

TRADE :

The terms of trade refer to the rate at which one country exchanges its goods for the goods of other countries. Thus, terms of trade imply the internationalvalues of commodities. Obviously, the terms of trade depend upon the prices of exports of a country and the prices of its imports. When the prices of exports of a country are higher as compared to those of its imports, it would be able to obtain greater quantity of imports for a given amount of its exports.

A relationship between the prices of exports and the brices of imports. When the concept is not further qualified reference is being made o the net barter terms of Trade, which is the quotient between an index of export prices and an index of import prices. This is also known as the commodity terms of Trade. On the assumption that the value of exports equals the value of imports, the gross barter terms of trade can be found by dividing the quantity of imports by the quantity of exports.

The exchange of commodities between individuals or groups either directly through barter or indirectly through a medium such as money. The benefits of trade consist of an extension in the range of commodities available for consumption and a specialization in productive activity. Without trade the individual or group would be forced to meet all requirements from their own resources.

TEACHING STRATEGIES

Concept	Method	Techniques	Teaching - Aids	Community Resources	Learning Outcome
Trade	Lecture	Questioning	***Traditional -***	Home	Practical knowledge increased
	Discussion	Narration	Text-books	School Teachers	Cognitive development
	Inductive	Clarrification	Black-board	Experts	Self Confidence
	Analytical	Demonstration	Paper	Scientist	Life Skill
	Direct experience	Observation	***Visuals***	Social Worker	Environment awarness
		Assignment	Charts	Government	creat logical thinking
			Graphs	Actors	Observation Skill
			Diagrams	Cybernatics	Internal Approach
			Picture		
			Audio-Visual		
			Radio		
			Television		
			Computer		
			Cinema		
			Documenta-ries		
			Excursion		
			O.H.P.		

PLANNING :

The term Economic Planning is often associated with Communism, Socialism or economic development, Planning, as such, is a technique, a means to an end; the end being the realisation of certain pre-determined and well-defined aims and objectives laid down by a central planning authority. To elaborate it further, Economic planning refers to a conscious and dellberate efforts made by the central authority for the mobilisation and effective utilisation of the available natural, human and capital resources, in order to attain certain predetermined social and economic objectives, on the basis of a specified scheme of priorities, within a specified period of time.

According to Dr. H.D. Dickinson, " Economic Planning is the making of major economic decision - what and how much is to be produced, how when and where it is to be produced and to whom it is to be allocated - by the conscious decision of a determinate authority, on the basis of comprehensive survey of the economic system as a whole.

Thus, Economic Planning implies deliberate control and direction of the economy by a central authority for the purpose of achieving definite targets and objectives within a specified period of time.

TEACHING STRATEGIES

Concept	Method	Techniques	Teaching - Aids	Community Resources	Learning Outcome
Planning	Project	Observation	***Traditional*** -	Home	Cognitive development
	Servey	Questioning	Text-books	School Teachers	Co-operative nature
	Discussion	Narration	Black-board	Experts	Independent
	Lecture	Clarification	Paper	Government officers	Dicision making
	Inductive	Assignment	***Visuals***	Economics planning survey report	Problem solving developed
			Charts	Libraries	Research attitude
			Graphs	Planning commission report	Life Skill
			Diagrams	Market	creat logical thinking
			Picture	Budject	Observation Skill
			Audio-Visual	Agencies	Internal Approach
			Radio	Five Years Plan Report	
			Television		
			Computer		
			Cinema		
			Documentarirs		

INDUSTRY :

An Industry within the framwork of a perfectly competitive market structure can be defined as a large number of firms competing with each other in the production of a homogeneous product. Under such conditions the individual firm demand and supply schedules can be summed to form the Industry demand ans supply schedules. In contrast, within monopoly the firm and the Industry are one and the same.

A collective term for many of the productive activities of an entire nation or other large group, embracing manufacturing, processing and mining, but usually excluding distribution and agriculture.

A specific branch of mining, manufacturing, of processing, in which a number of firms produce the same kind of commodity or service, or are engaged in the same kind of operation, for example, chemical industry, steel industry, auto industry, construction industry etc.

Types of Industry :

1. Large Scale Industries :

The development of Large Scale Industries was rather slow and retarded under the British rule. There was no patronage from the state. On the contrary, attempts were made to discourage the India enterprising class. In this chapter, we shall consider the problems relating to some of the major Large Scale Industries viz. Iron and Steel, Cement, Cotton Textiles, Jute and Sugar Industries.

2. Small Scale Industries :

The definition of Small Scale Industry has been undergoing changes from time to time. The earliest effortto define a Small Scale Industry was with reference to the number of people employed in units, using power or units working without power. Later, the emphasis shifted from the number of workers employed to the amount of capital invested in plant and machinery.

Small Scale Industries with traditional patterns production - khadi, handicrafts, tanning industry, production of objects of arts and crafts come in this category. Small Scale Industries employing modern techniques - In this type, industries included are production of T.V.sets, electrical equipment, electronic instruments etc. Even then, the total volume of production and the size of the unit is considerably small.

TEACHING STRATEGIES

Concept	Method	Techniques	Teaching - Aids	Community Resources	Learning Outcome
Industry	Direct experience	Observation	***Traditional -***	Home	Cognitive development
	Discussion	Questioning	Text-books	School Teachers	Strengthing knowledge
	Project	Clarrification	Black-board	Industry visit	Direct learn
	Supervised	Visit	Paper	Managers	Decision making
	Survey	Assignment	***Visuals***	RBI Report	Practical knowledge developed
	Lecture		Charts	Economic survey	Environment awarness
			Graphs	Exhibitions	Creat logical thinking
			Maps	Autobiographies	Observation Skill
			Sketch	Stastical outline of India	Internal Approach
			Models		
			Picture		
			Audio-Visual		
			Radio		
			Television		
			Computer		
			Cinema		
			Documentaries		
			Internet		

TRANSPORT :

In modern times, transport has become so much a part of our life that we take Transport for granted and grumble only when there is a breakdown. If agriculture and industry are the flesh and bones of the economy. Transport and communication are its nerves which help the circulation of men and materials.

The transport system helps to broaden the market for goods and by doing so, it makes possible large-scale production through division of labour. It is also essential for the movement of raw materials, fuel, machinery etc., to the places of production. The more extensive and continuous he production in any branch of activity the greater will be the need for transport facilities. Transport development helps to open up remote regions and resources for production. Regions may have abundant agriculture, forest and mineral resources but they cannot be developed if they continue to be remote and inaccessible. By linking the backward regions with the relatively moe advanced, transport development helps in the better and fuller utilisation of resources. Finally, expansion of transport facilities itself helps industrialisation directly. The demand for locomotives, motor vehicles, ships etc. leads to the start of industries which specialise in the production of these goods. Expansion of transport is thus of fundamental importance for a developing country like India.

TEACHING STRATEGIES

Concept	Method	Techniques	Teaching - Aids	Community Resources	Learning Outcome
Transport	Direct experience	Observation	***Traditional -***	Home	Cognitive development
	Discussion	Questioning	Text-books	School Teachers	Life Skill
	Inductive	Narration	Black-board	Bus stations	Environment awarness
	Lecture	Clarrification	Paper	Reaily stations	creat logical thinking
		Assignment	***Visuals***	Transport officers	Observation Skill
			Charts	Drivers	Problem solving
			Graphs	Conductors	Dicision making
			Models	Shipping managers	Practical knowledge developed
			Sketch	Libraries	
			Picture	Engineers	
			Audio-Visual	Constructioner	
			Radio	Statistical outline of India report	
			Television		
			Computer		
			Cinema		
			Documentaries		

UTILITY :

People demand goods because they satisfy the wants of the people. The utility means want - satisfying power of a commodity. It is also defined as a property of the commodity which satisfies the wants of the consumers. Utility is a subjective entity and resides in the mind of men. Being subjective it varies with different persons, that is, different persons derive different amounts of utility from a given good. People know utility of a goods by means of introspection. The desires for a commodity by a person depends upon the utility he expects to obtain from it. The greater the utility he expects from a commodity, the greater his desire for that commodity. It should be noted that no question of ethics or morality is involved in the use of the word 'utility' in economics. The commodity may not be useful in the ordinary sense of the term even then it may provide utility to some people. For instance, alcohol may actually harm a person but it possesses utility for a person whose want it satisfies. Thus, the desire for alcohol may by considered immoral by some people but no such meaning is conveyed in the economic sense of the term. Thus, in economics the concept of utility is ethically neutral.

MARGINAL UTILITY :

The additional usefulness positive or negative - of any unit of a good or service. For example, the marginal utility of a glass of water to a very thirsty traveler is considerable. However, the utility of a second glass of water is abviously not so great, and that of a third, fourth, fifth or sixth glass might well be nonexistent (or even negative). The concept that utility - the ability to give satisfaction - decreases as more and more units are added is called the low of diminishing marginal utility or low of satiety. The idea that marginal utilities influences demand, and therefore the prices of goods and services, was a basic premise of the marginalist school of economists. They, However, tended to ignore the fact that utility is basically subjective (what satisfies one customer won't necessarity please another) and therefore is not realy measurable.

The Marginal Utillity of a commodity is the amount of satisfaction to be derived from having a little more of it. The more of a thing a person possesses the less satisfaction he will derive from having a little more of it. Each successive increment that is added to one's supply of a commodity yields less satisfaction than the previous unit until eventually satiety is reached.

TEACHING STRATEGIES

Concept	Method	Techniques	Teaching - Aids	Community Resources	Learning Outcome
Utility	Inductive	Questioning	***Traditional -***	Home	Cognitive development
and	Deductive	Observation	Text-books	School Teachers	Life Skill
Marginal Utility	Lecture	Clarrification	Black-board		
	Discussion	Drill	Paper	Economic survey	Environment awarness
	Survey		***Visuals***	Self experiencce	General awarness
			Charts		
			Graphs	Economics experts	Creat logical thinking
				Libraries	Observation Skill
			Audio-Visual		Internal Approach
			Radio		
			Television		
			Computer		
			Cinema		
			Documenta-ries		

DEMAND :

"Demand" is a word that is familiar to everyone long before he studies economics. We hear about the unions wage demands, or the demands of demonstrators to free all political prisoners. But in economics, the term has a different meaning, a very specific and technical one.

It is useful to know that economists mean by the demand of the goods by consumers. The demand for a commodity is essentilly consumers attitude and reaction towards that commodity. Demand for a good is in fact a photograph or a panoramic picture of consumers attitude towards a commodity.

Precisely stated the demands for a commodity is the amount of it that a consumer will purchase or will be ready to take off from the market at various given prices at a given movement of time. This demand in economics implies bath the desire to purchase and the ability to pay for a good.

For example, if a poor man who hardly makes bath ends meet wishes to have a car, his wish or desire for a car will not constitute the demand for the car because he cannot afford to pay for it, that is, he has no purchasing power to maThus, in economics unless demand is backed by purchasing power or ability to pay it does not constitute demand. Demand for a good is determined by several factors, such as, the taste and desires of the consumer for a commodity, income of the consumer, the price of related goods, substitutes or complements. When there is a change in any of these factors, demand of a consumer for a good change.

ELASTICITY OF DEMAND :

The concept of elasticity has a very great importance in economic theory as well as in applied economics.

The concept of elasticity of demand therefor refers to the degree of responsiveness of quantity demanded of a good to a change in its price, income and prices of related goods. Accordingly, there are three kinds of demand elasticity, price elasticity, income elasticity and cross elasticity.

Price elasticity of demand relates to the responsiveness of quantity demanded of a good to the change in its price.

Income elasticity of demand refers to the sensitiveness of quantity demanded to the change in income.

Cross elasticity of demand means the degree of responsiveness of demand of a good to a change in the price of a related good, which may be either a substitute for it or a complementary with it.

Besides these three kinds of elasticities, there is another type of elasticity of demand called elasticity of substitution which refers to the change in quantity demanded of a good in response to the change in its relative price alone, real income of the individual remaining the same.

TEACHING STRATEGIES

Concept	Method	Techniques	Teaching - Aids	Community Resources	Learning Outcome
Demand	Inductive	Questioning	***Traditional* -**	Home	Cognitive development
and	Deductive	Drill	Text-books	School Teachers	Life Skill
Elasticity of Demand	Discussion	Clarification	Black-board	Experts	General awarness
	Lecture	Assignment	Paper	Market	Environment awarness
			Visuals	Economic survey report	Values development
			Charts	Consumers	Work skill
			Graphs	Retailere	Dicision making
			Diagram	Product producers	creat logical thinking
			Picture	Industry	Observation Skill
			Audio-Visual	Advertisment agency	Internal Approach
			Radio	Government policy	
			Television	Population report	
			Computer	Income report	
			Cinema	Bank	
			Internet	Fashion centers	
			Documentaris		

SUPPLY :

The second of the two forces - the othe being demand - which influence the market price of a commodity or service. By supply is meant the amount that will come on to the market over a range of prices. The higher the price prevailing in the market the greater the quantity of a commodity that will be supplied.

In economic theory, the willingness of producers to sell a given amount of goods or services for a particular price at a particular time. As a rule, the higher the price, the more producers wish to sell, and the lower the price, the more reluctant they are to sell. However the supply of some goods simply cannot be increased over the short term, no matter how high the prise rises, although given enough time, the supply of even very scares commodities (such as gold and platinum) can usually be increased if the price is high enough.

Supply *can be defined as the various quantities of a product that the supplier is willing and able to offer for sale at each and every possible price during some specified period of time.*

Thus, the supply curve generally slopes upwards from left to right only very rarely will it slope in the opposite direction and even then only for a very small part of its total length, such an exceptional supply curve being known as a regressive supply curve. On the other hand, there are some commodities that are fixed in supply, so that whatever the price in market no more can be offered for sale, the supply in this case being a vertical straight line at right angles to the base line.

In the short run many things are in fixed supply, indeed all things where it takes time to increase supply. The amount of a commodity that will be supplied at a price depends on its cost of production, or more precisely, its marginal cost. Thus, if the market price is low only those firm with low cost of production will continue to produce, but when market price is high firms with higher costs will come into production. The higher price will also encourage low-cost firms to expand their output.

ELASTICITY OF SUPPLY :

The responsiveness of supply to a change of price. Elasticity determines to steepness of the slope of the supply curve, the steeper the slope the more inelastic the supply, provided the curves to be compared are drawn to identical scales. If supply is perfectly inelastic it will be represented diagrammatically by a vertical straight line, and if perfectly elastic by a horizontal straight line. For most commodities the degree of elasticity of supply will lie between these two extremes. The greatest influence on supply is time. For some things supply may be permanently inelastic, as in the supply of painting by deceased great masters, but for many things supply is fixed in the short period because it often takes time to increase supply, as for example with agricultural products. Elasticity of supply, therefor, depends on the length of time it takes supply to adjust itself to new conditions. Supply can be increased by new firms entering an industry and by existing firms increasing their output. The more inelastic the supply the greater will be its effect on the price of the commodity. An increase in the demand for works of art will increase their price enormously, but an increase in the demand for most thing will be met, at least in the long run, by an increase in the supply and eventually the price may be little higher that before, or even in some cases lower.

TEACHING STRATEGIES

Concept	Method	Techniques	Teaching - Aids	Community Resources	Learning Outcome
Supply	Inductive	Questioning	***Traditional -***	Home	Cognitive development
and	Deductive	Drill	Text-books	School Teachers	Life Skill
Elasticity of Supply	Discussion	Clarification	Black-board	Experts	General awarness
	Lecture	Assignment	Paper	Market	Environment awarness
			Visuals	Raishioning	Values development
			Charts	Economic survey report	Work skill
			Graphs	Consumers	Dicision making
			Digrams	Retailere	creat logical thinking
			Picture	Product producers	Observation Skill
			Audio-Visual	Industry	Internal Approach
			Radio	Advertisment agency	
			Television	Government policy	
			Computer	Population report	
			Cinema	Income report	
			Internet	Bank	
			Documenta-ries	Fashion centers	

PRODUCTION :

Production is a very important economic activity. But now the question arises: what exactly do we mean by production in economics ? In ordinary speech, word production in used for making something material. The growing of wheat, rice or any other agricultural crop on the farms by the farmers and making of cloth, radio-sets, wool, machinery or any other industrial product is often referred to us production. But in economics the word 'production' is used in a wider-sense. In economics, by production we mean any economic activity which is directed to the satisfaction of the wants of the people.

Whether it is the making of material goods or provision of any service, is included in production provided it satisfies the wants of some people. So, in economics, if making of cloth by industrial workers is production, the service of the retailer who delivers it to the consumer is also production. This is so because the service done by the retailer is a part of the process of satisfying consumers wants just as much as the work done by the factory worker. Similiarly, the work of doctors, lawyers, teachers, actors, dancers etc., is productive since the services provided by them satisfy the wants of those who pay for them. Since want - satisfying power of goods and services is called utility. Production can also be defined as the creation or addition of utility.

PRODUCTION FUNCTION :

The production function is the name given to the relationship between the rates of input of productive services and the rate of output of product. It is the economist's summary of technological knowledge. Thus, the production function expresses the relationship between the quantity of output and the quantities of the various inputs used for production. More precisely, the production function states the maximum quantity of output that can be produced from any chosen quantities of various inputs or, in other words, it states the minimum quantities of various inputs that are required to yield a given quantity of output. If a small firm produces wooden tables in a day, its production function will consist of the maximum number of tables that can be produced from given quantities of various inputs such as wood, varnish, labour time, machine time, floor space, that are required to produce a given number of tables.

Knowledge of the production function is a technological or engineering knowledge and is provided to the firm by its engineers or production managers. Two thing must be noted in respect of production function. Firstly, production function, like the demand function, must be considered with reference to a particular period of time. Production Function expresses a flow of inputs resulting in a flow of output in a specific period of time. Secondly, production function of a firm is determined by the state of technology. When the technology advances, the production function changes with the result that the new production can yield greater flow of output from the given inputs, or smaller quantities of inputs can be used for producing a given quantity of output.

TEACHING STRATEGIES

Concept	Method	Techniques	Teaching - Aids	Community Resources	Learning Outcome
Production and Production Function	Direct edperience	Questioning	***Traditional -***	Home	Cognitive development
	Project	Clarification	Text-books	School Teachers	Life Skill
	Discussion	Observation	Black-board	Experts	Strengthin knowledge
	Lecture	Narration	Paper	Industy	General awarness
	Inductive		***Visuals***	Manager	Interest increase
	Deductive		Charts	Labour	Environment awarness
			Graphs	Worker	Creat logical thinking
			Picture	Retailor	Observation Skill
			Maps	Farmer	Internal Approach
			Tables	Enterpreneur	
			Audio-Visual	Libraries	
			Radio		
			Television		
			Computer		
			Excursion		

PERFECT COMPETITION :

Economists have formulated two basic models for use in the study of markets: one for a perfectly competitive market, and the other for a monopoly market. Our own economy, for example, contains a mixture of both market types. Public utilities are nearly always monopolies; certain agricultural industries, such as the growing of roses, are almost perfectly competitive nor completely monopolized.

The concept of perfect competition, like many other economic ideas, can be traced back to teh work of Adam Smith in the eighteenth century. Since that time, Smith's ideas have been added to and built upon by many other economists. Perfect competition is still one of the most basic of all economic models.

A market structure is perfectly competitive if the following conditions hold; there are a large number of firms each with an insubstantial share of the market. These firms produce a homogeneous product using identical production processes and possess perfect information. It is also the case that there is free entry to the industry. that is new firms can and will enter the industry if they observer that greater than normal profits are being earned. The effect of this free entry is to push the demand curve facing each firm downwards until each firm earns only normal profits, at which point there is no further incentive for new entrances to come into the industry.

MONOPOLY :

A monopoly is an extreme case of market power, in which a single firm is the only producer in an entire industry. The monopoly has originated from the Greek words Mono meaning 'single' and poly meaning 'seller'. Thus, the monopoly means single seller. However, in economics absolute monopoly exists when the single seller sells a product which has not to face any competition from any close substitutes. Therefore, the monopolist does not have any rivals or competitors. This implies that the degree of competition in monopolistic market structure is nil or extremely small.

For a monopoly to get established, there must be strong barriers to entry of firms that prevent other firms from entering into the industry. If other firms can easily enter into an industry, monopoly in market can not be sustained. It is important to understand that though under monopoly there are no directrivals or competitors who sell the same or similar product, a monopolist has to face indirect competition. *In fact all goods and services compete with each other for a place in consumer's budget; some goods serve as close subsitutes but none of them are perfect substitutes.*

Thus the monopoly firm faces the entire market demand curve for the commodity it produces. In the strictest sense of the term, a firm is a monopoly if it is the only supplier of a homogeneous product for which there are no substitues and many buyers. Such conditions are sometimes termed absolute monopoly and the demand curve for the firms output is the market demand curv for the product.

As with perfect competition absolute monopoly does not occur in real life and actual market structure vary between the two extreme of nearly perfect competition and near monopoly. This simple economic analysis of monopoly relaxes the assumption of no substitutes, but assumes that the monopolist faces a relatively stable and predict able downward - sloping market demand curve and that perfect competition exists in the markets in which the firm buys its in puts. Under such conditions a profit maximizing monopolist will set marginal cost equal to marginal revenue and sell a lower output and charge a higher price than would pertain under perfect competition.

In the monopoly market, there is only one supplier in the market. When there is only one demander in the market, economists call the market a monopoly. An example of an actual market in our economy that corresponds rather closely to the monopoly model is the telephone industry, although the rate of profit it can earn is limited by government regulation.

MONOPOLISTIC COMPETITION :

Between the two extreme market structures explained above, there is an important market structure which is known as monopolistic competition. Monopolistic competition in markets exists in which a large number of firms produce and sell products that are differentiated but close substitutes of each other. In this form of market structure there is blending of monopoly and competition. Monopoly exists in the sense that each of a large number of firms exercises sole control over the supply of its brand of the product. But, along with it, a firm in this market structure also faces competition from the other brands or varieties of the product which are close substitutes of its brand. In a way in the monopolistic competition, monopolies are competiting with each other.

Let us give an example of monopolistic competition. There are more than 20 brands of bathing soap such as Lux, Hamam, GodreJ, Palmolive, Dove, Jai, O.K., available in the Indian market. A firm called Hindustan Lever is the manufacturer of Lux and because it has patent rights over the trade name Lux, no one else can produce bathing soap named Lux. Therefore, Hindustan Lever has monopoly in the production of Lux. But it can not be said to have absolute or pure monopoly because it has to compete with other varieties of bathing soap such as Hamam, Godrej, Palmolive available in the market ans which are its close substitutes. Therefore, under monopolistic competition, prices of the products of different firms can be only slightly different from each other depending upon the goodwill or popularity they enjoy among consumers. Market structure of monopolistic competition prevails in the real workd in several industries as those producing tooth pastes, tooth brushes, televisions, wooden furniture, electric fans, bulbs, cigarettes, etc.

TEACHING STRATEGIES

Concept	Method	Techniques	Teaching - Aids	Community Resources	Learning Outcome
Perfect Competition	Discussion	Questioning	***Traditional*** -	Home	Cognitive development
Monopoly	Observation	Observation	Text-books	School Teachers	Life skill
and	Lecture	Narration	Black-board	Experts	Work skill
Monopolistic Competition	Inductive	Clarification	Paper	Scientist	Environment awarness
	Direct experience		***Visuals***	Market Survey	Creat logical thinking
			Charts	Retailer	Observation Skill
			Graphs	Consumers	Internal Approach
			Audio-Visual	Economic Report	
			Radio	Libraries	
			Television	BSNL office	
			O.H.P.	Radio station	
			Computer	Doordarshan	
			Internet	LIC office	
			Cinema	Railway transport	
			Excursion		

LAND :

In the economic sense, land means not only soil but all of those natural resources - air, mineral deposits, well water, timber, navigable rivers - that might be used to produce goods and services. Land is the raw material we have to work with, the starting point of all production. It is also the most basic and inescapable of our limitations. For example, with enough labour and capital and with the technological know-how, we can probably produce a silk purse from a sow's ear, but no matter how hard we try, we cannot make it out of nothing.

Natural resources are not distributed evenly throughout the world, which means that means that people who live in certain areas have a great advantage over other in the struggle to attain a state of prosperity. The classic illustration of the role natural resources have in determining prosperity is the case of Kuwait. Until 1945, this Middle Eastern country seemed to be nothing more than a sand pile - no rivers, less than I percent of the land under cultivation, nearly all of the tiny population illiterate. Today thiscountry has the highest per capita income of any nation in the world; one out of every 200 people is a millionaire; free medical care, free education through the college level, and good low-cost housing are available to all citizens; there are two air conditioners for every person living there. Why ? Because it was discovered that underneath all that sand was one fifth of the entire oil reserves of the world. That one natural resource alone was enough to transform Kuwait from a poor to a rich country almost overnight.

TEACHING STRATEGIES

Concept	Method	Techniques	Teaching - Aids	Community Resources	Learning Outcome
Land	Direct experience	Questioning	***Traditional -***	Home	Cognitive development
	Survey	Observation	Text-books	School Teachers	Life Skill
	Inductive	Narration	Black-board	Experts	Practical knowledge expand
	Discussion	Clarification	Paper	Agricultural officers	Work skill
	:Lecture		***Visuals***	Farmers	General awarness
			Charts	Forest officers	Environment awarness
			Maps	Government officers	Creat logical thinking
			Models	Social workers	Observation Skill
			Graphs	Leaders	Internal Approach
			Picture	Environment experts	
			Audio-Visual	Libraries	
			Radio		
			Television		
			Computer		
			Cinema		
			Documentaries		

RENT :

However, in Modern economic theory, the term rent is used not only in the sense of reward for the use of land, but also in the sense of reward. For the use of land, but also in the sense of surplus earnings of the factors over their transfer earnings. In fact, in the later sense the concept of rent has been generalised so that it applies to surplus return over and above their transfer earnings of all factors of production, so that it is no longer peculiarly associated with land.

As mentioned before, distinguishing feature of land is that not human effort or scrifice has been necessary to make it available to society. Since land is not producible by man, its supply is absolutely inelastic, although its productivity can be increased by various improvements such as clearing, draining, introduction of irrigation facilities etc. These improvements are made by the efforts of man and therefore constitute capital goods. As the quantity of land available for use is scarce relative to demand, a price must be paid for its use. This price for the use of land, or what is commonly called ***land rent***, is obtained by those people in the society in whom the ownership of land is vested. Thus the term rent which was originally employed for the price paid for the use of land came to be used for the surplus earnings of any factor of production in excess of the cost incurred to obtain its service.

The term rent refers to the payment made for the use of those factors of production whose existence is not dependent of any human effort or scrifice. The chief example of the factor whose existence is not due to any effort or scrifice made by man is land, land to society is a free gift from nature. Society has not incurred any cost to obtain the land. Moreover, land is not producible. So is the case with other natural resources. In fact, the term land, as used in economics, includes all natural resources. Since the supply of land and other natural resources are perfectly inelastic therefore the term rent has also been defined as the price paid for the use of perfectly inelastic factors of production. As mentioned above, rent in this sense of often reffered to as land rent.

TEACHING STRATIGIES

Concept	Method	Techniques	Teaching - Aids	Community Resources	Learning Outcome
Rent	Discussion	Questioning	***Traditional -***	Home	Cognitive development
	Survey	Observation	Text-books	School Teachers	Life Skill
	Inductive	Clarification	Black-board	Experts	Practical knowledge expand
	Deductive	Assignment	Paper	Farmers	Work skill
	Lecture		***Visuals***	Landlord	Decision making
	Direct experience		Charts	House owners	Problem solving
			Graphs	Lawyers	Environment awarness
			Diagram	Shops	Creat logical thinking
			Picture	Libraries	Observation Skill
			Audio-Visual		Internal Approach
			Radio		
			Television		
			Computer		
			Cinema		
			Documenta-ries		

LABOUR :

Land is only the starting point of production. Unless there is someone to plant and harvest the crops, dig the coal out of the ground or build pipelines for the oil, these natural resources will have a productive yield of zero. The second productive resource is a human one, the labour and services. The amount of labour available is of course limited by the size of the population, which is turn is eventually limited by the amount of natural resources available to produce the food, clothing, and shelter needed to sustain it. But it is quite possible for an economic system to increase available labor resources, even though no more people have been added to the population. Programs to provide adequate food and clothing for workers, to immunize them against diseases, or to train or educate them can greatly increase both the number of hours or days that a man can perform his job and the skill or speed with which he performs it.

Economists speak of "units of labour", a term that may sound as if they consider all workers identical and therefore readily interchangeable. Although it is convenient to refer to workers as input units, economists also recognize that the individual units may vary enormously in the quantity and quality of work they are able to accomplish. A lawyer and a secretary each supply one unit of labor, but we would not assume that either of them could perform both jobs equally well. Inherent talents and intelligence, coupled with the kinds of training and education received, are the primary fators that determine the jobs for which one is best suited. But health, physical strength, motivation, and willingness to work also influence ability to perform a given task efficiently.

WAGES :

It is important to know how many hours a worker will be willing to work at different wage rates or in other words, how much work effort a worker will supply at various money wage rates. Normally, the work-effort put in by the workers will vary in response to the changes in wage rates. We assume that the worker makes a contract with the employer to work for a certain wage rate per hour and that he is free to choose the number of hours he has to work in a week.

The number of work-hours in a week may be fixed by law or by an agreement between the workers as a whole and the employer. Therefor, in actual practice the worker may not be free to vary the number of hours he has to work. Even then, it may be pointed out that the workers can vary the number of hours to work in a week to some extent by choosing whether or not to work overtime, by taking leave on false pretexts, and by making similar other adjustments.

This is the case with the workers who are employed on the basis of wages or salaries. Then there are self-employed people such as farmers, business proprietors, independent professionals, etc. Who can choose the number of hours they have to work in a week and their choice will depend upon the money rewards they are able to obtain for their work.

TEACHING STRATIGIES

Concept	Method	Techniques	Teaching - Aids	Community Resources	Learning Outcome
Labour	Inductive	Questioning	***Traditional -***	Home	Cognitive development
and	Deductive	Observation	Text-books	School Teachers	Life Skill
Wages	Discussion	Narration	Black-board	Experts	Work skill
	Lecture	Story telling	Paper	Factory worker	Decision making
		Assignment	***Visuals***	Farmer	Environment awarness
			Charts	Labour	Creat logical thinking
			Graphs	Actors	Observation Skill
			Diagrams	Engineers	Internal Approach
			Picture	Doctors	
			Audio-Visual	Architecture	
			Radio		
			Television		
			Computer		
			Internet		
			Cinema		
			Documentaries		

CAPITAL :

It is common to hear the term "capital" used to refer to money capital, or more specifically, the money invested in a business enterprise. But in economics, money is not considered an economic resource, because it cannot directly produce anything. Instead, capital refers only to the man-made instruments of production. The machines inside a factory, the factory building, the trucks that transport the finished products are all classified as physical capital. Even the highway that the truck drives over can be considered a kind of capital good, jointly owned by all the citizens. This kindof capital good, which is necessary for the operation of the economic system, is called the social infrastructure of an economy. A concept analogous to physical capital is human capital - characteristics of people that are productive, such as knowledge, innate abilities, or skills.

The decision to acquire more capital goods involves a willingness to sacrifice temporarily the production of a certain amount of consumer goods - those goods and services that are purchased by individual households and that directly yield satisfaction to them. This sacrifice is necessary because capital goods are man-made and because their production requires the use of economic resources, by they automobiles or leisure time, that might otherwise be used to produce consumer goods. The Acme Balloon Gompany, with 90 employees, can use its economic profit to hire 10 additional workers, thus producing the maximumnumber of balloons and the greatest possible profit. Or it may decide to hold the size of its labour force constant at 90 workers and use the money instead to build an addition to the factory. One way to think of the immediate cost of the addition would be in terms of the number of balloons those 10 extra men could have produced. But when the addition is finished, the increase in Acme's capital would allow the company to produce, say, twice as many balloons as it did before.

INTEREST :

Interest has been variously defined and interpreted. Firstly, interest was conceived by classical economists as the earnings of capital, that is, the rate of return over capital was called the rate of interest. Some classical economists distinguished between the natural or real rate of interest and the market rate of interest. The market rate of interest is the rate at which funds can be borrowed in the market, while the natural rate of interest is higher than the market rate of interest, then there will be greater investment in capital with the result that the natural rate of interest (i.e., the rate of return on capital) will fall. The equilibrium will be established when the natural rate of interest becomes equal to the market rate of interest.

On the other hand, Knight and J.B.Clark explained the phenomenon of interest only from the viewpoint of the demand for capital and laid stress on the productivity of capital as a determining factor of interest. Irving Fisher, Bohm Bawerk and some others explained the nature and determination of interest taking into account both the time preference (working on the supply side) and the productivity of capital (working on the demand side). It is evident that the classical economists emphasized the role of real factors such as thrift (i.e. abstinence or waiting), time preference and productivity of capital in the determination of interest. Therefore, the classical theory is also known as real theory of interest.

TEACHING STRATIGIES

Concept	Method	Techniques	Teaching - Aids	Community Resources	Learning Outcome
Capital	Lecture	Questioning	***Traditional -***	Home	Cognitive development
and	Discussion	Observation	Text-books	School Teachers	Life Skill
Interest	Story telling	Narration	Black-board	Experts	Practical knowledge expand
	Observation	Clarification	Paper	Landlord	General awarness
	Inductive	Drill	***Visuals***	Banks	Discision] making
	Deductive		Charts	Industry	Problem soving
	Problem		Graphs	Agriculture officers	Environment awarness
	Lecture		Tables	Post office	creat logical thinking
			Audio-Visual	Jwellers	Observation Skill
			Radio		Internal Approach
			Television		
			Computer		
			Cinema		

ENTERPRENEUR :

Having explained two factors - labour and capital we how turn to teh explanation of the third important factor, namely, the entrepreneur. It is not enough to say that production is a function of land, capital and labour. There must be some factor which combines these factors in the right proportion and initiates the process of production and bear the risk involved in it. This factor is known as the entrepreneur. He has also been called the organiser, the manager and the risk-taker. But in these days of specialization, the task of manager of organiser has become different from that of the entrepreneur. While the organisation and management include decision-making of routine sorts, the task of the entrepreneur is to initiate production work and to bear the risks involved in it. He may employ, on wage basis, managers and organisers who manage day-to-day affairs of the organization. Further, even risk-taker is not an appropriate word for the entrepreneur because in a Joint Stock Company, the risk is borne by the shareholders who neither participate in decision- making, nor do they initiate business. We will, therefore, use the word entrepreneur for this factor of production.

PROFITS :

After having discussed the determination of rent of land, wages of labour and interest on capital, we now pass on to the study of profits which are said to be the reward for enterprise, the fourth factor of production. No doubt profits are associated with entrepreneur and his function but the economists from time to time have expressed diverse and conflicting views about the nature, origin and role of profits. Till today, there is no complete agreement among economists about the true nature and origin of profits. As a matter of fact, there has been perhaps no topic in the whole economic theory which has been in such a confused and tangled state as the theory of profit.

A part of the confusion in the theory of profit is due to the lack of agreement among economists about the true or proper function of the entrepreneur. Some have held the view that the function of the entrepreneur is to organise and co-ordinate the other factors of production. According to them, entrepreneur earns profits for his performing this function. On this view, enterprise is a special type of labour and profits a special form of wages. Some others have described the entrepreneur as performing joing and inseparable functions of *responsibility* (i.e.,ultimate risk bearing) and control (i.e., ultimate decision making). The entrepreneur earns profits because he takes risk, for his price and output policies may prove to be incorrect in view of the future business movements. Schumpeter has assigned to the entrepreneur the role of an innovator and profits as a reward for his introducing innovations. Lastly, F.H. Knight has emphasized the uncertainty in the economy as a factor which gives rise to profits and bearing of uncertainty is the task of the entrepreneur.

TEACHING STRATIGIES

Concept	Method	Techniques	Teaching - Aids	Community Resources	Learning Outcome
Enterprenuer	Discussion	Questioning	***Traditional -***	Home	Cognitive development
and	Lecture	Observation	Text-books	School Teachers	Life Skill
Profit	Inductive	Clarification	Black-board	Experts	Environment awarness
	Deductive	Drill	Paper	Industries manager	Creat logical thinking
			Visuals	Banks	Decision making
			Charts	Landlord	Observation Skill
			Graphs	Auditor	Internal Approach
			Picture	Consumers	
			Audio-Visual	Enterprenuer	
			Radio	Traders	
			Television	Retailor	
			Computer	Farmer	
			O.H.P.	Government officer	
			Cinema		
			Documenta-ries		

NATIONAL INCOME :

A measure of the money values of the goods and services becoming available to the nation from economic activity. There are three approaches to measuring this : First, as a sum of the incomes derived from economic activity, these broadly divide into incomes from profits and incomes from employment: second, as the sum of expenditures with the main distinction being between expenditure on consumption and expenditures which add to the capital stock.(investment) Finally, as the sum of the products of the various industries of the nation. These three measures, the income, expenditure and output (product) approaches, gives rise to several different ways of describing, the various aggregates employed incompiling the national accounts and these are described and illustrated in the table below.

TEACHING STRATIGIES

Concept	Method	Techniques	Teaching - Aids	Community Resources	Learning Outcome
National Income	Inductive	Questioning	***Traditional*** -	Home	Cognitive development
	Deductive	Observation	Text-books	School Teachers	Life skill
	Discussion	Narration	Black-board	Experts	Work skill
	Lecture	Clarification	Paper	Scientist	Environment awarness
			Visuals	Social Worker	Creat logical thinking
			Charts	Government	Observation Skill
			Graphs	Actors	Internal Approach
			Diagrams	Cybernatics	
			Tables		
			Audio-Visual		
			Radio		
			Television		
			Computer		
			Internet		
			Cinema		
			Documentarirs		

STATISTICS :

When a student says that he got 70 % marks or when a doctor examines a few drops of blood and decides the percentage of sugar in the blood. He is using statistical method.

The word statistics has different meaning for different persons. Majority of people take the word statistics in terms of numbers. Whenever, they hear the word, they think of figures. However, statistics has other meanings also. Statistics in plural sense refers to collection of information about any partifular thing. On the other hand, statistics in singular sense means the methods used for collection, analysis and interpretation of data.

"The science of statistics is a study of the methods applied in collecting, analysing and interpreting quantitative data, effected by multiple causation in any department of enquiry."

An economist has to deal with the problems of production, distribution, consumption and exchange. It is necessary for his to know that how people spend their income, what is the production capacity of a nation and variations in production from time to time etc. He solves these problems by using the statistics.

TEACHING STRATIGIES

Concept	Method	Techniques	Teaching - Aids	Community Resources	Learning Outcome
Statistics	Lecture	Questioning	***Traditional -***	Home	Cognitive development
	Text-Book	Observation	Text-books	School Teachers	Life Skill
	Problem	Text-book	Black-board	Experts	Environment awarness
	Project	Clarification	Paper	Scientist	creat logical thinking
	Discussion		***Visuals***	Social Worker	Observation Skill
	Inductive		Charts	Government	Internal Approach
			Graphs	Actors	
			Diagram	Cybernatics	
			Picture		
			Audio-Visual		
			Radio		
			Television		
			Computer		
			Cinema		

Chapter - V Analysis and Interpretation of Data

5.1. Introduction

5.2. Interpretation

5.3. Analysis of Data collected from Student-Teachers pertaining to ECCT

5.3.1. Types of Data Collected

5.4. Achievement of Graduate and Post graduate student teachers of Economics subject wise on ECCT with Economics as their first and second method.

5.5. Achievement of Graduate and Post graduate student-teachers of Economics on ECCT with Economics and Non-Economics method.

5.6. Achievement of student-teachers of Economics with Economics as their first and second method on the ECCT sex wise.

5.7. Analysis of student-teachers clarity on concepts from the 12 branches of Economics.

5.8. Analysis of data collected from experts in Economics Pertaining to ECCT.