Curriculum in Economics at the Secondary Level

1. Rationale

The study of Economics plays an important role throughout our life. Today, economic issues are drawing the attention of every citizen directly or indirectly. It is therefore, appropriate to include Economics as a distinct area of study in the system of open school learning particularly because for most of the students it will be a terminal stage. At the same time it fits within the frame of open schooling wherein it is advocated that education should be relevant to the needs of students. Economics, in comparison to other social science subjects has an edge in providing certain job opportunities to the learners and open the gates for various occupations, if they pursue the study of the subject further. Another reason why Economics teaching is necessary is that there are many changes occurring in our economy like privatisation, liberalisation and the outside forces are influencing it like globalisation etc. This makes a strong case for imparting economic education to all the students so that they may understand these new concepts and issues are related with economy.

Further, the learning of Economics help the student to participate effectively in economic and social affairs and to take intelligent decisions in day-to-day life. At the same time the democratic system which we have adopted will succeed only when we win the race on economic fronts. In the interests of our own survival and of the nation, there is no education more important than that which helps us to understand our economic problems and reflect on them. From all these angles, Economics teaching- learning become cogent and highly significant in modern times.

The present course in Economics at the secondary stage in open schooling has been developed with some difference, generally not found in the formal education system at this stage. The whole idea behind arranging the units in the present form is to make Economics teaching more useful, nearer to the environment of the learner and to build economic literacy.

The starting point of the new course is : Evolution of wants and their characteristics, moving to human wants which are pivotal to production and consumption. Attempt has also been made to give the learner a bird's eye view of the status of present economy and some important problems related to it. A new thrust has been made that the learner should try to solve economic problems through our indigenous thinking rather than looking to foreign models for solution of Indian economic problems.

Some flavour to practical aspects has also been provided in the course by including content on saving and how to open accounts in Banks and Post Offices. At the same time how to channelise

the savings in different schemes of these economic institutions has also been told. Last but not the least, a hidden idea is also there that students may be acquinted with the latest economic data and draw simple inferences. It is expected that this all will make Economics teaching learning interesting and relevant.

2. Objectives

- To acquaint students with the contemporary economic problems and to help them appreciate the efforts being made to solve these problems.
- To foster an urge among students for effective participation in the task of economic reconstruction.
- To prepare students to cope with the necessary stress and strain during the process of economic development.
- To acquaint students about different criteria of dividing world economy and find out why some countries are rich and some poor.
- To develop among students an understanding of nation's physical and human resources and their potentialities for economic development.
- To deepen the knowledge and understanding about the impact of development on environment.
- To develop among students favourable attitudes towards conservation and wise use of our natural resources avoiding their misuse and wastage.
- To help students understand that various sectors of Indian economy are interlinked and that all the sectors must develop simultaneously through planned and coordinated efforts.
- To familiarise students with basic terminology and elementary ideas of Economics.
- To help students acquire skills in interpreting simple statistical data.

3. Course Structure

Distribution of Marks

S.No.	Title of the Module	Marks	Hours
1.	Evolution and Characteristics of Wants	7	15
2.	Human Wants and Production	8	20
3.	Increasing Production of Goods and Services	7	15
4.	Distribution of Goods and Services	7	15
5.	Buying of Goods and Services	7	17
6.	Selling of Goods and Services	8	23
7.	Savings: Banks, Post Offices and Insurance	8	20

8.	Understanding an Economy	9	15
9.	Indian Economy : An overview and problems	19	50
10.	World Economy	10	25
11.	Environment and Sustainable Development	10	25
		100	240

4. Evaluation

The evaluation system for this subject would consist of internal evaluation through Tutor Marked Assignment (TMA) and external examination. The awards of TMA will be reflected separately on the Mark Sheet. The external examination will be conducted twice a year. Besides these, there will be certain inbuilt components of self evaluation such as Intext Questions, Terminal exercise, etc.

5. Course Description

Module : 1

Evolution and Characteristics of Wants

Approach

Marks 7

Human wants are unlimited. Wants are of different types. They are of different characteristics. The wants are further classified into necessities, comforts and luxuries. As society grows wants also grow and change. This module is about the evolution and characteristics of wants, difference between desire and wants, growth of wants and their relationship with limited resources.

1.1 Evolution Of Wants

1.1.1 Wants-how they arise and grow

1.1.2 Growth of wants – their interdependence

1.1.3 Growing wants-their effects

1.1.4 Difference between desire and want

1.2 Characteristics Of Wants

1.2.1 Unlimited wants

1.2.2 Wants arise again and again; also change

1.2.3 Different types of wants

1.2.4 Expanding nature and growth of wants

1.2.5 Relationship between wants and limited resources

1.2.6 Maximum satisfaction through limitation of wants-the Indian philosophical view point

Module : 2

Human Wants and Production

Approach

Marks 8

Human wants are satisfied by goods and services which are carried through various economic activities. However, some non-economic activities also satisfy human wants. Growing wants require more and more production of goods and services. Production activities are organised by private, public and cooperative sectors. Production is done by various factors of production. This module describes how goods and services are produced and how the production is organised.

2.1 Human Wants And Economic Activities

2.1.1 Human wants-basis of all economic activities

2.1.2 Economic and non-economic activities

2.1.3 Economic activities in relation to production, consumption and investment

2.2 Goods And Services

2.2.1 Meaning of Goods and Services in Economics

2.2.2 Goods and Services- essential for satisfying human wants

2.2.3 Goods and Services – Classification and significance

2.3 Production Of Goods And Services

2.3.1 Factors of production – Types and their combined use in production.

2.3.2 Factors of production – their returns

2.4 Organisation Of Production

2.4.1 Production Units – Classification on the basis of ownership

2.4.2 Government, Private and Cooperative Sectors-their function in organisation of production

Module : 3

Increasing Production of Goods and Services

Approach

Marks 7

Human wants are satisfied by the use of goods and services. Due to increase in wants, production of goods and services is also to be increased. Goods are produced by different types of industries – some are large and some small. Households also produce goods and services. Economic development of the country is possible through increasing production and productivity. In this task the role of science and technology is very important.

3.1 Need For Increasing Production

3.1.1 Increasing production for achieving economic development and social welfare of the people

3.2 Scale Of Production

3.2.1 Household to small scale and small scale to large scale. Production catering consumption needs of various types of consumers

3.2.2 Importance of Production and Productivity

3.2.3 Industrial Revolution – role in increasing Production

3.2.4 Use of Science and Technology in increasing production, quality goods and services

Module : 4

Distribution of Goods and Services

Approach

Marks 7

There are many intermediaries between the producers and final consumers who help in moving goods and services in the system distribution of net work. This net work comprises of markets, wholesalers, retailers and different types of infrastructure. Market is a place where buying and selling of commodities is done. In practical life, we see different types of markets likewise we have different types of traders. They handle the volume of goods and services. In this process, infrastructure is also needed. The process of distribution is affected in times of strike, war and other emergencies. With globalisation, there is a dramatic change in the distribution system. Today with the help of internet, consumers can order goods and services directly from producers.

4.1 Distribution

4.1.1 Meaning of Distribution

4.1.2 Importance of Distribution

4.1.3 Factors affecting Distribution process

4.1.4 Network of intermediaries between producers and final consumers of goods and services

4.1.5 Effects of distribution

4.2 Role Of Science And Technology

4.2.1 Role of Transport, communication, warehousing and insurance

4.2.2 Advertising

4.2.3 Impact of globalisation

Module : 5

Buying of Goods and Services

Approach

Marks 7

Buying and selling are two important economic activities. Buyers can be classified as household, firms and government. Buying capacity of consumer depends on his/her means. Some of the important aspects of means are current income, past and present savings, borrowing and loans. There is an uneven distribution of these means between people. It is therefore imperative to acquire these means by increasing production activities in different sectors of our economy.

There is also a great need to improve opportunities through education and training. Government schemes related to generating employment help in increasing opportunities of acquiring means.

5.1 Buyers and Buying

5.1.1 Classification of buyers into Household, Firms and Government

5.2 **Means of Buying and Helping the Poor**

5.2.1 Current income, past savings, borrowings and loans

5.2.2 Unequal distribution of means-need to narrow the gaps

5.3 Acquiring Means Of Buying

5.3.1 Different sectors of the Economy

5.3.2 Production activities in Primary, Secondary and Tertiary sectors of the economy.

5.3.3 Unequal opportunities for acquiring means

5.4 Helping The Poor

5.4.1 Providing opportunities to the poor. Giving them education and training for their upliftment

5.5 Factors Effecting Buying

5.5.1 Depends on Income, Availability of goods and services, Prices of different Commodities

5.5.2 Effects of rise and fall in purchasing power

Module : 6

Selling of Goods and Services

Approach

Marks 8

Sellers, like buyers, are the other side of the coin in economic activity. Those sellers who operate within the domestic country are called domestic sellers and those who deal at the international level are called international sellers. On the basis of ownership they are categorised as private and government sellers. On the basis of quantity sold, they are classified as wholesalers and retailers. Market is a place where sales transactions are done. In normal conditions, the prices of the commodities in market are determined by the factors of demand and supply. Sometimes Government also exercises control on prices, they are called administered prices. Government influences demand and supply by imposing taxes and subsidies.

6.1 Sellers

6.1.1 Sellers of goods and services

6.1.2 Wholesalers and retailers

6.1.3 Private sellers and Government sellers

6.1.4 Domestic sellers and international sellers

6.2 The Process of Selling

6.2.1 Types of Markets

6.2.2 Identification of buyers

6.2.3 Sales promotion

6.3 **Prices of Goods and Services**

6.3.1 Market determined price

6.3.2 Government determined price

6.3.3 Support price

6.3.4 Token price

6.4 Quantities Sold And Purchased

6.4.1 Price at which demand and supply are equal

6.4.2 Taxes and subsidies

6.4.3 Public distribution system.

Module :7

Savings : Banks, Post Offices and Insurance

Approach

Marks 8

In an economy, there are many individuals who forgo their present consumption and save for the future. At the same time there are many individuals who spend more than their income and need to borrow. Individuals with surplus funds who prefer to take less risks deposit their money in Banks and Post Offices because their funds are safe in these deposits. Some people prefer to invest their savings in various Insurance schemes. This type of economic activities i.e. depositing funds with banks, post offices and in insurance schemes reward them returns. In turn banks, post offices and insurance lend deposited funds to individuals, government and institutions etc. who are in need of money. In India, householders are main savers while private, corporate and government sectors are the main borrowers. Banks, Post Offices and insurance are the intermediaries between householders and borrowers for mobilising savings. Individuals, having surplus funds deposit their savings in various schemes of Banks, Post Offices. They also opt for various insurance schemes, particularly life insurance and medical to secure the future. They some time also go for the schemes of General Insurance.

7.1 Savings

7.1.1 Meaning of savings

7.1.2 Importance of savings

7.1.3 Types of Savers and Borrowers

7.1.4 Role of Banks and Post offices in mobilising savings

7.2 Savings In Banks And Post Offices

7.2.1 Types of Accounts – Saving Bank Account and Fixed Deposit Account in Banks and Post Offices

7.2.2 Various saving schemes in Banks and Post Offices

7.2.3 Procedures for opening various accounts in Banks and Post Offices

7.2.4 Role of Savings in country's development

7.3 Savings For Insurance

7.3.1 Concept and simple meaning of Insurance

7.3.2 Various types of insurance schemes in different sectors of Indian economy

7.3.3 Meaning of Life Insurance, Medical Insurance and other Insurance schemes for children, etc. and General Insurance.

7.3.4 Role of Insurance in country's development.

Module : 8

Understanding an Economy

Approach **Marks 9**

This module narrates the meaning of an economy, different types of economy on the basis of ownership and control over means of production and level of development. All economies also confront some central problems and look forward for their solutions. While discussing central problems, the problem of scarcity and choice will also be focused in narration of this module.

8.1 Meaning Of An Economy

8.1.1 Simple description of economy – with suitable examples.

8.2 Types Of Economy

8.2.1 (A) on the basis of ownership and control over means of production

(i) Capitalist

(ii) Socialist

(iii) Mixed economy

8.2.2 (B) on the basis of level of development:

(i) Developed economy, and

(ii) Developing economy.

8.2.3 Difference in the economies which are based on the 'ownership and control over means of production' and on the basis of 'levels of development'.

8.2.4 Meaning of Economic Development and Economic Growth.

8.3 Central Problems Of An Economy

8.3.1 What to produce

8.3.2 How to produce

8.3.3 For whom to produce

8.3.4 Reasons for calling central problems as central to economy

8.3.5 Problem of scarcity and choice

8.4 Solution Of The Central Problems

8.4.1 Price Mechanism

8.4.2 Planning

Module : 9

Indian Economy : An Overview and Problems

Approach

Marks 19

This module gives an overview of the Indian economy, its basic features like predominance of agriculture, low level of production and consumption, low per capita income etc. 'India lives in its villages' is repeatedly mentioned but less understood in totality. The module will discuss the basic features of economy, and consider few most important problems which the economy is facing since independence. The solutions for the problems will be found out keeping in view the Indian perspective.

9.1 Basic Features Of The Indian Economy

9.1.1 Predominance of agriculture, present state of agriculture (with special reference to various schemes under taken for improvement of agriculture)

9.1.2 Low level of production and consumption

9.1.3 Low per capita income

9.1.4 Rural face of the economy

9.1.5 Some other important features

9.2 Various Sectors Of Indian Economy

9.2.1 Public, Private, Joint and Cooperative Sectors – meaning, importance and features

9.2.2 Agriculture, Industry, Service Sectors – meaning, importance and their contribution to national income

9.2.3 Interlinkages between the factors for the growth of economy

9.2.4 Contribution of various sectors to National income

9.2.5 Concept of National Income (A bird's eye view) and per capita National Income

9.2.6 Role of workers in increasing National Income, thus increasing prosperity of the Nation

9.3 Important Problems Before The Economy

9.3.1 Population

Meaning and Definition, Census, Trends, Factors affecting population growth/decrease (demographic and non-demographic), Composition (age, sex, marital status, literacy-rural, urban), Distribution, Measures to check population growth in India

Population and Development

Population and Economic Development, Population and Social Development, Population and Quality of life, Population Issues related to Development : Education, Health, Housing, Traditional Values and Beliefs, Impact of Population on development.

9.2.2 Poverty

Meaning of Poverty, Poverty Line, Poverty Estimates in India, Magnititude of Poverty and Implication, Poverty eradication Programmes.

9.2.3 Unemployment

Meaning of unemployment, Types of unemployment, Causes of unemployment in India, Brain drain

9.4 Consumer Awareness

Meaning of consumption, Increasing vis-à-vis minimizing consumption – the Indian view point (minimizing excess consumption and sharing with poor), Consumer Exploitation, Consumers rights and duties, Legislation for protecting consumer's rights, Need for Consumer Education

9.5 Planning

Meaning and Need for planning, Planning after Independence. Five Years Plans with special reference to latest plan. Towards Liberalization, Privatisation, and Globalisation, New Economic Policy

Module : 10

World Economy

Approach

Marks 10

A candid appraisal reveals widening disparities between developing and developed countries. It is difficult to give productive work and a good quality of life to 2.5-3.0 billion people now living on less than $2 a day. Three billion people are likely to be added to developing countries by 2050 making the situation more worse. These are some observations of the World Development Report 2003.

There are various ways to classify world economy. The new method is to classify economies on the basis of Human Development Index which is spelled out in the various Human Development Reports. Human Development Report is published annually by UNDP which defines "development as a process of widening people choice."

10.1 World Economy

10.1.1. Criteria for classification

10.1.2. Characteristics of developed economies

10.1.3. Characteristics of developing economies, distinction between the two

10.1.4. Factors determining development.

10.1.5. Bridging the gap

10.2 New Approach To Development

10.2.1 Human Development-detailed discussion on the basis of reports so far brought out by UNDP

10.2.2 Parameters and Indicators of Development (as mentioned in Human Development Reports)

10.3 World Trade

10.3.1 Need and importance of World Trade

10.3.2 WTO and Patent Business-Intellectual Property Right (IPR) and its implications

10.3.3 Factors affecting world trade

10.3.4 Sharing of Material and Human Resources through collaboration and migration.

Module : 11

Environment and Sustainable Development

Approach

Marks 10

More people are using more resources with more intensity which has not been done in the past. Economic development, population growth, increasing affluence with rising consumption, pollution and waste are putting increasing pressure on environment. It is therefore necessary to create awareness of the need for sustainable use of resources and more effective protection of environment.

11.1 Environment

11.1.1 Meaning of Environment

11.1.2 Environmental Problems – pollution (Water and Air)

11.1.3 Degradation of Resources – Soil, Forest

11.1.4 Efforts to check Environmental problems

11.1.5 Environment and economic development – mutual relationship

11.2 Sustainable Development

11.2.1 Meaning of Sustainable Development

11.2.2 Resources : Finite nature of resources, renewable and non-renewable resources

11.2.3 Carrying capacity of environment

11.2.4 The Affluence Trap

11.2.5 Limited resources – conservation and avoidance of wastage

11.2.6 Pattern of consumption – restraining excess consumption