ECONOMICS (Code No. 030)
(2021-22)

Rationale

Economics is one of the social sciences, which has great influence on every human being. As economic life and the economy go through changes, the need to ground education in children's own experience becomes essential. While doing so, it is imperative to provide them opportunities to acquire analytical skills to observe and understand the economic realities.

At senior secondary stage, the learners are in a position to understand abstract ideas, exercise the power of thinking and to develop their own perception. It is at this stage, the learners are exposed to the rigour of the discipline of economics in a systematic way.

The economics courses are introduced in such a way that in the initial stage, the learners are introduced to the economic realities that the nation is facing today along with some basic statistical tools to understand these broader economic realities. In the later stage, the learners are introduced to economics as a theory of abstraction.

The economics courses also contain many projects and activities. These will provide opportunities for the learners to explore various economic issues both from their day-to-day life and also from issues, which are broader and invisible in nature. The academic skills that they learn in these courses would help to develop the projects and activities. The syllabus is also expected to provide opportunities to use information and communication technologies to facilitate their learning process.

Objectives:

- Understanding of some basic economic concepts and development of economic reasoning which the learners can apply in their day-to-day life as citizens, workers and consumers.
- Realisation of learners' role in nation building and sensitivity to the economic issues that the nation is facing today.
- Equipment with basic tools of economics and statistics to analyse economic issues. This is pertinent for even those who may not pursue this course beyond senior secondary stage.
- Development of understanding that there can be more than one view on any economic issue and necessary skills to argue logically with reasoning.

ECONOMICS (030)
CLASS – XI (2021-22)

Theory: 80 Marks **3 Hours**
Project: 20 Marks

Units		**Marks**	**Periods**
Part A	**Statistics for Economics**		
Unit 1	Introduction	13	07
Unit 2	Collection, Organisation and Presentation of Data		27
Unit 3	Statistical Tools and Interpretation	27	66
		40	**100**
Part B	**Introductory Microeconomics**		
Unit 4	Introduction	4	8
Unit 5	Consumer's Equilibrium and Demand	13	32
Unit 6	Producer Behaviour and Supply	13	32
Unit 7	Forms of Market and Price Determination under perfect competition with simple applications	10	28
		40	**100**
Part C	**Project Work**	**20**	**20**

Part A: Statistics for Economics

In this course, the learners are expected to acquire skills in collection, organisation and presentation of quantitative and qualitative information pertaining to various simple economic aspects systematically. It also intends to provide some basic statistical tools to analyse, and interpret any economic information and draw appropriate inferences. In this process, the learners are also expected to understand the behaviour of various economic data.

Unit 1: Introduction **07 Periods**

What is Economics?

Meaning, scope, functions and importance of statistics in Economics

Unit 2: Collection, Organisation and Presentation of data **27 Periods**

Collection of data - sources of data - primary and secondary; how basic data is collected with concepts of Sampling; methods of collecting data; some important sources of secondary data: Census of India and National Sample Survey Organisation.

Organisation of Data: Meaning and types of variables; Frequency Distribution.

Presentation of Data: Tabular Presentation and Diagrammatic Presentation of Data: (i) Geometric forms (bar diagrams and pie diagrams), (ii) Frequency diagrams (histogram, polygon and Ogive) and (iii) Arithmetic line graphs (time series graph).

Unit 3: Statistical Tools and Interpretation **66 Periods**

For all the numerical problems and solutions, the appropriate economic interpretation may be attempted. This means, the students need to solve the problems and provide interpretation for the results derived.

Measures of Central Tendency- Arithmatic mean, median and mode

Measures of Dispersion - absolute dispersion (range, quartile deviation, mean deviation and standard deviation); relative dispersion (co-efficient of range, co-efficient of quartile-deviation, co-efficient of mean deviation, co-efficient of variation)

Correlation – meaning and properties, scatter diagram; Measures of correlation - Karl Pearson's method (two variables ungrouped data) Spearman's rank correlation.

Introduction to Index Numbers - meaning, types - wholesale price index, consumer price index and index of industrial production, uses of index numbers; Inflation and index numbers.

Part B: Introductory Microeconomics

Unit 4: Introduction **8 Periods**

Meaning of microeconomics and macroeconomics; positive and normative economics

What is an economy? Central problems of an economy: what, how and for whom to produce; concepts of production possibility frontier and opportunity cost.

Unit 5: Consumer's Equilibrium and Demand **32 Periods**

Consumer's equilibrium - meaning of utility, marginal utility, law of diminishing marginal utility, conditions of consumer's equilibrium using marginal utility analysis.

Indifference curve analysis of consumer's equilibrium-the consumer's budget (budget set and budget line), preferences of the consumer (indifference curve, indifference map) and conditions of consumer's equilibrium.

Demand, market demand, determinants of demand, demand schedule, demand curve and its slope, movement along and shifts in the demand curve; price elasticity of demand - factors affecting price elasticity of demand; measurement of price elasticity of demand – percentage-change method.

Unit 6: Producer Behaviour and Supply **32 Periods**

Meaning of Production Function – Short-Run and Long-Run

Total Product, Average Product and Marginal Product.

Returns to a Factor: Law of Variable Proportions

Cost: Short run costs - total cost, total fixed cost, total variable cost; average cost; average fixed cost, average variable cost and marginal cost-meaning and their relationships.

Revenue - total, average and marginal revenue - meaning and their relationship.

Producer's equilibrium - meaning and its conditions in terms of marginal revenue - marginal cost.

Supply, market supply, determinants of supply, supply schedule, supply curve and its slope, movements along and shifts in supply curve, price elasticity of supply; measurement of price elasticity of supply - percentage-change method.

Unit 7: Forms of Market and Price Determination under Perfect Competition with simple applications. **28 Periods**

Perfect competition - Features; Determination of market equilibrium and effects of shifts in demand and supply.

Other Market Forms - monopoly, monopolistic competition - their meaning and features.

Simple Applications of Demand and Supply: Price ceiling, price floor.

Part C: Project in Economics 20 Periods

Guidelines as given in class XII curriculum

Suggested Question Paper Design
Economics (Code No. 030)
Class XI (2021-22)
March 2022 Examination

Marks: 80 **Duration: 3 hrs.**

SN	Typology of Questions	Marks	Percentage
1	**Remembering and Understanding**: Exhibit memory of previously learned material by recalling facts, terms, basic concepts, and answers. Demonstrate understanding of facts and ideas by organizing, comparing, translating, interpreting, giving descriptions, and stating main ideas	44	55%
2	**Applying**: Solve problems to new situations by applying acquired knowledge, facts, techniques and rules in a different way.	18	22.5%
3	**Analysing, Evaluating and Creating:** Examine and break information into parts by identifying motives or causes. Make inferences and find evidence to support generalizations. Present and defend opinions by making judgments about information, validity of ideas, or quality of work based on a set of criteria. Compile information together in a different way by combining elements in a new pattern or proposing alternative solutions.	18	22.5%
	Total	**80**	**100%**

ECONOMICS
CLASS - XII (2021-22)

Theory: 80 Marks **3 Hours**
Project: 20 Marks

Units		Marks	Periods
Part A	**Introductory Macroeconomics**		
Unit 1	National Income and Related Aggregates	12	30
Unit 2	Money and Banking	6	15
Unit 3	Determination of Income and Employment	10	25
Unit 4	Government Budget and the Economy	6	15
Unit 5	Balance of Payments	6	15
		40	**100**
Part B	**Indian Economic Development**		
Unit 6	Development Experience (1947-90) and Economic Reforms since 1991	12	28
Unit 7	Current Challenges facing Indian Economy	22	60
Unit 8	Development Experience of India – A Comparison with Neighbours	06	12
	Theory Paper (40+40 = 80 Marks)	**40**	**100**
Part C	**Project Work**	**20**	**20**

Part A: Introductory Macroeconomics

Unit 1: National Income and Related Aggregates **30 Periods**

What is Macroeconomics?

Basic concepts in macroeconomics: consumption goods, capital goods, final goods, intermediate goods; stocks and flows; gross investment and depreciation.

Circular flow of income (two sector model); Methods of calculating National Income - Value Added or Product method, Expenditure method, Income method.

Aggregates related to National Income:

Gross National Product (GNP), Net National Product (NNP), Gross Domestic Product (GDP) and Net Domestic Product (NDP) - at market price, at factor cost; Real and Nominal GDP, GDP Deflator.

GDP and Welfare

Unit 2: Money and Banking **15 Periods**

Money - meaning and supply of money - Currency held by the public and net demand deposits held by commercial banks.

Money creation by the commercial banking system.

Central bank and its functions (example of the Reserve Bank of India): Bank of issue, Govt. Bank, Banker's Bank, Control of Credit through Bank Rate, CRR, SLR, Repo Rate and Reverse Repo Rate, Open Market Operations, Margin requirement.

Unit 3: Determination of Income and Employment **25 Periods**

Aggregate demand and its components.

Propensity to consume and propensity to save (average and marginal).

Short-run equilibrium output; investment multiplier and its mechanism.

Meaning of full employment and involuntary unemployment.

Problems of excess demand and deficient demand; measures to correct them - changes in government spending, taxes and money supply.

Unit 4: Government Budget and the Economy **15 Periods**

Government budget - meaning, objectives and components.

Classification of receipts - revenue receipts and capital receipts; classification of expenditure – revenue expenditure and capital expenditure.

Measures of government deficit - revenue deficit, fiscal deficit, primary deficit their meaning.

Unit 5: Balance of Payments **15 Periods**

Balance of payments account - meaning and components; balance of payments deficit-meaning.

Foreign exchange rate - meaning of fixed and flexible rates and managed floating.

Determination of exchange rate in a free market.

Part B: Indian Economic Development

Unit 6: Development Experience (1947-90) and Economic Reforms since 1991:

28 Periods

A brief introduction of the state of Indian economy on the eve of independence.

Indian economic system and common goals of Five Year Plans.

Main features, problems and policies of agriculture (institutional aspects and new agricultural strategy), industry (IPR 1956; SSI – role & importance) and foreign trade.

Economic Reforms since 1991:

Features and appraisals of liberalisation, globalisation and privatisation (LPG policy); Concepts of demonetization and GST

Unit 7: Current challenges facing Indian Economy **60 Periods**

Poverty- absolute and relative; Main programmes for poverty alleviation: A critical assessment;

Human Capital Formation: How people become resource; Role of human capital in economic development; Growth of Education Sector in India

Rural development: Key issues - credit and marketing - role of cooperatives; agricultural diversification; alternative farming - organic farming

Employment: Growth and changes in work force participation rate in formal and informal sectors; problems and policies

Infrastructure: Meaning and Types: Case Studies: Energy and Health: Problems and Policies- A critical assessment;

Sustainable Economic Development: Meaning, Effects of Economic Development on Resources and Environment, including global warming

Unit 8: Development Experience of India: **12 Periods**

A comparison with neighbours

India and Pakistan

India and China

Issues: economic growth, population, sectoral development and other Human Development Indicators

Part C: Project in Economics 20 Periods

Prescribed Books:

1. Statistics for Economics, NCERT
2. Indian Economic Development, NCERT
3. Introductory Microeconomics, NCERT
4. Macroeconomics, NCERT
5. Supplementary Reading Material in Economics, CBSE

Note: *The above publications are also available in Hindi Medium.*