

Economic Applications Syllabus

There is one theory paper of two hours duration of 100 marks and Internal Assessment of 100 marks. The paper consists of Part I and Part II. Part I (compulsory) contains short answer questions on the entire syllabus. Part II consists of questions that will require detailed answers. There is a choice of questions.

1. Basic Concepts of Economics

(i) Meaning and definition of Economics; Economic entities: Consumer, Producer, Households and Government. The importance of these economic entities. The meaning of an economy and role of the economic entities.

A basic understanding of the concepts of economics. The definitions of economics with reference to allocation of resources and scarcity of resources (Robbins, Samuelson). Basic explanation of the role of consumer, producer, government and households in an economy.

(ii) Three major problems of an economy: What to produce? How to produce? For whom to produce? Efficient use of resources; basic understanding of the terms: economic growth and economic development

A brief introduction to the basic problems of an economy - What to produce? How to produce? For whom to produce? needs to be emphasized irrespective of the type of an economy. Manner in which economics as a subject helps us to allocate scarce resources in an efficient way needs to be explained. The concept of economic growth and economic development should be explained.

(iii) The nature and the classification of an economy: developed, underdeveloped and developing economy; Capitalistic, Socialistic, Mixed economies - main features.

A basic understanding of the features of capitalistic, socialistic and mixed economies is required. Meaning and classification of economies into developing and developed should be explained.

2. An Overview of Indian Economy

The nature of Indian economy: the main sectors of Indian economy - Agriculture, Industry and Services. Role of these sectors in Indian economy and their interrelationship. The sectors according to ownership- private and public; the sectors according to type of economy - rural and urban.

Role of agriculture in India and its problems. Impact of Agricultural practices on the Ecosystem.

Construction of dams - loss of habitat species. Loss of top soil and desertification.

Indiscriminate use of fertilizers and pesticides.

Measures to check the ecosystem;

Governmental initiatives: not building large dams for generating hydro electric power which leads to less land being submerged and less displacement of people.

Alternative cropping for checking loss of topsoil and desertification. Plantation and conservation of grasslands to check soil erosion. Use of manure, bio-fertilizers and bio-pesticides green manuring, compost. These are eco-friendly alternatives to pesticides and fertilizers.

Role of Industries in the Indian Economy. Impact of industrial practices on the ecosystem.

Mining, industries, energy generation, automobiles, urbanisation leading to defacement of land, deforestation, deterioration of hydrological resources.

Industrial waste: mining operations, cement factories, oil refineries, construction unit.

Spoilage of landscape, pollution, health hazards, effect on terrestrial, aquatic (fresh water and marine) life.

Measures to check the ecosystem. Improving efficiency of existing technologies and introducing new eco-friendly technologies. Methods of safe disposal of waste - segregation, dumping, composting, drainage, treatment of effluents before discharge.

Abatement of pollution.

Air: setting standards and implementing them, using technical devices to reduce pollution.

Importance of Service Sector – National Income, Employment and Regional Development (in brief, no statistical data required). Interdependence of all three sectors (Primary, Secondary and Tertiary).

Meaning of Private and Public sector with examples. Meaning of Rural and Urban sector with examples.

3. Infrastructure of the Indian Economy

Economic and social infrastructure of Indian economy. Social infrastructure- education, health, family welfare and housing.

A basic understanding of the economic and social infrastructure and its role in India's economic development. The problems pertaining to lack of such infrastructure and their adverse impact on the economy to be discussed.

4. Consumer Awareness

Ways in which consumer is exploited. Reasons for exploitation of consumers; Growth of consumer awareness; consumer behaviour in the market; consumer rights. Legal measures available to protect consumers from being exploited – (COPRA, RTI).

Understanding the importance of educating consumers of their rights - awareness of food adulteration and its harmful effects.

5. Globalization

Meaning and factors enabling Globalization, WTO, impact of Globalization.

Meaning of globalization. Factors enabling globalization – technology and liberalization (removal of trade barriers).

WTO (main objectives), favourable impacts of the globalization – starting of MNC's and benefits to Indian companies.